

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2395

STATUS: Original

SUBJECT: Eliminates the requirement that certain agency warrants be issued to the sheriff and allows the agency that issues warrants to record a copy in the County Clerk Lien Record at any time after issuance of the warrant.

GOVERNMENT UNIT AFFECTED: Employment Department, Department of Revenue, other state agencies that collect debts.

PREPARED BY: Robin LaMonte

REVIEWED BY: Michelle Deister, Laurie Byerly

DATE: April 23, 2009

	<u>2009-2011</u>	<u>2011-2013</u>
EXPENDITURES:		
Employment Department		
Personal Services	\$ 927,793	\$ 1,139,933
Services and Supplies	\$ 2,449,960	\$ 3,266,614
Employment Department – Federal Funds	\$ 3,377,753	\$ 4,406,547

Department of Revenue – See Analysis

POSITIONS / FTE:

Employment Department	13/7.36	11/9.80
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EFFECTIVE DATE: January 1, 2010

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: HB 2395 eliminates the requirement that certain agency warrants be issued to the sheriff and allows the agency that issues warrants to record a copy in the County Clerk Lien Record at any time after issuance of the warrant.

The Employment Department estimates, based on advice from the Department of Justice, that the provisions of this bill could cost \$3.38 million Federal Funds in the 2009-11 biennium. Potential costs include 13 additional positions, including Revenue Agent and support staff time related to warrant and garnishment workload, including court time and cost, and staff time to update the database. There could be approximately \$1.2 million Federal Funds in Attorney General fees for legal services related warrants and garnishments, over \$500,000 Federal Funds in court filing fee costs, and additional costs for postage and mailing expense.

The Department of Revenue (DOR) did not provide a specific fiscal impact but noted that “deletions of existing statutory language related to whether department warrants have the effect of a judgment without obtaining a judgment in circuit court may have unintended consequences.” DOR notes that clarifying language may be needed to mitigate potential and indeterminate costs for obtaining a judgment in circuit court.

The Department of Corrections and the Department of Human Services did not provide a fiscal impact estimate on this bill.