

SENATE  
STATE OF MINNESOTA  
NINETY-THIRD SESSION

S.F. No. 5068

(SENATE AUTHORS: MITCHELL)

DATE	D-PG	OFFICIAL STATUS
03/18/2024	12415	Introduction and first reading Referred to State and Local Government and Veterans

1.1

A bill for an act

1.2

relating to state government; changing the required date for a certain report;

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amending Minnesota Statutes 2022, section 16D.09, subdivision 1.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

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Section 1. Minnesota Statutes 2022, section 16D.09, subdivision 1, is amended to read:

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Subdivision 1. **Generally.** (a) When a debt is determined by a state agency to be

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uncollectible, the debt may be written off by the state agency from the state agency's financial

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accounting records and no longer recognized as an account receivable for financial reporting

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purposes. A debt is considered to be uncollectible when (1) all reasonable collection efforts

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have been exhausted, (2) the cost of further collection action will exceed the amount

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recoverable, (3) the debt is legally without merit or cannot be substantiated by evidence,

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(4) the debtor cannot be located, (5) the available assets or income, current or anticipated,

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that may be available for payment of the debt are insufficient, (6) the debt has been

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discharged in bankruptcy, (7) the applicable statute of limitations for collection of the debt

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has expired, or (8) it is not in the public interest to pursue collection of the debt.

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(b) Uncollectible debt must be reported by the state agency as part of its quarterly reports

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to the commissioner of management and budget. The basis for the determination of the

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uncollectibility of the debt must be maintained by the state agency. If an uncollectible debt

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equals or exceeds \$100,000, the agency shall notify the chairs and ranking minority members

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of the legislative committees with jurisdiction over the state agency's budget at the time the

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debt is determined to be uncollectible. The information reported shall contain the entity

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associated with the uncollected debt, the amount of the debt, the revenue type, the reason

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the debt is considered uncollectible, and the duration the debt has been outstanding. The

- 2.1 commissioner of management and budget shall report to the chairs and ranking minority
- 2.2 members of the legislative committees with jurisdiction over Minnesota Management and
- 2.3 Budget an annual summary of the number and dollar amount of debts determined to be
- 2.4 uncollectible during the previous fiscal year by ~~October 31~~ November 30 of each year.
- 2.5 Determining that the debt is uncollectible does not cancel the legal obligation of the debtor
- 2.6 to pay the debt.