Representative Gomberg

SUBCOMMITTEE RECOMMENDATION

Department of Revenue SB 1067 Collections

On March 26th, the General Government Subcommittee recommended acknowledging receipt of a report from the Department of Revenue on the implementation of SB 1067.

The Legislature in 2017 enacted SB 1067 to reduce and control future government costs.

One element of the measure was to centralize most Executive Branch debt collection activity with the Department of Revenue.

Centralization has provided for: the consolidation of debtor accounts; increased use of data analytics; consistent application of specialized collection practices; standardization of debtor customer service; and cost savings due to economies of scale.

The Department estimates that \$12.7 million in new collections debt will be transferred to the Department annually and that approximately \$634,100 will be collected at an assumed collection rate of five percent.

The General Government Subcommittee recommends approval.