

STAFF MEASURE SUMMARY**House Committee On Judiciary****Fiscal:** Fiscal impact issued**Revenue:** Has minimal revenue impact**Action Date:** 04/02/15**Action:** Do Pass As Amended, Be Printed Engrossed, And Bill Be Referred To Ways And Means.**Meeting Dates:** 03/10, 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:**

Requires Oregon State Lottery Commission to hold payment of lottery prizes in excess of \$600 to recipients who have received overpayment of supplemental nutritional assistance, public assistance, or medical assistance and for which a warrant has been issued. Specifies 30-day hold on payments. Requires notification of hold to person and agency. Requires disbursement of prize if agency does not initiate garnishment proceeding within 30-days' time or upon notification from agency that garnishment action will not be initiated. Requires development of data match system. Prioritizes recovery of past-due child support amounts over recovery of overpayments of support. Applies to warrants issued after effective date of Act.

ISSUES DISCUSSED:

- Collection of overpayments in other states
- In-store payouts of up to \$1,250
- Use of Social Security numbers in some systems
- Child support recovery procedure
- Process for set up of database

EFFECT OF COMMITTEE AMENDMENT:

Expand bill to include overpayment for supplemental nutrition assistance, or any other benefit, aid or assistance for which Department of Human Services or Oregon Health Authority has authority to issue final order for overpayment under Chapter 183. Specifies that payment of past-due child support takes priority over recovery of overpayment of assistance. Makes technical clarifying changes.

BACKGROUND:

If an individual has received an overpayment of some form of public assistance, such as supplemental nutrition assistance (SNAP), or medical care, the Department of Human Services (DHS) or the Oregon Health Authority (OHA) may request repayment of the overpayment. The individual has an opportunity for a contested case hearing. If the payment is not received within the specified time, the agency may issue a warrant for the overpayment. The warrant is the same process as used for recording tax deficiencies and must be recorded with a county clerk. The warrant must include the principal amount of the overpayment, the interest due, and other costs. Upon the proper execution of the warrant, the agency may initiate garnishment proceedings against the individual.

House Bill 2393 A requires the Oregon State Lottery Commission to develop and operate a data matching system with OHA and DHS to identify persons who have received overpayment of public assistance and who have won more than \$600 in lottery prizes. The measure requires the Lottery to check the names of all persons claiming prizes over \$600 with the database and to place a hold on any names matching a warrant of overpayment. If a match is made, the payment must be held. The Lottery would then notify the individual and the agency with the warrant. The agency then has 30-days to initiate

garnishment, in which case the Lottery will continue to hold the payment, or to inform the Lottery that it will be not pursue garnishment. At the time of notification of not pursuing garnishment, or at the end of the 30-day period, the Lottery must pay the prize to the person.