

Legislative Testimony

SB 184: Garnishments By Certified Mail

The concept:

The concept proposes to allow the Department of Revenue to use regular mail to send garnishment notices (rather than certified mail). It also proposes to allow electronic sending with agreement from the garnishee.

Background:

Current law requires DOR to send garnishment notices that go to the banks/employers by certified mail. This concept would allow us to send garnishments using regular first class mail. Where we have agreement, it would also allow sending by email. This would get our notices out quicker and also save on postage costs.

This concept was introduced in 2011 and heard in the House Judiciary Committee. There were industry concerns about sanctions for non-compliance; we addressed those by adding language to impose sanctions only after sending a second notice by certified mail. We estimated back then it would save about \$500k in postage costs.

<u>The bill would:</u> Amend ORS 18.854 (4) to allow agencies to send garnishment notices by regular mail. <u>Fiscal Impact:</u>

Projected savings of over \$500,000 a biennium

<u>Prepared by:</u> Ken Ross, Agency Legislative Coordinator – 503.945.8890