



State of Tennessee

PUBLIC CHAPTER NO. 737

SENATE BILL NO. 1673

By Southerland, McNally, Overbey, Ketrone

Substituted for: House Bill No. 1401

By Goins, Dean, Ragan, Ramsey, Dale Carr, Swann, Moody

AN ACT to amend Tennessee Code Annotated, Title 6; Title 9; Title 20; Title 40; Title 41; Title 55 and Title 70, relative to court clerks.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 40-24-105(d), is amended by deleting the last three sentences of the subsection and substituting instead the following:

The district attorney general or criminal or general sessions court clerk may retain up to fifty percent (50%) of the fines, costs and litigation taxes collected pursuant to this subsection in accordance with any in-house collection procedure or, if an agent is used, for the collection agent. The proceeds from any in-house collection shall be treated as other fees of the office. When moneys are paid into court, the allocation formula outlined in subsection (a) shall be followed, except up to fifty percent (50%) may be withheld for in-house collection or, if an agent is used, for the collection agent, with the remainder being allocated according to the formula.

SECTION 2. Tennessee Code Annotated, Section 40-24-105(d), is amended by designating the newly amended language as a new subdivision (1) and by adding the following new subdivision (2):

(2) On or after January 1, 2015, if an agent is used, the agent's collection fee shall be added to the total amount owed. The agent's collection fee shall not exceed forty percent (40%) of any amounts actually collected. When moneys are paid into court, the allocation formula outlined in subsection (a) shall be followed, except up to forty percent (40%) may be withheld for the collection agent, with the remainder being allocated according to the formula.

SECTION 3. Tennessee Code Annotated, Section 20-12-144(c), is amended by deleting the subsection in its entirety and substituting instead the following:

(c) The clerk may retain up to fifty percent (50%) of any portion of the court costs or litigation taxes, or both, which have not been paid within six (6) months after the adjudication of a civil case in accordance with any in-house collection procedure or, if an agent is used, for the collection agent, which may be allocated from each payment made on the amounts owing for such civil costs and taxes. The proceeds from any in-house collection shall be treated as other fees of the office.

SECTION 4. Tennessee Code Annotated, Section 20-12-144(c), is amended by designating the newly amended language as a new subdivision (1) and by adding the following new subdivision (2):

(2) On or after January 1, 2015, if an agent is used, the agent's collection fee shall be added to the total amount owed. The agent's collection fee shall not exceed forty percent (40%) of any amounts actually collected, which may be allocated from each payment made on the amounts owing for such civil costs and taxes.

SECTION 5. Any changes to a court clerk's computer system or software necessitated by the use of a collection agent under this act shall be paid for by funds collected by the clerk for computer related expenses pursuant to § 8-21-401(j) to the extent such funds are available. No state funds shall be allocated to make any changes to a court clerk's computer system or software necessitated by this act.

SECTION 6. This act is remedial in nature and is intended to assist court clerks with the administrative costs and difficulties associated with the collection of delinquent fines, costs and litigation taxes.

SECTION 7. If any provision of this act or the application of any provision of this act to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared to be severable.

SECTION 8. This act shall take effect upon becoming a law, the public welfare requiring it, and the additional fee if a collection agent is used shall apply to all amounts that have been owed for at least six (6) months on January 1, 2015, or become owed for at least six (6) months after January 1, 2015, whether the case was adjudicated prior to, or on or after, the effective date of this act.

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PASSED: April 3, 2014

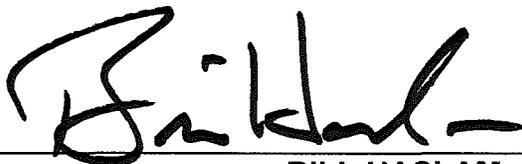


RON RAMSEY
SPEAKER OF THE SENATE



BETH HARWELL, SPEAKER
HOUSE OF REPRESENTATIVES

APPROVED this 22nd day of April 2014



BILL HASLAM, GOVERNOR

ADDENDUM TO SENATE BILL 1673

This bill has an effective date of April 21, 2014 in accordance with Article III, Section 18 of the Constitution of the State of Tennessee.