



# City of Rochelle

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**TO:** Dave Plyman City Manager

**FROM:** Chris Frye, Finance Manager  
Barbara Bell, Supervisor, RMU Customer Service

**DATE:** November 14, 2013

**SUBJECT:** Illinois Local Debt Recovery Program

## Summary

The Illinois Public Act 097-0632 was signed into law on December 2011 and established the Local Debt Recovery Program. The Program allows the Illinois Office of the Comptroller through intergovernmental agreement to collect unpaid debt such as parking tickets, traffic fines, utility bills and ordinance violation fines at no fee to the local government. The Comptroller's office matches unpaid debt records for up to the past seven years from the municipality's system against the Comptroller's system.

Prior to the Comptroller issuing a state check for items such as a tax refund, lottery payment, commercial payment or payroll check, the amount owed (which must be greater than \$10.00) plus an administrative fee will be deducted. The debtor has 60 days to protest the offset with the Comptroller's office. The funds will be deposited into the municipality's account after the 60 days. The debt records will remain in the Comptroller's system until the municipality requests them to be removed or for up to seven years from the debt certification date.

The Local Debt Recovery Program is scheduled to work within privacy protection and fair debt collection laws. Restrictions and limitations governing involuntary withholdings also apply. The funds collected from the Local Debt Recovery Program will not be subject to state payment delays.

Please consider using the Local Debt Recovery Program to collect unpaid debt owed to the City. This Program will be in addition to the current collection process. The intergovernmental agreement is attached.