

HOUSE BILL 1531

P1

0lr2714

By: **Delegates P. Young, Acevero, Charles, D.M. Davis, and Hettleman**

Introduced and read first time: February 7, 2020

Assigned to: Appropriations

A BILL ENTITLED

1 AN ACT concerning

2 **State Finance and Procurement – Central Collection Unit – Powers**

3 FOR the purpose of repealing the authority of the Central Collection Unit to settle a debt
4 or claim without suit; reducing the maximum amount of a certain fee that the Unit
5 may assess and collect from a debtor under certain circumstances; repealing the
6 requirement that a certain fee be assessed and collected sufficient to cover certain
7 costs; and generally relating to the Central Collection Unit.

8 BY repealing and reenacting, with amendments,
9 Article – State Finance and Procurement
10 Section 3–304(a)
11 Annotated Code of Maryland
12 (2015 Replacement Volume and 2019 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

15 **Article – State Finance and Procurement**

16 3–304.

17 (a) In carrying out its responsibilities, the Central Collection Unit may:

18 (1) [(i)] institute, in its name, any action that is available under State
19 law for collection of a debt or claim; [or

20 (ii) without suit, settle the debt or claim;]

21 (2) for all debts or claims collected on or after June 1, 1992:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (i) in addition to the outstanding principal and interest, assess and
2 collect from the debtor a fee, which may not exceed ~~[20%]~~ 5% of the outstanding principal
3 and interest[, sufficient to cover all collection and administrative costs]; and

4 (ii) prior to crediting any amount to any agency which refers a debt
5 for any purpose, withhold a fee sufficient to cover all collection and administrative costs;

6 (3) waive or reduce any fee assessed under paragraph (2) of this subsection;
7 and

8 (4) certify a debt or claim and the debtor responsible for the debt or claim
9 to:

10 (i) the Comptroller for income tax refund interception in accordance
11 with Title 13, Subtitle 9 of the Tax – General Article; and

12 (ii) the State Lottery and Gaming Control Agency for State lottery
13 prize interception in accordance with § 3–307 of this subtitle.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
15 October 1, 2020.