

75-6206. Same; information to director of accounts and reports; notice to debtor; amounts subject to setoff withheld. (a) A state agency, foreign state agency or municipality which requests the director to assist in the collection of a debt due to the state agency, foreign state agency or municipality by the utilization of setoff procedures under this act or which is required to certify debts under K.S.A. 75-6203 and amendments thereto, shall certify to the director in writing the identity of the debtor, the amount of the debt subject to setoff and other information as the director may require. The director shall cause such data to be matched to payroll, refund and other pending payment files to identify those instances where setoff procedures may be implemented. The director shall then make the following notification to the debtor in writing, either by personal delivery to the debtor or by mail. Such notification shall include:

- (1) A demand for payment of the debt and a brief explanation of the legal basis of the debt;
- (2) a statement of the director's intention to setoff the debt due against the debtor's earnings, refund or other payment due to the debtor from the state of Kansas or any state agency;
- (3) the right of the debtor to request in writing a hearing to contest the validity of the claim, if such request is made: (A) Within 15 days of the mailing of the notice, or (B) in cases where notice was not given by mail, within 15 days of personal delivery to the debtor;
- (4) a statement that a hearing may be requested by making a written request therefor to the director of accounts and reports and the address of the director; and
- (5) the fact that failure to request a hearing within the fifteen-day period will be deemed a waiver of the opportunity to contest the claim causing final setoff by default.

(b) A copy of the notice required by subsection (a) to be sent to the debtor shall be sent to each state agency, foreign state agency or municipality seeking collection through setoff from the debtor. Subject to the provisions of K.S.A. 75-6205 and amendments thereto and upon request of the director, the payor agency shall withhold from the named debtor an amount equal to that claimed as the debt owed. The state agency, foreign state agency or municipality shall notify immediately the director of accounts and reports of any payments thereafter received from the named debtor or of any arrangements thereafter made for payment of the debt. Until the director of accounts and reports gives notice to the payor agency as to the final determination to proceed or not proceed with the collection of a debt by setoff, the payor agency shall continue to hold payments subject to setoff.

History: L. 1981, ch. 342, § 6; L. 1983, ch. 289, § 4; L. 1993, ch. 232, § 7; July 1.