DIGEST

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HB 659 Engrossed

2016 Regular Session

James

Abstract: Increases the maximum fee that can be collected by a collection agency for the payment of certain overdue fines, forfeitures, penalties, and costs.

<u>Present law</u> authorizes the clerk of a city court, a marshal, or a private collection agency as authorized by contract to collect all fines, forfeitures, penalties, and costs, and provides that all funds so collected, excluding costs, shall be paid into the city treasury or parish treasury, depending on whose behalf the money is being collected.

<u>Present law</u> authorizes the clerk of the city court or the marshal to accept payment by credit card or electronic check for all fines, forfeitures, penalties, and costs, and authorizes the collection of a processing fee not to exceed 5% of the amount of taxes and any penalties or interest being paid.

<u>Proposed law</u> retains <u>present law</u>.

<u>Proposed law</u> authorizes a private collection agency to charge a collection fee on unpaid fines, forfeitures, penalties, or costs not to exceed 25% of the balance owed.

(Amends R.S. 13:1898(C); Adds R.S. 13:1898(D))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Judiciary to the original bill:

- 1. Removes <u>proposed law provisions</u> regarding the 25% processing fee on fines, forfeitures, penalties, or costs paid by credit card or electronic check, and reinstates the <u>present law</u> 5% fee.
- 2. Provides that if fines, forfeitures, penalties, or costs are overdue, a private collection agency may charge a collection fee not to exceed 25% of the balance owed.