

Department of Planning and Budget 2006 Fiscal Impact Statement

1. Bill Number HB741

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|------------------------|--|-------------------------------------|------------------------------------|
| House of Origin | <input checked="" type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled |

2. Patron Spruill

3. Committee General Laws

4. Title State agencies; collection of debts.

5. Summary/Purpose: This bill permits state agencies to refrain from collecting any debts owed if the administrative cost of collection likely would exceed the amount owed. The Comptroller shall develop other policies and procedures to reduce the costs of collecting debts owed to state agencies.

6. No Fiscal Impact

7. Budget amendment necessary: No.

8. Fiscal implications: According to the Department of Accounts, this bill will not have a fiscal impact.

9. Specific agency or political subdivisions affected: Department of Accounts.

10. Technical amendment necessary: No.

11. Other comments: Currently, according to the Department of Accounts, the Virginia Debt Collection Act, §2.2-4800-4808 of the Code of Virginia, already requires agencies to take “cost effective” actions to collect accounts. Also, Topic 20505 of the Commonwealth Accounting Policies and Procedures (CAPP) Manual addresses issues surrounding cost effective collections.

Date: 01/17/06 / dma

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cc: Secretary of Finance