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**HOUSE BILL NO. 324****AMENDMENT IN THE NATURE OF A SUBSTITUTE**(Proposed by the House Committee on General Laws  
on February 8, 2008)

(Patron Prior to Substitute—Delegate Saxman)

*A BILL to amend and reenact § 2.2-4806 of the Code of Virginia and to amend the Code of Virginia by adding in Article 1 of Chapter 8 of Title 2.2 a section numbered 2.2-813.3, relating to the Department of Accounts; prompt collection of receivables.*

**Be it enacted by the General Assembly of Virginia:**

**1. That § 2.2-4806 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 1 of Chapter 8 of Title 2.2 a section numbered 2.2-813.3 as follows:**

*§ 2.2-813.3. Prompt collection of accounts receivable.*

*A. The Department shall oversee prompt delivery of the Commonwealth's accounts receivable in accordance with the Virginia Debt Collection Act (§ 2.2-4800 et seq.). The Department shall enforce the policies and procedures as set forth in § 2.2-4806 for reporting, accounting for, and collecting the Commonwealth's accounts receivable.*

*B. The Department shall work with and coordinate its efforts with the Division of Debt Collection of the Department of Law established pursuant to § 2.2-518.*

*§ 2.2-4806. Utilization of certain collection techniques.*

*A. Each state agency and institution shall take all appropriate and cost-effective actions to aggressively collect its accounts receivable. Each agency and institution shall utilize, but not be limited to, the following collection techniques, according to the policies and procedures adopted by the Department of Accounts and the Attorney General: (i) credit reporting bureaus, (ii) collection agencies, (iii) garnishments, liens and judgments, and (iv) administrative offset.*

*B. Except as provided otherwise herein, for collection of accounts receivable of \$3,000 or more that are 60 days or more past due, each agency and institution shall forward those claims to the Office of Attorney General, Division of Debt Collection for collection. The Attorney General shall review forwarded accounts, determine the appropriate collection efforts, if any, for each account, and take such actions on the accounts as he may so determine to aggressively collect such accounts on behalf of the Commonwealth. The Attorney General may consider, in appropriate circumstances, hardships of debtors that are without culpability in incurring the outstanding debt.*

*C. Except as provided otherwise herein, for collection of accounts receivable under \$3,000 that are 60 days or more past due, each agency and institution shall contract with a private collection agency for the collection of those debts. Prior to referring accounts receivable of less than \$3,000, agencies and institutions may refer such accounts to the Office of Attorney General, Division of Debt Collection. The Attorney General may accept the account for collection or return it to the agency or institution for collection by a private collection agency.*

*D. Where an agency or institution has procedures to secure payment, or the debtor is paying a debt in periodic payments satisfactory to the agency or institution, it may elect to retain the claim in excess of 60 days pending results of such procedures, or, provided that such periodic payments are promptly paid until the account is satisfied. In the event the debtor is delinquent by 14 days or more in paying a periodic payment and the account receivable, at the time of the failure to pay is in excess of \$3,000, the account receivable shall be turned over to the Attorney General.*

HOUSE SUBSTITUTE

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