

Department of Planning and Budget 2004 Fiscal Impact Statement

1. Bill Number HB1037

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Saxman

3. Committee H General Laws

4. Title Debt Collection, Division of; retention of revenues, use for collection of debts.

5. Summary/Purpose:

The substitute bill authorizes the Division of Debt Collection of the Office of the Attorney General to retain as special revenue up to 30 percent of receivables collected on behalf of state agencies and to contract with private collection agents for the collection of debts amounting to less than \$15,000.

The substitute HB 1037 also codifies procedures for processing past due receivables of different amounts:

6. No Fiscal Impact , see Item 8.

7. Budget amendment necessary: No

8. Fiscal implications:

The amendment to Section 2.2-518 Virginia Code codifies the policy in the appropriation act for the percent the division may retain for collecting receivables.

Section 2.2-4806 in the substitute bill codifies current practice of the Department of Accounts (DOA) and the Division of Debt Collection for collecting receivables. Topic 20505 of the Commonwealth Accounting Policy and Procedures Manual, which is maintained by DOA, provides guidelines to assist agencies in developing procedures to properly account for, report, manage, and collect receivables in accordance with the law.

State contracts are in place to ease the administrative burden of hiring collection agencies for debts below \$3,000.

9. Specific agency or political subdivisions affected: Office of the Attorney General, Division of Debt Collection, Department of Accounts, state agencies

10. Technical amendment necessary: None

11. Other comments: None

Date: 02/02/04

Document: G:\04 Legislation\HB1037.DOC gdj

cc: Secretary of Administration
Office of the Attorney General