



2021-2022 General Assembly

HOUSE BILL 103: 2022 Appropriations Act, Sec. 17.2: Extend Setoff Debt Collection Act Notice Requirements for Indigent Defense Services

Committee:		Date:	July 28, 2022
Introduced by:		Prepared by:	Karyl Smith Staff Attorney
Analysis of:	Sec. 17.2 of S.L. 2022-74		

OVERVIEW: Section 17.2 of S.L. 2022-74 extends the deadline, in the Setoff Debt Collection Act, from 10 to 30 days for the Office of Indigent Defense Services to send a debtor written notice that it has received the debtor's refund.

This section became effective July 1, 2022, and applies to refunds of a debtor received before, on, or after that date.

CURRENT LAW: Under the Setoff Debt Collection Act, the Department of Revenue sends the income tax refund of an individual who owes money to a State agency to that agency in payment of the debt rather than to the individual. The individual's income tax refund is therefore set off against the debt the individual owes the State agency. Chapter 105A of the General Statutes (The Setoff Debt Collection Act) requires a State agency to send a debtor written notice stating that the agency has received the debtor's refund and explaining the debt that is the basis for the agency's claim to the refund. The notice must be sent within 10 days of receiving the refund.

BILL ANALYSIS: Section 17.2 of S.L. 2022-74 extends the deadline, in the Setoff Debt Collection Act, from 10 to 30 days for the Office of Indigent Defense Services to send a debtor written notice that it has received the debtor's refund.

EFFECTIVE DATE: This section became effective July 1, 2022, and applies to refunds of a debtor received before, on, or after that date.

Jeffrey Hudson
Director



Legislative Analysis
Division
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