

Agreement for the Collection of Certain Delinquent Fines

This Agreement for the Collection of Certain Delinquent Fines is dated _____ and is between County Collection Services, a Division of the Association of Arkansas Counties, an Arkansas Nonprofit Corporation (“CCS”), and _____ County, Arkansas (the “County”). This Agreement provides for CCS’s collection of certain delinquent fines on behalf of the County. For purposes of this Agreement, “CCS” includes any employees, agents, and/or subcontractors of the Association of Arkansas Counties.

The parties agree as follows:

1. **Definitions.** Terms defined in the preamble have their assigned meanings and each of the following terms has the meaning assigned to it.
 - 1.1. **“Agreement”** means this Agreement for the Collection of Certain Delinquent Fines, as amended from time to time.
 - 1.2. **“Delinquent”** means “any fines assessed in the circuit courts, district courts, or other courts of this state which have not been paid as ordered for a period of ninety (90) days or three (3) payments, either consecutive or concurrent, since payment was ordered or since last partial payment was received,” as defined in Ark. Code Ann. § 16-13-709(a)(3), subject to change upon the amendment of this definition by the Arkansas General Assembly and reflect any such amendment.
 - 1.3. **“Delinquent Notification”** means written notice mailed to the Debtor in compliance Ark. Code Ann. § 26-36-309 and all other applicable state and local law.
 - 1.4. **“Debtor”** means any individual owing delinquent fines to the County or its courts, which obligation has not been adjudicated, satisfied by court order, set aside by court order, or discharged in bankruptcy.
 - 1.5. **“Effective Date”** means the date this Agreement is fully signed by each party.
 - 1.6. **“Fines”** means, notwithstanding any limitations set forth by the Ordinance, “all monetary penalties imposed by the courts of this state, which include fines, court costs, restitution, probation fees, and public service work supervisory fees,” as defined in Ark. Code Ann. § 16-13-701(b), subject to change upon the amendment of this definition by the Arkansas General Assembly and reflect any such amendment.
 - 1.7. **“Ordinance”** means _____ County, Arkansas Ordinance No. _____, duly passed and filed in the office of the _____ County Clerk on _____.
2. **Hiring of CCS.** By signing this Agreement, the County hires CCS to collect certain delinquent fines according to the terms of this Agreement.

3. **Collection of Certain Delinquent Fines.** Subject to the provisions of this Agreement, CCS shall collect certain delinquent fines on behalf of the County.
4. **Effective Date.** This Agreement is Effective on the Effective Date.
5. **Commission.** The county shall remit according to invoice a \$25 collection fee to CCS on all delinquent fines that are intercepted by a debtor's income tax after all state fees and costs associated with the setoff are deducted. This fee shall be waived for amounts intercepted under \$25.

6. **Provision of Services.**

6.1. **Limitation on the Types of Delinquent Fines.** The County shall only submit to CCS, and CCS shall only collect, the types of delinquent funds specifically allowed for collection by a private contractor as set forth in the Ordinance.

6.2 **Submission of Information to CCS.** County shall comply with any and all applicable provisions of Arkansas Code prior to the submission of a debt to CCS for setoff.

6.3 **Participation Form.** County shall upon execution of this Agreement complete an online participation form with CCS designating a County debt setoff coordinator/debt setoff contact. Such participation form shall be updated on an annual basis and at any time there is a change in the information provided thereon. CCS shall administratively provide participation forms, as needed, for use by County. The debt setoff coordinator shall be the designated local government employee authorized to receive notices and communication from CCS to ensure that the requirements of this Agreement and the requirements of the Code are met. The debt setoff coordinator shall supply CCS with any and all information that in the opinion of CCS is necessary for the proper implementation of this Agreement. The debt setoff contact will receive all referrals from debtors.

6.4 **File Format.** County shall use a file format specified by CCS to prepare debt files and adjustments to debt files that County certifies to CCS are owed to County and that County desires to have CCS submit to Department. CCS shall timely notify the County of any changes to the file format and the County covenants and agrees that it shall immediately implement any changes required by CCS. CCS will establish capability of date and time stamping of the submitted debt files for priority setting.

6.5 **Timing of Submission.** County shall transmit a debt file to CCS in a method and format acceptable to CCS. County shall make every effort to submit a file to CCS by January 15th. County shall, after a debt file has been submitted to CCS, advise CCS of any debtor repayment and delete or reduce a delinquent debt by submitting a new debt file. If County accepts full or partial payment against a debt file that has been submitted to CCS and sufficient notice is not provided to CCS to make a timely change to debt file reflecting the payment, County is responsible to refund any resulting fee that may be due

to debtor. If County erroneously submits a debt file to the CCS, the County is responsible for any fees charged the debtor by the CCS or Department of Finance and Administration.

6.6. **Notice to Debtor.** The county shall be responsible for mailing Delinquent Notifications to each debtor submitted no later than December 15.

6.7. **Payments Made to CCS.**

6.7.1. **Payments Received through Arkansas Department of Finance and Administration.** Any payments received by CCS from the Arkansas Department of Finance and Administration as a result of Debtors' income tax setoff during a calendar month shall be paid by a check, dated, postmarked, and mailed to the designated agent of the County no later than the tenth day of the following month or transmitted through Automated Clearing House (ACH).

6.7.2. **Remission of Collection Fees to CCS by the County.** Once the County has received its check(s) or monies referenced in 6.7.1. from CCS, CCS will submit an invoice to the County, and the County shall remit payment to CCS according to the terms of the invoice.

7. **Indemnification; Reimbursement; Disclaimer.** County fully understands and warrants to CCS that by submission of any delinquent debt submitted to CCS for setoff County has complied with all of the provisions of this Agreement and all of the provisions of the Code that are required prior to submission of a debt for setoff. County shall hold CCS free and harmless and shall indemnify CCS against any and all damages, claims, of action, injuries, actions, liability, or proceedings arising from the failure of County to so perform. County shall be responsible for the repayment of any sums received by it, including interest, penalties and court costs, to a debtor in the event a court of competent jurisdiction rules that said repayment is due to a debtor or debtors. Except as expressly stated in this Agreement, CCS disclaims any representations and warranties that might otherwise be implied in connection with this Agreement and CCS services, including, without limitation, any implied warranties of merchantability, fitness for a particular purpose, date accuracy, system integration, and non-infringement.
8. **Termination of Agreement.** This Agreement may be terminated by either party for good cause, by giving the other party 90 days written notice.
9. **Renewal of Agreement.** Absent written notice by either party to terminate the Agreement pursuant to Section 8 of the Agreement, the Agreement shall automatically renew on the annual anniversary of the Effective Date.

IN WITNESS THEREOF, the parties have executed this agreement as of the Effective Date.

Chris Villines, Executive Director
Association of Arkansas Counties

_____ County Judge

Date signed

Date signed