

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 2.2-4806 of the Code of Virginia, relating to the Virginia Debt*
3 *Collection Act; public institutions of higher education.*

4 [H 339]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 2.2-4806 of the Code of Virginia is amended and reenacted as follows:**8 **§ 2.2-4806. Utilization of certain collection techniques.**

9 A. Each state agency and institution shall take all appropriate and cost-effective actions to
10 aggressively collect its accounts receivable. Each agency and institution shall utilize, but not be limited
11 to, the following collection techniques, according to the policies and procedures required by the
12 Department of Accounts and the Division: (i) credit reporting bureaus, (ii) collection agencies, (iii)
13 garnishments, liens and judgments, (iv) administrative offset, and (v) participation in the Treasury Offset
14 Program of the United States under 31 U.S.C. § 3716.

15 B. Except as provided otherwise herein, for collection of accounts receivable of \$3,000 or more that
16 are 60 days past due, each agency and institution shall forward those claims to the Division for
17 collection. The Division shall review forwarded accounts, determine the appropriate collection efforts, if
18 any, for each account, and take such actions on the accounts as the Division may so determine.

19 C. Except as provided otherwise herein, for collection of accounts receivable under \$3,000 that are
20 60 days past due, each agency and institution shall contract with a private collection agency for the
21 collection of those debts. Prior to referring accounts receivable of less than \$3,000, agencies and
22 institutions may refer such accounts to the Division. The Division may accept the account for collection
23 or return it to the agency or institution for collection by a private collection agency.

24 D. Except as otherwise provided in this subsection, where a debtor is paying a debt in periodic
25 payments to an agency or institution, the agency or institution may elect to retain the claim in excess of
26 60 days provided that such periodic payments are promptly paid until the account is satisfied. In the
27 event the debtor is delinquent (i) by 60 days in paying a periodic payment or (ii) for such other period
28 of time approved by the Division, the account shall be handled in the manner provided by subsections B
29 and C of this section.

30 E. *A public institution of higher education shall provide a debtor who is currently enrolled in such*
31 *institution the option to pay his debt in periodic payments over the course of the term or semester in*
32 *which the account became past due or, at the discretion of such institution, over a longer period,*
33 *provided that such periodic payments are promptly paid until the account is satisfied. In the event that*
34 *the debtor is delinquent (i) by 60 days in paying a periodic payment or (ii) for such other period of*
35 *time approved by the Division, the account shall be handled in the manner provided by subsections B*
36 *and C.*

37 F. Each state agency and institution shall report and pay required fees to the Division as required by
38 subsection C of § 2.2-518.

ENROLLED

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