

House Bill 2252

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of House Interim Committee on Health Care for Secretary of State Kate Brown)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Deletes provision allowing state agency to certify to Secretary of State that money owed to agency is uncollectible. Deletes requirement that secretary approve state agency criteria for uncollectibility. Deletes requirement that secretary approve action by state agency to write off debt. Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to uncollectible debts owed state agencies; creating new provisions; amending ORS 293.240,
3 319.186, 319.746 and 825.509; and declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 293.240 is amended to read:

6 293.240. (1) If a state agency has made all reasonable efforts to collect money owed to it, in-
7 cluding money owed on a liquidated and delinquent account that has been relinquished by a private
8 collection agency under ORS 293.231, and has determined that *[such]* **the** money and any interest
9 or penalties *[therefor]* **on the money** are uncollectible, **the agency may write off the debt on its**
10 **accounts** *[in accordance with criteria for uncollectibility formulated by the agency and approved by*
11 *the Secretary of State and the Attorney General, which criteria shall include the right of offset, the*
12 *agency may certify to the Secretary of State the amount of the money, interest and penalties, as accu-*
13 *rately as can be determined. The Secretary of State may require submission by the agency of all rele-*
14 *vant evidence and other information regarding the debt and may examine such records of any other*
15 *state agency which may be pertinent in determining the uncollectibility of the debt, unless such exam-*
16 *ination is prohibited by specific provisions of law (except for the secretary's duty to audit the state*
17 *agency), including but not limited to ORS 314.835 and 657.665].*

18 **(2) Before determining that money is uncollectible under subsection (1) of this section,**
19 **a state agency must adopt criteria for determining when money is uncollectible. The criteria**
20 **must include the right of offset and must be approved by the Attorney General.**

21 *[(2) If the Secretary of State finds that the debt is uncollectible, in accordance with the criteria for*
22 *uncollectibility of money due to that state agency, the Secretary of State shall direct the agency to write*
23 *off the debt on its accounts in a manner approved by the Secretary of State.]*

24 (3) This section does not apply to debts owed to a state agency for which a procedure for com-
25 promise, release, discharge, waiver, cancellation or other form of settlement *[thereof]* **for the debt**
26 for reasons other than uncollectibility is by law made specially applicable to *[such]* **the** state agency.

27 **SECTION 2.** ORS 319.186 is amended to read:

28 319.186. (1) Any tax, interest or penalty due the state assigned to a collection agency pursuant
29 to ORS 319.184 that remains uncollected for two years after the date of *[such]* **the** assignment meets
30 the criteria for uncollectibility formulated pursuant to ORS 293.240, *and may be assigned to the*

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 *Secretary of State*].

2 (2) ORS 293.245 applies to any tax, interest or penalty due the state [*assigned to the Secretary*
3 *of State pursuant to*] **and described in** subsection (1) of this section.

4 **SECTION 3.** ORS 319.746 is amended to read:

5 319.746. (1) Any obligation due the state assigned to a collection agency pursuant to ORS
6 319.744 that remains uncollected for two years after the date of [*such*] **the** assignment meets the
7 criteria for uncollectibility formulated pursuant to ORS 293.240[, *and may be assigned to the Secre-*
8 *tary of State*].

9 (2) ORS 293.245 applies to any obligation due the state [*assigned to the Secretary of State pur-*
10 *suant to*] **and described in** subsection (1) of this section.

11 **SECTION 4.** ORS 825.509 is amended to read:

12 825.509. (1) Any fee, tax, penalty or money due the state assigned to a collection agency pursu-
13 ant to ORS 825.508 that remains uncollected for two years after the date of [*such*] **the** assignment
14 meets the criteria for uncollectibility formulated pursuant to ORS 293.240[, *and may be assigned to*
15 *the Secretary of State*].

16 (2) ORS 293.245 applies to any fee, tax, penalty or money due the state [*assigned to the Secretary*
17 *of State pursuant to*] **and described in** subsection (1) of this section.

18 **SECTION 5.** **The amendments to ORS 293.240, 319.186, 319.746 and 825.509 by sections 1**
19 **to 4 of this 2011 Act apply to debts determined by a state agency to be uncollectible on or**
20 **after the effective date of this 2011 Act.**

21 **SECTION 6.** **This 2011 Act being necessary for the immediate preservation of the public**
22 **peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect**
23 **on its passage.**

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