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# A BILL FOR AN ACT

RELATING TO DEBT COLLECTION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. Chapter 28, Hawaii Revised Statutes, is amended  
2 by adding a new section to be appropriately designated and to  
3 read as follows:

4 "§28- Civil recoveries fund. (a) There is established  
5 in the state treasury the civil recoveries fund into which shall  
6 be deposited:

7 (1) \_\_\_\_\_ per cent of any moneys collected by the  
8 attorney general for any executive department,  
9 executive agency, or the judiciary, which has turned  
10 over delinquent accounts for collection pursuant to  
11 section 40-82.5(b); and

12 (2) Appropriations made by the legislature.

13 (b) The civil recoveries fund shall be administered by the  
14 department of the attorney general and shall be used for  
15 expenditures relating to the collection of delinquent accounts  
16 of executive departments, executive agencies, or the judiciary,  
17 including expenditures for training or educational resources,



1 all appropriate non-litigation collection methods, filing fees,  
2 and litigation costs.

3 (c) The department of the attorney general shall submit a  
4 report to the legislature no later than twenty days prior to the  
5 convening of each regular session to provide an accounting of  
6 the receipts and expenditures of the fund."

7 SECTION 2. Section 40-82.5, Hawaii Revised Statutes, is  
8 amended to read as follows:

9 "**§40-82.5 Delinquent accounts, collection.** (a) Any state  
10 agency having an account due which is delinquent, may contract  
11 with a collection agency bonded under chapter 443B for  
12 collection of the delinquent account. The chairperson or  
13 director of the agency may make an agreement with the agency  
14 regarding the amount to be retained by it for services.

15 (b) Any executive department, executive agency, or the  
16 judiciary having an account due which is delinquent more than  
17 ninety days may turn the delinquent account over to the attorney  
18 general for collection. For all accounts successfully collected  
19 for an executive department, executive agency, or the judiciary  
20 by the attorney general, the attorney general shall retain  
21 \_\_\_\_\_ per cent to be deposited in the civil recoveries fund in  
22 accordance with section 28- (a) (1), and the remainder of the



1 moneys collected shall be returned to the executive department,  
2 executive agency, or the judiciary, to be deposited into the  
3 fund or expended for the purpose for which it was originally  
4 intended."

5 SECTION 3. New statutory material is underscored.

6 SECTION 4. This Act shall take effect on July 1, 2013.



**Report Title:**

Attorney General; Collection of Delinquent Accounts

**Description:**

Authorizes executive agencies and the Judiciary to turn over delinquent accounts more than 90 days past due to the Attorney General for collection. Provides for an unspecified percentage of the amounts collected to be deposited into the Civil Recoveries Fund. Effective July 1, 2013. (HB1342 HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

