# **Department of Finance and Administration**

## **Legislative Impact Statement**

Bill: SB921 Amendment Number: S1
Bill Subtitle: CONCERNING THE REPAYMENT OF FEES THAT ARE OWED RELATED TO COURT-ORDERED REPRESENTATION BY THE PUBLIC DEFENDER.

#### Basic Change:

Senator E. Williams

Under the bill, a person must complete a certificate of indigence to be represented by a public defender for certain offenses. The certificate is a legally binding contract and shall contain a notice that the person's state income tax refund, legal settlements or favorable verdicts, lottery winnings, or any moneys or property forfeited by the state shall be intercepted to satisfy the debt ordered by the court for the cost of the public defender.

Amendment #1 deletes language that attached a lien to the person's state income tax return and, instead, allows the Arkansas Public Defender Commission to file a claim for a setoff against a person's state income tax refund. This amendment results in the capture of an income tax refund to pay the debt to the Public Defender Commission through the use of the same setoff program used by other state agencies and organizations to capture an income tax refund for other purposes.

#### Revenue Impact :

None

#### Taxpayer Impact:

A taxpayer who requires a public defender may be subject to having their state income tax refund setoff to pay a judgment ordered by the court for the cost of the public defender.

#### Resources Required:

Forms, instructions and computer system updated - \$1,000

#### Time Required:

Adequate time is provided.

### Procedural Changes:

Forms and instructions must be updated. AIRS will need to be updated to include the Arkansas Public Defender Commission as a claimant agency.

#### Other Comments :

No effective date.

#### Legal Analysis:

Amendment S-1 to SB921 deletes the provision authorizing the attachment of a lien to a defendant's wages and state income tax refund to recover public defender legal fees and costs. As amended, the bill now includes as an income tax setoff claimant agency the Arkansas Public Defender Commission (Commission), and the bill requires the Commission to file a claim for a setoff in compliance with the current setoff statutes.

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