

CITY OF MULLINS

151 E. Front Street
P. O. Drawer 408
Mullins, South Carolina 29574



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ORDINANCE #2019-02

RELATING TO THE RECOVERY OF COLLECTION COSTS AS A PART OF DELINQUENT DEBTS COLLECTED PURSUANT TO THE SETOFF DEBT COLLECTION ACT

WHEREAS, the City of Mullins is a claimant agency as defined in the Setoff Debt Collection Act, S.C. Code Ann. 12-56-10, et seq. (the Act) and is therefore entitled to utilize the procedures set out in the Act to collect delinquent debts owed to the City of Mullins; and

WHEREAS, "delinquent debt" is defined in the Act to include "collection costs, court costs, fines, penalties, and interest which have accrued through contract, subrogation, tort, operation of law, or any other legal theory regardless of whether a collection effort has been or is being made;" and

WHEREAS, the City of Mullins has contracted with the Municipal Association of South Carolina to submit claims on its behalf to the SC Department of Revenue pursuant to the Act; and

WHEREAS, the Municipal Association of South Carolina charges an administrative fee for the services it provides pursuant to the Act;

WHEREAS, the administrative fee charged by the Municipal Association of South Carolina is a cost of collection incurred by the City of Mullins that arises through contract, and is therefore properly considered as a part of the delinquent debt owed to the City of Mullins as that term is defined in the Act; and

WHEREAS, the City of Mullins also incurs internal costs in preparing and transmitting information to the Municipal Association, which costs are also collection costs that are a part of the delinquent debt owed to the City of Mullins; and

WHEREAS, the City of Mullins may desire to recover its internal costs of collection by adding such costs to the delinquent debt; and

NOW THEREFORE, be it enacted by the Mayor and Council of the City of Mullins as follows:

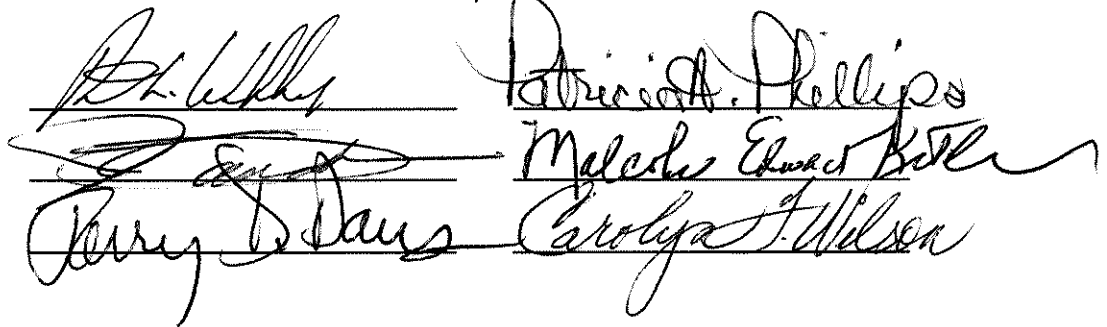
1. The City of Mullins may impose a collection cost of up to \$25.00 to defray its internal costs of collection for any delinquent debts that are sought to be collected pursuant to the provisions of the Setoff Debt Collection Act, S.C. Code Ann. 12-56-10 et. seq. This cost is hereby declared to be a collection cost that arises by operation of law and shall be added to the delinquent debt and recovered from the debtor.

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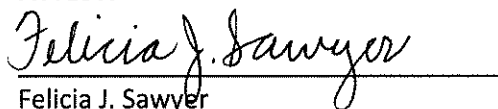
2. The City of Mullins hereby declares that the administrative fee charged by the Municipal Association of South Carolina is also a collection cost to the City/Town, which shall also be added to the delinquent debt and recovered from the debtor.
3. All Ordinances in conflict with the Ordinance are hereby repealed.
4. This Ordinance shall be effective on the date of final reading, provided however, that this ordinance is declared to be consistent with prior law and practice and shall not be construed to mean that any fees previously charged to debtors as costs of collection under the Act were not properly authorized or properly charged to the debtor.



William L. McMillan
Mayor



ATTEST:



Felicia J. Sawyer
City Clerk



Robert Corley
City Attorney

1st Reading – January 8th, 2019

2nd Reading – February 12, 2019