

FINAL BILL REPORT

ESHB 2346

C 66 L 98

Synopsis as Enacted

Brief Description: Allowing the department of social and health services to recover revenue from vendors that have been overpaid.

Sponsors: By House Select Committee on Vendor Contracting & Services (originally sponsored by Representatives Clements, Scott, Dickerson, Gardner, Hatfield, Anderson, Dyer, Thompson, O'Brien, Boldt, Skinner, D. Schmidt, Mulliken and Backlund; by request of Department of Social and Health Services).

House Committee on Select Vendor Committee
House Committee on Government Administration
Senate Committee on Human Services & Corrections

Background: The sole statutory remedy available to the Department of Social and Health Services (DSHS) to recover funds owed to the state by vendors is to secure a lien equal to the amount of the debt plus interest. The department must bring a civil court action to enforce the lien or attempt to recover the debt by other means.

Summary: A uniform procedure for the DSHS to recover vendor overpayments is established. The procedure provides a mechanism for determining the amount of a debt and broadens available collection options. The department is required to give notice of an overpayment to the vendor who must, within 28 days, either pay the amount owed, or request an administrative proceeding. If the vendor does neither, a final debt against the vendor in the amount claimed by the department is established. The department may collect a debt through a lien and foreclosure, distraint, seizure and sale, order to withhold and deliver, any of the collection procedures established for overpayment of public assistance, or any other collection action available to the department.

Votes on Final Passage:

House 96 0
Senate 48 0

Effective: June 11, 1998