

STAFF MEASURE SUMMARY

House Committee On Judiciary

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 04/02/15

Action: Do Pass As Amended And Be Printed Engrossed.

Meeting Dates: 03/16, 04/02

Vote:

Yeas: 8 - Barker, Barton, Greenlick, Krieger, Lininger, Olson, Post, Williamson

Exc: 1 - Sprenger

Prepared By: Channa Newell, Counsel

WHAT THE MEASURE DOES:

Specifies that when debt is created by presentation of dishonored check on behalf of obligor, the amount of money specified on the check is owed by all. Further clarifies that the state may collect in any circumstance from the obligor, but only from the withholder or other issuer if that party presented the check.

ISSUES DISCUSSED:

- Instances in which a third-party may pay a child support obligation on behalf of another
- If third-party check is dishonored, should be able to collect from person who presented check
- Provisions of measure

EFFECT OF COMMITTEE AMENDMENT:

Clarifies that when debt is created by other issuer presenting check on behalf of obligor, the amount of money specified on the check is owed by all. Clarifies that the state may collect in any circumstance from the obligor, but only from the withholder or other issuer if that party presented the check.

BACKGROUND:

Oregon Revised Statute Chapter 25 outlines the support enforcement authority of the state. When an obligor owes child support, the obligor may give the Department of Justice a check, which the Department then transmits to the obligee. If that check is dishonored, a debt is created. The Department must attempt to recover the debt if it is cost-effective to do so and must notify the obligor of the amount owed.

House Bill 3159 A specifies that if a third-party presents the check to the Department, on behalf of the obligor, and the check is dishonored, then the Department is entitled to collect from the person who presented the check.