Regular Session, 2014

HOUSE BILL NO. 236

BY REPRESENTATIVE BROADWATER

REVENUE DEPARTMENT: Authorizes the office of debt recovery to utilize the offset of certain gaming winnings as a means to collect delinquent debt owed to state agencies

1	AN ACT
2	To amend and reenact R.S. 47:1676(C)(2)(a) and (D)(1) and to enact R.S. 47:1676(D)(4),
3	relative to the collection of certain debts by the office of debt recovery within the
4	Department of Revenue; to provide relative to the authority of such office to collect
5	certain delinquent debts; to authorize the office to utilize the offset of certain gaming
6	winnings in the collection of delinquent debt; to authorize the deduction of fees from
7	certain gaming winnings under certain circumstances; to provide for civil or criminal
8	immunity under certain circumstances; to authorize immunity from claims for
9	damages under certain circumstances; to delete references to certain political
10	subdivisions within the authority of the office of debt recovery; and to provide for
11	related matters.
12	Be it enacted by the Legislature of Louisiana:
13	Section 1. R.S. 47:1676(C)(2)(a) and (D)(1) are hereby amended and reenacted and
14	R.S. 47:1676(D)(4) is hereby enacted to read as follows:
15	§1676. Debt recovery
16	* * *
17	С.
18	* * *

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

ENGROSSED HB NO. 236

1 (2)(a) No later than January 1, 2014, agencies which do not have collection 2 contracts with the attorney general's office for the collection of delinquent debts shall 3 refer all delinquent debts to the office as provided by rule. Such referrals shall 4 include data and information in the required format necessary to institute collection All delinquent debts shall be authenticated by the agency or 5 procedures. participating political subdivision or officer prior to being referred to the office. 6 7 Once the debt becomes final, and prior to referral to the office, the agency shall 8 notify the debtor that failure to pay the debt in full within sixty days shall subject the 9 debt to an additional collection fee as provided for in this Section. All agencies shall 10 refer non-final delinquent debts to the attorney general's office for collection when 11 the debt has been delinquent for sixty days pursuant to the referral guidelines 12 established by the attorney general as incorporated into agreements between the 13 attorney general and other agencies or pursuant to the rules promulgated by the 14 attorney general pursuant to the Administrative Procedure Act. Such non-final 15 delinquent debts shall be authenticated by the agency prior to their referral to the 16 attorney general.

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D.(1) Notwithstanding any other provision of law to the contrary, the 18 19 secretary of the Department of Revenue may treat a delinquent debt referral in the 20 same manner as an assessment that has become final without restriction or delay. 21 The secretary, through the office, may use any collection remedy provided by state 22 law to facilitate the collection of taxes to collect the delinquent debt; however, the 23 financial institution data match shall only be used in accordance with the provisions 24 of R.S. 47:1677. The office may use a participating agency's statutory collection 25 authority to collect the participating agency's or participating political subdivision's 26 delinquent debts owed to or being collected by the state or participating political 27 subdivision. The office may also use authority granted in R.S. 47:299.3 regarding 28 offset from income tax refunds or other accounts payable by the state for any 29 delinquent debt transferred by agencies and political subdivisions. The secretary has

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1	the discretion to determine which method or combination thereof is most suitable to
2	collect the delinquent debt.

3	* * *
4	(4) The office shall be authorized to withhold, offset, levy, garnish, or seize
5	payments of progressive slot machine annuities and cash gaming winnings in the
6	same manner set forth in R.S. 27:24 and R.S. 47:9026 and may assume the obligation
7	for payment of such services in order to collect delinquent debt, may deduct an
8	administrative fee from each payment of a progressive slot machine annuity or cash
9	gaming winnings in accordance with R.S. 27:24(A)(5)(d), and shall be immune from
10	civil or criminal liability for the disclosure of certain information or from any claims
11	for damages arising from withholding or failing to withhold any progressive slot
12	machine annuities or cash gaming winnings in accordance with R.S. 27:24(A)(5)(b).
13	However, the authorization provided for in this Paragraph shall not prime the
14	Department of Children and Family Services' claim under the provisions of R.S.
15	46:236.15(D) to any payments of progressive slot machine annuities or cash gaming
16	winnings.
17	* * *

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Broadwater

HB No. 236

Abstract: Authorizes the office of debt recovery to offset gaming winnings as a means to collect delinquent debt owed to the state and deletes references to "participating political subdivisions" within the authority of the office of debt recovery.

<u>Present law</u> charges the office of debt recovery and the attorney general's office with collecting delinquent debts of state agencies which refer delinquent debts to them for collection. Further provides for the general powers and authority of the office of debt recovery in collecting delinquent debt that has become final and is 60 or more days past due.

<u>Proposed law</u> retains <u>present law</u> but deletes references to "participating political subdivisions" from <u>present law</u> since the collection authority of the office of debt recovery does not extend to the collection of delinquent debts owed to political subdivisions.

<u>Present law</u> authorizes the office of debt recovery to use any collection remedy authorized by <u>present law</u> to collect delinquent taxes or any state agency's statutory collection authority

to collect the referring agency's delinquent debt, including the offset of tax refunds or other accounts payable, suspension or denial of renewal of driver's licenses, and the suspension, revocation, or denial of hunting and fishing licenses, or any type of professional license, permit, or certification.

<u>Proposed law</u> retains <u>present law</u> but adds to the collection remedies the office of debt recovery the authority to withhold, offset, levy, garnish, or seize payments of progressive slot machine annuities and cash gaming winnings in the same manner set forth in <u>present law</u>.

<u>Proposed law</u> authorizes the office of debt recovery to assume the obligation of payment of certain services in order to collect delinquent debt, to deduct an administrative fee from each payment of a progressive slot machine annuity or cash gaming winnings in accordance with <u>present law</u>, and to be immune from civil or criminal liability for the disclosure of certain information or from any claims for damages arising from withholding or failing to withhold any progressive slot machine annuities or cash gaming winnings in accordance with <u>present law</u>.

<u>Proposed law</u> prohibits the office of debt recovery's claim relative to the offset or withholding of payments from progressive slot machine annuities and cash gaming winnings from priming the Dept. of Children and Family Services' claim under <u>present law</u> to any payments of progressive slot machine annuities or cash gaming winnings.

(Amends R.S. 47:1676(C)(2)(a) and (D)(1); Adds R.S. 47:1676(D)(4))

Summary of Amendments Adopted by House

- Committee Amendments Proposed by <u>House Committee on Ways and Means</u> to the <u>original</u> bill.
- 1. Added authority for the office of debt recovery to deduct an administrative fee from each payment of a progressive slot machine annuity or cash gaming winning in accordance with <u>present law</u>.
- 2. Added provision granting the office of debt recovery immunity from civil or criminal liability for the disclosure of certain information or from any claims for damages arising from withholding or failing to withhold any progressive slot machine annuities or cash gaming winnings in accordance with <u>present law</u>.
- 3. Prohibited the office of debt recovery's claim relative to the offset or withholding of payments from progressive slot machine annuities and cash gaming winnings from priming the Dept. of Children and Family Services' claim under <u>present law</u> to such payments.