

A-Engrossed
Senate Bill 259

Ordered by the Senate March 11
Including Senate Amendments dated March 11

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Senate Interim Committee on Business, Transportation and Economic Development)

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.

Authorizes Director of Employment Department to enter into intergovernmental agreement with federal government to offset against state debt moneys owed to debtor by federal government. **Limits offset to state debt caused by debtor's willful conduct to obtain unemployment insurance benefits. Requires 60 days' advance written notice to debtor.** Authorizes director to pay fee charged by federal government for processing offset.

Authorizes director to pay fee to Department of Revenue for processing request to offset against liquidated state debt state tax refund owed to debtor.

Requires director to adopt rules establishing requirements for advance written notice and procedures for debtor to obtain administrative review.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to offsetting against liquidated state debt moneys owed to debtors; and declaring an emer-
3 gency.

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

5 **SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 657.**

6 **SECTION 2. (1) The Director of the Employment Department may enter into an inter-**
7 **governmental agreement with the federal government for the purposes of:**

8 (a) **Offsetting against liquidated state debt moneys that the federal government owes to**
9 **the debtor; and**

10 (b) **Sharing information as necessary to make offsets under paragraph (a) of this sub-**
11 **section.**

12 (2) **The director may request an offset against liquidated state debt under this section**
13 **only if:**

14 (a) **The debt is legally enforceable;**

15 (b) **The debt is past due;**

16 (c) **The debt was caused by the debtor's willfully making a false statement or misrepre-**
17 **sentation, or willfully failing to report a material fact, to obtain any benefits under this**
18 **chapter;**

19 (d) **The debtor's appeal period for contesting the debt and the element of causation de-**
20 **scribed in paragraph (c) of this subsection has expired; and**

21 (e) **The director has provided at least 60 days' advance written notice to the debtor that**
22 **the debt will be offset pursuant to this section and that the debtor has the right to request**

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 administrative review under rules adopted by the director pursuant to subsection (5) of this
2 section.

3 (3)(a) The director may pay a fee charged by the federal government for processing a
4 request for an offset under subsection (1) of this section.

5 (b) The net amount received from the federal government after deduction of fees charged
6 under paragraph (a) of this subsection shall be offset against the debt.

7 (4)(a) The director may pay a fee charged by the Department of Revenue pursuant to
8 ORS 293.250 for processing a request to offset against liquidated state debt a state tax refund
9 owed to the debtor.

10 (b) The net amount received from the Department of Revenue after deduction of fees
11 charged under paragraph (a) of this subsection shall be offset against the debt.

12 (5) The director shall adopt rules consistent with federal requirements for debt offsets
13 requested under this section that establish the requirements for the advance written notice
14 provided to debtors, and the procedures pursuant to which a debtor may obtain administra-
15 tive review, under this section.

16 SECTION 3. The 60 days' advance written notice required under section 2 (2)(e) of this
17 2013 Act is not valid unless it is sent on or after the effective date of this 2013 Act, and the
18 Director of the Employment Department may not request an offset under section 2 (2) of this
19 2013 Act before the date that is 60 days after the effective date of this 2013 Act.

20 SECTION 4. This 2013 Act being necessary for the immediate preservation of the public
21 peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect
22 on its passage.
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