



## Legislation Text

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**File #:** 21-516, **Version:** 1

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**ITEM TITLE:**

Consider an ordinance pertaining to collection services for unpaid utility bills, creating Section 22-1-1-105, Article 22-1, Chapter 22, Lawton City Code 2015, authorizing the City to enter into a contract with a collection agency for the provision of collection services for debts and accounts receivable, which includes unpaid utility bills, to refer utility bill indebtedness to the collection agency for collection, and authorizing the collection agency to collect a fee in an amount not to exceed thirty-five percent (35%) of the indebtedness, and establishing an effective date.

**INITIATOR:** Kristin Huntley, Interim Finance Director

**STAFF INFORMATION SOURCE:** Kristin Huntley, Interim Finance Director; Kelea Fisher, Deputy City Attorney; Mardi Repasy, Revenue Services Director

**BACKGROUND:** Title 11 Oklahoma Statutes Section 12-138 provides that the governing body of a municipality may enter into a contract with a collection agency for the provision of collection services for debts and accounts receivable including, but not limited to, unpaid fees, penalties, interest, and other sums due the municipality. This ordinance establishes the City's ability to enter into such a contract and to collect unpaid utility bills in accordance with and as allowed by state statute. The state statute further provides that the collection fee may not exceed thirty-five percent (35%) of the total indebtedness referred by the municipality to the collection agency for collection. This ordinance establishes the same percentage limitation.

**EXHIBIT:** Ordinance 2021-

**KEY ISSUES:** Click or tap here to enter text.

**FUNDING SOURCE:** n/a

**STAFF RECOMMENDED COUNCIL ACTION:** Adopt Ordinance 21-\_\_\_\_\_ waive the reading of the ordinance and read the title only.