

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 185**Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session
Legislative Fiscal Office***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Creates specific provisions relating to garnishment by Department of Revenue.

Government Unit(s) Affected:

Department of Justice, Counties, Department of Revenue(DOR)

Summary of Expenditure Impact:

Please see analysis

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:

The measure creates a special garnishment process for the Department of Revenue (DOR) within the existing statutes relating to garnishment. Under the bill DOR would be exempted from a number of requirements including the physical signing of garnishment notices by the person issuing the notice and the recording of the warrant or agency order with the county clerk prior issuing the notice of garnishment.

DOR has issued an average of about 80,000 garnishments a year for fiscal years 2010 and 2011, although fiscal year 2011 garnishments were 40% higher than fiscal year 2010. The department issued garnishments for personal income taxes, employee withholding, and debts owed to other state agencies. DOR estimates that this legislation will produce Personal Services savings of \$133,000 General Fund and \$57,000 Other Funds for the 2013-15 biennium and \$235,200 General Fund and \$100,800 Other Funds for the 2015-17 biennium. These savings are net of the cost of implementing the measure. The measure does not impact the recording of warrants by DOR with the county so there is not anticipated to be any recording fee savings by the agency.