

Stricken language would be deleted from and underlined language would be added to the law as it existed  
prior to this session of the General Assembly.  
**Act 277 of the Regular Session**

1 State of Arkansas  
2 85th General Assembly  
3 Regular Session, 2005

# A Bill

HOUSE BILL 1299

4  
5 By: Representative Childers  
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## For An Act To Be Entitled

8  
9 AN ACT TO ALLOW THE OFFICE OF PERSONNEL  
10 MANAGEMENT TO BE A CLAIMANT AGENCY FOR PURPOSES  
11 OF OBTAINING A SETOFF OF STATE INCOME TAX REFUNDS  
12 FOR OVERPAID WAGES; AND FOR OTHER PURPOSES.  
13

## Subtitle

14  
15 AN ACT TO ALLOW THE OFFICE OF PERSONNEL  
16 MANAGEMENT TO BE A CLAIMANT AGENCY FOR  
17 PURPOSES OF OBTAINING A SETOFF OF STATE  
18 INCOME TAX REFUNDS FOR OVERPAID WAGES.  
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21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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23 SECTION 1. Arkansas Code § 26-36-303 is amended to read as follows:  
24 26-36-303. Definitions.

25 As used in this subchapter, unless the context otherwise requires:

26 (1)(A) "Claimant agencies" means:

- 27 (i) State-supported colleges, universities, and  
28 technical institutes;  
29 (ii) The Department of Human Services;  
30 (iii) The Arkansas Student Loan Authority;  
31 (iv) The Student Loan Guarantee Foundation;  
32 (v) The Auditor of State;  
33 (vi) The Department of Higher Education;  
34 (vii) The Office of Child Support Enforcement of the  
35 Revenue Division of the Department of Finance and Administration;



1 (viii) Arkansas circuit, county, district, or city  
2 courts;

3 (ix) Housing authorities created under § 14-169-101  
4 et seq.; ~~and~~

5 (x) The Employee Benefits Division of the Department  
6 of Finance and Administration; and

7 (xi) The Office of Personnel Management of the  
8 Division of Management Services of the Department of Finance and  
9 Administration.

10 (B) No other entity may be added as a claimant agency  
11 under this subdivision (1) after July 16, 2003, unless the entity has an  
12 annual outstanding debt of two hundred thousand dollars (\$200,000);

13 (2)~~(A)~~ "Debt" means ~~any~~;

14 (A) Any liquidated sum due and owing any claimant agency,  
15 which has accrued through contract, subrogation, tort, operation of law,  
16 legal proceeding, or any other legal theory, regardless of whether there is  
17 an outstanding judgment for that sum;

18 (B) ~~"Debt" shall include accrued~~ Accrued obligations due  
19 to an assignment of child support rights made to the state as a condition of  
20 eligibility for welfare assistance and those which have accrued from contract  
21 with the claimant agency by an individual who is not the recipient of welfare  
22 assistance;

23 (C) ~~"Debt" shall also include the owing of money~~ Money  
24 owed to a claimant agency as a result of a debtor's cashing both the original  
25 and the duplicate state warrants;

26 (D) ~~"Debt" shall also include all~~ All of the following  
27 that have been due and payable for more than one (1) year and that are not  
28 under appeal:

29 (i) Traffic fines;

30 (ii) Any court-imposed fine or cost, including fines  
31 related to the prosecution of hot checks under The Arkansas Hot Check Law,  
32 § 5-37-301 et seq.; and

33 (iii) Restitution ordered by a circuit, county,  
34 district, or city court related to the violation of any state law;

35 (E) ~~"Debt" shall also include the owing of money~~ Money  
36 owed to a claimant agency for all costs as a result of the debtor's use of

1 state medical and pharmacy benefits for which he or she is not entitled; and  
2 (F) Money owed to a claimant agency for all costs  
3 resulting from an overpayment of wages or salaries, including a lump sum  
4 payment;

5 (3) "Debtor" means any individual owing money to or having a  
6 delinquent account with any claimant agency, which obligation has not been  
7 adjudicated, satisfied by court order, set aside by court order, or  
8 discharged in bankruptcy;

9 (4) "Division" means the Revenue Division of the Department of  
10 Finance and Administration;

11 (5) "Refund" means the Arkansas income tax refund which the  
12 division determines to be due any individual taxpayer less any amounts  
13 determined by the division to be due to the division for payment of any state  
14 tax as defined in the Arkansas Tax Procedure Act, § 26-18-101 et seq.; and

15 (6) "Setoff" means the withholding of part or all of income tax  
16 refunds due individuals who owe debts to the State of Arkansas, to a county,  
17 a city, or a town, or to a housing authority created under § 14-169-101 et  
18 seq.

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21 APPROVED: 2/24/2005  
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