

(SENATE AUTHORS: LILLIE and Parry)

DATE	D-PG	OFFICIAL STATUS
03/14/2011	497	Introduction and first reading Referred to State Government Innovation and Veterans See SF1047, Art.3, Sec.31

A bill for an act
relating to state government; authorizing the commissioner of revenue to enter
into a reciprocal agreement with the federal government for collection of unpaid
debts; proposing coding for new law in Minnesota Statutes, chapter 16D.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **[16D.20] FEDERAL OFFSET PROGRAM.**

- (a) The commissioner may enter into an agreement with the United States Secretary of the Treasury to participate in an offset program authorized under United States Code, title 31, section 3716, for the collection of debts owed to state agencies. The agreement may provide for the United States to submit debts owed to federal agencies for offset against state payments, similar to the procedures for offsetting debts owed to state agencies from federal payments.
- (b) The commissioner shall reduce any state payment by the amount of any federal debt submitted in accordance with the agreement authorized by this section, and pay such amount to the appropriate federal official in accordance with the procedures specified in such agreement.
- (c) The commissioner may, by rule, establish a reasonable administrative fee to be charged to the debtor for the contingency fee-based proccession of state payment offsets for the recovery of federal nontax debts or the contingency fee-based processing of federal payment offsets for the recovery of state tax and nontax debt. The fee is a separate debt and may be withheld from any refund, reimbursement, or other money held for the debtor.