

AN ACT

ENTITLED, An Act to provide for the use of the Obligation Recovery Center by certain postsecondary technical institutes.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 1-55-1 be amended to read:

1-55-1. Terms used in this chapter mean:

- (1) "Account receivable cycle," the period of time, not to exceed one hundred eighty days, during which the center may attempt to collect on a debt before the debt is forwarded to any collection agency in accordance with § 1-55-14;
- (2) "Center," the obligation recovery center;
- (3) "Debt," a legal obligation to pay money, including any principal, any interest that has accrued or will accrue until the debt is paid, any penalties, any costs, and any other charges permitted by law. The term also includes any obligation of any kind referred to the center for collection by any agency of the state, the Unified Judicial System, the Board of Regents, a postsecondary technical institute supported by the state under § 13-39A-42, or a constitutional office;
- (4) "Debtor," a person who is indebted to the state or a state agency for any delinquent accounts, charges, fees, loans, taxes, or other indebtedness due the state, or any person that owes any obligation being collected by the center;
- (5) "Bad debt," any debt due an agency of the state, the Board of Regent's system, any postsecondary technical institute supported by the state under § 13-39A-42, or a constitutional office that is no longer subject to an administrative appeal or judicial review following an administrative appeal, or any costs, fines, fees, or restitution ordered in any adult criminal proceeding through the Unified Judicial System no longer subject to direct

appeal under § 23A-32-2;

- (6) "Final notification," the notification provided by § 1-55-7; and
- (7) "Referring entity," the entity referring the debt to the state obligation recovery center for collection.

Section 2. That § 1-55-2 be amended to read:

1-55-2. There is hereby created the obligation recovery center, which is attached to the Bureau of Administration for budgeting and reporting purposes. The center is a central repository for identification, registration, oversight, and collection of debts owed to any agency or department of the state or to any postsecondary technical institute supported by the state under § 13-39A-42.

Section 3. That § 1-55-6 be amended to read:

1-55-6. The center may be used during the account receivable cycle by:

- (1) Any agency of the state to collect bad debt owed to the agency;
- (2) The Unified Judicial System to collect any costs, fines, fees, or restitution, constituting final debt, ordered in any adult criminal proceeding;
- (3) The Board of Regents to collect any final debt owed within the Board of Regents' system;
- (4) Any postsecondary technical institute supported by the state under § 13-39A-42 to collect any final debt owed within the postsecondary technical institute system; and
- (5) Any constitutional office to collect final debt owed to the constitutional office.

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I certify that the attached Act originated in the

HOUSE as Bill No. 1039

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1039
File No. _____
Chapter No. _____

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Received at this Executive Office this ____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State