2014 Special Session I

Budget Bill - HB5002 (Introduced)

Bill Order » Executive Offices » Item 61

Division of Debt Collection

Item 61	First Year - FY2015	Second Year - FY2016
Collection Services (74000)	**$2,175,196**	**$2,175,730**
State Collection Services (74001)	$1,969,898	$1,970,432
State Fraud Recovery Services (74002)	$205,298	$205,298
Fund Sources:		
Special	$2,175,196	$2,175,730

Authority: Title 2.2, Chapter 5 and Title 8.01, Chapter 3, 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 2.2-4800 et seq. of the Code of Virginia, and all agencies, institutions, and political subdivisions shall follow the procedures for recovery of funds as specified in §§ 2.2-518 and 8.01-216.1 et seq. of the Code of Virginia, except as provided otherwise therein or in this act.

B.1. The Division of Debt Collection is entitled to retain as fees up to 30 percent of any revenues generated by its collection services pursuant to paragraph A. to pay operating costs supported by the appropriation in this item.

2. Upon closing its books at the end of the fiscal year, after the execution of all transfers to state agencies having claims collected by the Division of Debt Collection, the Division may retain up to a $400,000 balance in its operating accounts. Any amounts contained in the operating accounts that exceed $400,000 on the final day of the fiscal year shall be deposited to the credit of the general fund no later than September 1 of the succeeding fiscal year.

3. The Division of Debt Collection is entitled to retain as special revenue up to 30 percent of any funds recovered on behalf of the Commonwealth as well as any separate attorney's fees awarded to the Commonwealth pursuant to Fraud Against Taxpayers Act (FATA) for its fraud recovery services pursuant to paragraph A., to pay operating costs supported by the appropriation in this item.

4. There shall be created on the books of the Comptroller a special, nonreverting, revolving fund to be known as the Fraud Recovery Fund (FATA Fund), as established in 2.2-518(C) of the Code of Virginia. The Division is authorized to deposit to the FATA Fund any revenue, fees, civil penalties, costs, recoveries, or other moneys which from time to time may become available as a result of its fraud recovery services. The Division is also authorized to deposit to the FATA Fund any attorneys' fees which from time to time may be awarded to the Commonwealth. Any deposit to, and interest earnings on, the FATA Fund shall be retained in the FATA Fund. The Division shall retain 30% of any funds recovered as well as any separate attorney's fees awarded to the Commonwealth pursuant to FATA, and shall transfer the remaining funds to the appropriate state agencies and political subdivisions on a periodic basis or such other period of time approved by the Division.

5. The Director, Department of Planning and Budget, may grant an exception to the provisions in paragraph B.2. if

the Division of Debt Collection can show just cause.

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