# FISCAL IMPACT OF PROPOSED LEGISLATION

Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Date:	June 11, 2015

## **Measure Description:**

Authorizes state agencies that request persons to voluntarily supply Social Security numbers on documents relating to any monetary obligation or transaction to include on documents notice that Social Security numbers may be used for state agency debt collection activities. Further modifies state agency debt collection practices and reporting.

# Government Unit(s) Affected:

Statewide

# Summary of Expenditure Impact:

See Analysis below

## 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 bill requires state agencies that request people to voluntarily provide their Social Security number on documents related to a monetary obligation or transaction to include a notice on the document that the information may be used for state agency debt collection purposes, in accordance with rules to be adopted by the Department of Administrative Services (DAS). DAS is also required to establish procedures for the sharing of Social Security numbers between agencies. The bill authorizes state agencies to charge a fee related to liquidated and delinquent accounts assigned to the Department of Revenue and specifies the process for the proposal and acceptance of offers of compromise for settlement of a debt. DAS is further directed to adopt policies relating to state agency debt collection as outlined in the measure and to provide training and technical assistance to state agencies on managing accounts receivables and collecting on liquidated and delinquent accounts. The measure further specifies information that must be included in the annual state agency report on liquidated and delinquent accounts that is submitted to the Legislative Fiscal Office (LFO).

DAS believes the agency would need one full-time, accounts receivable position (1.00 FTE), at a cost of \$206,000 Other Funds to address the workload associated with the bill. Most agencies indicate that they anticipate either no costs or a minimal fiscal impact associated with the measure; however, some agencies note that there is a potential for additional costs depending on what rules and requirements are adopted by DAS, although such costs are indeterminate. In addition, DAS is required to charge agencies for their share of costs related to debt collection processes, although how such costs would be spread to agencies is unknown at this time.