
VIRGINIA STATE BUDGET

2006 Special Session I

Budget Bill - SB5001 (Introduced)

Bill Order » Executive Offices » Item 53

Division of Debt Collection

Item 53 (Not set out)	First Year - FY2005	Second Year - FY2006
Collection Services (74000)	\$1,516,385	\$1,526,605
Fund Sources:		
Special	\$1,516,385	\$1,526,605

Authority: Title 2.2, Chapter 5, Code of Virginia.

A. All agencies and institutions shall follow the procedures for collection of funds owed the Commonwealth as specified in §§ [2.2-518](#) and [2.2-4806](#) of the Code of Virginia, except as provided otherwise therein or in this act.

B.1. There is hereby created on the books of the Comptroller a special nonreverting fund known as the "Debt Collection Recovery Fund." The Division of Debt Collection shall deposit to the Fund all revenues generated by it, less any cost of recovery, from receivables collected on behalf of state agencies, pursuant to §§ [2.2-518](#) and [2.2-4806](#) of the Code of Virginia. This provision shall apply whether such payment is made directly to the affected agency or to the Office of the Attorney General.

2. The Secretary of Finance may make exemptions from the required deposits to the Fund, as specified in B.1. above, upon his determination that such collections are more appropriately returned to the fund source in which such receivables are due. Any such exemptions shall be reported by the Secretary of Finance to the Division of Debt Collection and to the Chairmen of the Senate Finance and House Appropriations Committees within 30 days of such approval.

3. From the amounts collected for the Fund, 30 percent, not to exceed \$1,800,000 in any fiscal year, shall be paid to the Division of Debt Collection.

4. From the amounts collected for the Fund, 30 percent shall be returned to the state agency for which the claim was collected. Out of the balance in the Fund, the State Comptroller shall transfer up to \$3,454,000 to the general fund on or before June 30, 2005, and up to \$3,444,000 on or before June 30, 2006. Any amount in excess of the transfer which remains in the Debt Collection Recovery Fund each year after the transfer shall be returned on a pro rata basis to all state agencies having claims collected by the Division of Debt Collection during the course of the year, to the extent that such collections contributed to the balance in the Fund.

5. The Division of Debt Collection may contract with private collection agents for the collection of debts amounting to less than \$15,000.

C. The Division of Debt Collection of the Office of the Attorney General and the Department of Accounts shall promulgate rules necessary to implement these provisions.