

# State of Misconsin 2015 - 2016 LEGISLATURE

LRB-0994/1 MES:eev:jm

DOA:.....Wimmer, BB0319 – Specify that a county board may enter into debt collection agreements with DOR

#### FOR 2015-2017 BUDGET -- NOT READY FOR INTRODUCTION

AN ACT ...; relating to: the budget.

# Analysis by the Legislative Reference Bureau TAXATION

#### **OTHER TAXATION**

Under current law, DOR may enter into debt collection agreements with the courts and local units of government. This bill specifies that a county board may enter into a debt collection agreement with DOR.

### The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

**Section 1.** 59.40 (4) of the statutes is amended to read:

59.40 (4) CLERK OF CIRCUIT COURT; DEBT COLLECTOR CONTRACT. If authorized by the board under s. 59.52 (28) (a), the clerk of circuit court may contract with a debt collector, as defined in s. 427.103 (3), for the collection of unpaid fines and forfeitures. Any contract entered into shall provide that the debt collector shall be paid from the

proceeds recovered by the debt collector. The net proceeds received by the clerk of circuit court after the payment to the debt collector shall be considered the amount of fines and forfeitures collected for purposes of distribution to the state and county under sub. (2) (m).

**Section 2.** 59.52 (28) of the statutes is renumbered 59.52 (28) (a).

**Section 3.** 59.52 (28) (b) of the statutes is created to read:

59.52 (28) (b) The board may enter into a written agreement under s. 71.93 (8)(b) to have the department of revenue collect any amount owed to the county.

**Section 4.** 71.93 (8) (b) 1. of the statutes is amended to read:

71.93 (8) (b) 1. Except as provided in subd. 2., a state agency and the department of revenue shall enter into a written agreement to have the department collect any amount owed to the state agency that is more than 90 days past due, unless negotiations between the agency and debtor are actively ongoing, the debt is the subject of legal action or administrative proceedings, or the agency determines that the debtor is adhering to an acceptable payment arrangement. At least 30 days before the department pursues the collection of any debt referred by a state agency, either the department or the agency shall provide the debtor with a written notice that the debt will be referred to the department for collection. The department may collect amounts owed, pursuant to the written agreement, from the debtor in addition to offsetting the amounts as provided under sub. (3). The department shall charge each debtor whose debt is subject to collection under this paragraph an amount for administrative expenses a collection fee and that amount shall be credited to the appropriation under s. 20.566 (1) (h).