SLS 16RS-1015

ORIGINAL

2016 Regular Session

SENATE BILL NO. 387

BY SENATOR CORTEZ

MOTOR VEHICLES. Provides relative to collection of payments due to the office of motor vehicles and the office of debt recovery. (gov sig)

1	AN ACT
2	To amend and reenact R.S. 32:8(B) and R.S. 47:1676(D)(1), relative to the Department of
3	Public Safety and Corrections, office of motor vehicles and the Department of
4	Revenue, office of debt recovery; to provide relative to notice requirements to certain
5	debtors; to provide for debt collection of debt owed to state agencies; and to provide
6	for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 32:8(B) is hereby amended and reenacted to read as follows:
9	§8. Final delinquent debt; office of motor vehicles
10	* * *
11	B. The office of motor vehicles shall refer all final delinquent debts to the
12	office of debt recovery as provided in R.S. 47:1676. Final delinquent debt referrals
13	shall include data and information in the required format necessary to institute
14	collection procedures. All delinquent debts shall be authenticated by the office of
15	motor vehicles prior to being referred to the office of debt recovery. Once the
16	delinquent debt becomes final, and prior to referral to the office of debt recovery, the
17	office of motor vehicles shall notify the debtor in writing of the full amount of the

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

1	final debt, of all available payment options, and that failure to pay the debt in full
2	within sixty days shall subject the debt to the maximum amount owed together with
3	the additional fee collected by the office of debt recovery provided for in R.S.
4	47:1676.
5	* * *
6	Section 2. R.S. 47:1676(D)(1) is hereby amended and reenacted to read as follows:
7	§1676. Debt recovery
8	* * *
9	D.(1) Notwithstanding any other provision of law to the contrary, the
10	secretary of the Department of Revenue may treat a delinquent debt referral in the
11	same manner as an assessment that has become final without restriction or delay. The
12	secretary, through the office, may use any collection remedy provided by state law,
13	including installment agreements and offers in compromise, to facilitate the
14	collection of taxes to collect the delinquent debt; however, the financial institution
15	data match shall be used only in accordance with the provisions of R.S. 47:1677. The
16	office may use a participating agency's statutory collection authority to collect the
17	participating agency's delinquent debts owed to or being collected by the state. The
18	office may also use authority granted in R.S. 47:299.3 regarding offset from income
19	tax refunds or other accounts payable by the state for any delinquent debt transferred
20	by agencies. The secretary has the discretion to determine which method or
21	combination thereof is most suitable to collect the delinquent debt.
22	* * *
23	Section 3. This Act shall become effective upon signature by the governor or, if not
24	signed by the governor, upon expiration of the time for bills to become law without signature
25	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
26	vetoed by the governor and subsequently approved by the legislature, this Act shall become

27 effective on the day following such approval.

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Leonore Heavey.

SB 387 Original

DIGEST 2016 Regular Session

Cortez

<u>Present law</u> requires the office of motor vehicles to provide written notice to all debtors whose debt have become final before final debts are referred to the office of debt recovery informing the debtor that if the debt is not paid within 60 days that additional collection fees will be charged.

<u>Proposed law</u> retains <u>present law</u> and requires that the notice of final debt include the full amount of the debt and all payment options.

<u>Present law</u> authorizes the office of debt recovery to use any collection remedy provided by state law.

<u>Proposed law</u> clarifies that offers in compromise and installment agreements are among the collection tools available to the office of debt recovery.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 32:8(B) and R.S. 47:1676(D)(1))