

1 SB123
2 196868-3
3 By Senator Melson
4 RFD: Governmental Affairs
5 First Read: 19-MAR-19

1 SB123

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4 ENROLLED, An Act,

5 To amend Section 40-18-100, Code of Alabama 1975,
6 relating to set off debt collection by the Department of
7 Revenue; to further clarify that sums collected on behalf of a
8 claimant agency by entities otherwise authorized by law to
9 collect those sums are considered debts for the purposes of
10 set off debt collection.

11 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

12 Section 1. Section 40-18-100, Code of Alabama 1975,
13 is amended to read as follows:

14 "§40-18-100.

15 "For the purposes of this article, the following
16 terms shall have the ~~respective~~ following meanings ~~ascribed by~~
17 ~~this section~~:

18 "(1) CLAIMANT AGENCY. ~~Only~~ Any of the following:

19 "a. The Alabama Commission on Higher Education with
20 respect to the collection of debts under either of the
21 following:

22 "1. The Alabama Student Grant Program provided for
23 by Chapter 33A of Title 16, ~~and~~.

24 "2. The Alabama Guaranteed Student Loan Program
25 provided for by Chapter 33B of Title 16.

1 "b. The Alabama Department of Human Resources with
2 respect to the collection of debts and money owed under any
3 and all of its public assistance programs and other programs
4 administered by that department, including support programs
5 administered pursuant to the requirements of Title IV-D of the
6 Social Security Act.

7 "c. The Alabama Medicaid Agency with respect to the
8 collection of debts and money owed under any and all of the
9 programs it administers.

10 "d. The Alabama Department of Labor with respect to
11 the collection or recovery, or both, of debts owed as a result
12 of overpayments of state unemployment compensation benefits.

13 "e. The Unified Judicial System with respect to the
14 collection of fines and court costs owed as a result of any
15 court or judicial proceeding.

16 "f. Counties and municipalities acting through an
17 organization as provided in Section 40-18-103, with respect to
18 the collection of any debt owed and finalized by law,
19 ordinance, or resolution. For the purposes of this section and
20 Section 40-18-103, counties and municipalities ~~shall include,~~
21 without limitation, shall include all corporations and other
22 instrumentalities whose governing boards are comprised of a
23 majority of members who are appointed or elected by counties
24 or municipalities.

1 "g. A housing authority under Chapter 1, Title 24,
2 with respect to the collection of debts and money owed under
3 any and all of the programs administered by the authority.

4 "(2) DEBTOR. Any individual owing money or having a
5 delinquent account with any claimant agency, which obligation
6 has not been adjudicated, satisfied by court order, set aside
7 by court order, or discharged in bankruptcy.

8 "(3) DEBT. Any liquidated sum due and owing any
9 claimant agency which has accrued through contract,
10 subrogation, tort, or operation of law regardless of whether
11 there is an outstanding judgment for that sum, or any
12 liquidated sum of child or spousal support, or both child and
13 spousal support, due and owing any individual eligible for and
14 receiving child support enforcement services through the
15 Alabama Department of Human Resources. An agreement between a
16 claimant agency defined in paragraph f. of subdivision (1) and
17 a public entity or non-profit established by a public entity
18 authorized by subdivision (30) of subsection (a) of Section
19 22-21-318 or Section 11-62-7 for management or administrative
20 services does not affect the claimant agency's ability to
21 collect the debt defined herein.

22 "(4) DEPARTMENT. The Department of Revenue of the
23 State of Alabama.

24 "(5) REFUND. The Alabama income tax refund which the
25 department determines to be due any individual taxpayer."

1 Section 2. This act shall become effective
2 immediately following its passage and approval by the
3 Governor, or its otherwise becoming law.

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President and Presiding Officer of the Senate

Speaker of the House of Representatives

SB123

Senate 03-APR-19

I hereby certify that the within Act originated in and passed the Senate.

Patrick Harris,
Secretary.

House of Representatives
Amended and passed 02-MAY-19

Senate concurred in House amendment 07-MAY-19

By: Senator Melson