

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: HB 2547 - A**

Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session
Legislative Fiscal Office

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Measure Description:

Allows notice of garnishment to be served by regular mail instead of certified mail, return receipt requested.

Government Unit(s) Affected:

Judicial Department, Department of Revenue, Department of Justice, Employment Department

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: This bill will allow the agencies affected to serve a notice of garnishment by regular mail instead of certified mail with a return request. An agency may not seek sanctions against a non-complying garnishee unless the notice of garnishment is personally delivered or mailed by certified mail with return receipt requested. The bill would allow the initial notice to be sent out via regular mail.

The Department of Revenue (DOR) sends out approximately 70,000 garnishment notices per year. This bill would result in savings for DOR. The exact amount of saving would be dependent upon how many garnishments the department sends out and the number of sanctions in which DOR would have to affect a certified mailing to impose sanctions. DOR estimates approximately \$675,000 per biennium in savings.

The Employment Department sends out roughly 8,000 garnishments per year and anticipates savings of \$165,000 per biennium. The exact amount of saving would be dependent upon how many garnishments the department sends out and the number of sanctions in which the department would have to affect a certified mailing to impose sanctions.

The Oregon Judicial Department anticipates a minimal impact. The Department of Justice utilizes a writ of garnishment which uses a different process and is not affected by this bill.