House Bill 677 (AS PASSED HOUSE AND SENATE)

By: Representatives Smith of the 87th, Greene of the 134th, Royal of the 140th, Westmoreland of the 86th, Golick of the 34th, Post 3, and others

A BILL TO BE ENTITLED

AN ACT

To amend Article 7 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to setoff debt collection through state income tax refunds, so as to provide for setoff of a state income tax refund due an individual against debt to the Department of Corrections for probation fees or debt to another for restitution ordered by a court as part of the sentence after conviction of a crime in certain circumstances; to provide for related matters; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 7 of Chapter 7 of Title 48 of the Official Code of Georgia Annotated, relating to setoff debt collection through state income tax refunds, is amended by striking paragraphs (1) and (2) of Code Section 48-7-161, relating to definitions, and inserting in lieu thereof the following:

"(1) 'Claimant agency' means and includes, in the order of priority set forth below:

(A) The Department of Human Resources with respect to collection of debts under Chapter 9 of Title 37, Article 1 of Chapter 11 of Title 19, and Code Section 49-4-15;

(B) The Georgia Student Finance Authority with respect to the collection of debts arising under Part 3 of Article 7 of Chapter 3 of Title 20;

(C) The Georgia Higher Education Assistance Corporation with respect to the collection of debts arising under Part 2 of Article 7 of Chapter 3 of Title 20;

(D) The State Medical Education Board with respect to the collection of debts arising under Part 6 of Article 7 of Chapter 3 of Title 20; ~~and~~

(E) The Department of Labor with respect to the collection of debts arising under Code Sections 34-8-254 and 34-8-255 and Article 5 of Chapter 8 of Title 34, with the exception of Code Sections 34-8-158 through 34-8-161; provided, however, that the Department of Labor establishes that the debtor has been afforded required due process

rights by such Department of Labor with respect to the debt and all reasonable collection efforts have been exhausted.; and

(F) The Department of Corrections with respect to probation fees arising under Code Section 42-8-34 and restitution or reparation ordered by a court as a part of the sentence imposed on a person convicted of a crime and placed on probation by the court if such person has absconded or ended probation in warrant status.

(2) 'Debt' means any liquidated sum due and owing any claimant agency, which sum has accrued through contract, subrogation, tort, or operation of law regardless of whether there is an outstanding judgment for the sum, or any sum which is due and owing any person and is enforceable by the Department of Human Resources pursuant to subsection (b) of Code Section 19-11-8, or any sum of restitution or reparation due pursuant to a sentence imposed on a person convicted of a crime and sentenced to restitution or reparation and probation."

SECTION 2.

Said article is further amended in Code Section 48-7-163, relating to collection of debts through setoff, by striking subsection (a) and inserting in lieu thereof the following:

"(a) A claimant agency may submit any debts in excess of $25.00 owed to it in accordance with Code Section 48-7-161 to the department for collection through setoff under the procedure established by this article, except in cases where the validity of the debt is legitimately in dispute, an alternate means of collection is pending and believed to be adequate, or such collection would result in a loss of federal funds or federal assistance."

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.