

**PROPOSED AMENDMENTS TO
SENATE BILL 55**

1 On page 1 of the printed bill, line 3, delete “, 293.245”.

2 Delete lines 5 through 19.

3 On page 2, delete lines 1 through 17 and insert:

4 **“SECTION 1. (1) A state agency that requests a person to volun-**
5 **tarily supply the person’s Social Security number on any document**
6 **relating to any monetary obligation or transaction shall include on the**
7 **document a notice disclosing that the Social Security number may be**
8 **used for state agency debt collection activities.**

9 **“(2) The Oregon Department of Administrative Services shall adopt**
10 **rules:**

11 **“(a) Specifying the form of the notice, including provisions speci-**
12 **fying when the notice must state that the disclosure of a Social Se-**
13 **curity number is voluntary; and**

14 **“(b) Setting procedures for the sharing of Social Security numbers**
15 **between state agencies and private collection agencies for the purpose**
16 **of collecting debts owed state agencies.**

17 **“(3) If a person is required to provide the person’s Social Security**
18 **number to the requesting state agency under federal or state law, this**
19 **section does not apply.**

20 **“(4) A state agency, the Department of Revenue under ORS 293.250**
21 **or a private collection agency assigned a delinquent account under**
22 **ORS 1.197 or 293.231 may use a Social Security number collected under**

1 **this section, or collected as otherwise allowed by law, to collect any**
2 **debt owed a state agency or local government by the person associated**
3 **with the Social Security number.**

4 **“(5) Nothing in this section authorizes a state agency, the Depart-**
5 **ment of Revenue or a private collection agency assigned an account**
6 **under ORS 1.197, 293.231 or 293.250 to use or disclose a Social Security**
7 **number for any reason other than a reason specified in this section.**

8 **“(6) As used in this section, ‘state agency’ means any state officer,**
9 **board, commission, corporation, institution, department or other state**
10 **organization.”.**

11 Delete lines 34 through 37 and insert:

12 **“(h) A statement indicating whether the agency has liquidated and delin-**
13 **quent accounts that are not exempt under ORS 293.233, or are otherwise**
14 **prohibited or exempted by law from assignment, for which no payment has**
15 **been received for more than 90 days and that have not been assigned to a**
16 **private collection agency or to the Department of Revenue under ORS**
17 **293.231.”.**

18 In lines 40 through 44, delete the boldfaced material and insert “and shall
19 list those state agencies that have liquidated and delinquent accounts that
20 are not exempt under ORS 293.233, or are otherwise prohibited or exempted
21 by law from assignment, for which no payment has been received for more
22 than 90 days and that have not been assigned to a private collection agency
23 or to the Department of Revenue under ORS 293.231”.

24 On page 4, delete lines 11 through 15 and insert:

25 **“(12)(a) A state agency that assigns a liquidated and delinquent account**
26 **to the Department of Revenue under ORS 293.250 may add a fee to be paid**
27 **by the debtor to the amount of the liquidated and delinquent account.**

28 **“(b) A fee may not be added under this subsection unless the state agency**
29 **has provided notice to the debtor:**

30 **“(A) Of the existence of the debt;**

1 “(B) That the debt may be assigned to the Department of Revenue for
2 collection; and

3 “(C) Of the amount of the fee that may be added to the debt under this
4 subsection.”.

5 In line 23, delete “(12) or”.

6 Delete lines 32 through 36 and insert:

7 “(3)(a) A state agency, the Department of Revenue collecting on an ac-
8 count under ORS 293.250 or a private collection agency collecting on an ac-
9 count under ORS 293.231, may propose and accept offers of compromise for
10 settlement of a debt owed to a state agency. Before proposing or accepting
11 an offer of compromise, a state agency must adopt criteria for determining
12 when offers of compromise may be made. The criteria must be approved by
13 the Oregon Department of Administrative Services and the Attorney General.

14 “(b) A private collection agency or the Department of Revenue shall ac-
15 cept an offer of compromise for settlement of a debt owed to a state agency:

16 “(A) In accordance with the criteria adopted by the state agency to which
17 the debt is owed; and

18 “(B) With the authorization of the state agency to which the debt is owed.

19 “(c) This subsection does not allow the compromise of a criminal money
20 judgment that requires a defendant to pay restitution or a compensatory
21 fine.”.

22 Delete lines 40 through 45 and delete pages 5 through 8.

23 On page 9, delete lines 1 through 30 and insert:

24 “**SECTION 5.** ORS 293.250 is amended to read:

25 “293.250. (1) There is [*hereby*] created a Collections Unit in the Depart-
26 ment of Revenue.

27 “(2) The Department of Revenue may render assistance in the collection
28 of any delinquent account owing to any [*state officer, board, commission,*
29 *corporation, institution, department or other state organization*] **state**
30 **agency**, or to a county pursuant to a judgment obtained under ORS 169.151,

1 assigned by the **state** agency or county to which the delinquent account is
2 owed to the department [*of Revenue*] for collection. **The department may**
3 **prescribe criteria for the kinds of accounts that may be assigned under**
4 **this section, including a minimum dollar amount owed.**

5 “(3)(a) Subject to rules prescribed by the Oregon Department of Adminis-
6 trative Services for collection of delinquent accounts owing to [*the respective*
7 *officers, departments, boards and commissions of state government, and*] **state**
8 **agencies or** to counties, the Department of Revenue shall render assistance
9 in [*such*] **the** collection and shall charge [*such officers, agencies and*] **the**
10 **state agencies or** counties separately for the cost of [*such*] assistance[,
11 *provided that charges shall*]. **The charges may** not exceed the proceeds of
12 collection credited to [*such officer,*] **the state** agency or county for the same
13 biennium. The Department of Revenue may designate a single percentage to
14 retain from the proceeds of collection as a charge for the cost of assistance.
15 If the Department of Revenue finds that accounts assigned to the department
16 [*of Revenue*] for collection by certain [*officers,*] **state** agencies or counties
17 lack sufficient information to properly and efficiently identify the debtor or
18 that the account information must be put into a form usable by the depart-
19 ment [*of Revenue*] in order to efficiently provide collection services, the de-
20 partment [*of Revenue*] may establish a separate percentage charge to be
21 retained from collections for the [*officer,*] **state** agency or county. The charge
22 must reflect the average of the actual cost to provide collection services for
23 all accounts assigned by that [*officer,*] **state** agency or county.

24 “(b) In providing assistance, the Department of Revenue shall [*utilize all*
25 *means available*] **make all reasonable efforts** to collect the delinquent ac-
26 counts including the setoff of any refunds or sums due to the debtor from the
27 department [*of Revenue*] or any other state agency. The department [*of Rev-*
28 *enue*] may offset any refunds or sums due to the debtor from the department
29 or any other state agency against delinquent accounts assigned by a county
30 to the department for collection under this section. [*The Department of Rev-*

1 *enue may prescribe criteria for the kinds of accounts that may be assigned*
2 *under this section, including a minimum dollar amount owed.]*

3 “[*(b)*] **(c)** No setoff [*will*] **may** be made by the Department of Revenue
4 unless the debt is in a liquidated amount.

5 “[*(c)*] **(d)** When the Department of Revenue has notified the assigning
6 **state** agency or county that a refund or other sum due to the debtor is
7 available for setoff, the debtor may arrange with the department [*of*
8 *Revenue*] **or county** for payment of the debt in full before the setoff is made.
9 However, the assigning **state** agency or county [*shall*] **may** not enter into
10 any agreement with the debtor for payment of the debt before the setoff is
11 made.

12 “[*(d)*] **(e)** At the time any setoff is made, the debtor shall be notified by
13 the Department of Revenue of its intention to apply sums due from a state
14 agency against the debtor’s delinquent account. The notice shall provide that
15 the debtor within 30 days may request a hearing before the claimant **state**
16 agency or county. No issues at the hearing may be considered that have
17 been litigated previously, or if the debtor after being given due notice of
18 rights of appeal has failed to exercise them timely.

19 “[*(e)*] **(f)** All moneys received by the Department of Revenue in payment
20 of charges made under paragraph (a) of this subsection shall be paid into the
21 State Treasury and deposited in a miscellaneous receipts account for the
22 department [*of Revenue*].

23 “[*(f)*] **(g)** Net proceeds of collections of delinquent accounts shall be
24 credited to the account or fund of the [*officer,*] **state** agency or county to
25 which the debt was originally owing.

26 “(4)(a) In providing assistance in the collection of any delinquent account
27 under this section, the Department of Revenue may issue a warrant for the
28 collection of the delinquent account. The warrant may be recorded in the
29 County Clerk Lien Record maintained under ORS 205.130.

30 “(b) A warrant [*shall*] **may** not be issued under this subsection unless the

1 debt is in a liquidated amount.

2 “(c) The amount of any warrant issued under this subsection shall include
3 the principal amount of the debt, any added penalties or interest attributable
4 to the delinquent account and any costs associated with recording, indexing
5 or service of the warrant and any satisfaction or release thereof.

6 “(d) A warrant [*shall*] **may** not be issued under this subsection before the
7 debtor has been notified that the department intends to issue the warrant
8 and of the collection action that may be taken under the warrant.

9 “(5) Nothing in this section [*shall prohibit*] **prohibits** the collection of:

10 “(a) A child or spousal support obligation as provided in ORS 25.610; or

11 “(b) Criminal judgments that impose monetary obligations, including
12 judgments requiring the payment of fines, costs, assessments, compensatory
13 fines, attorney fees, forfeitures or restitution.

14 “(6) **As used in this section, ‘state agency’ means any state officer,
15 board, commission, corporation, institution, department or other state
16 organization.**

17 “**SECTION 6. (1) The Oregon Department of Administrative Services
18 shall adopt policies:**

19 “(a) **Providing guidance for the collection of liquidated and delin-
20 quent accounts owing to state agencies.**

21 “(b) **Setting procedures for state agencies to account for and man-
22 age information regarding the agency’s liquidated and delinquent ac-
23 counts.**

24 “(c) **After consultation with the Attorney General, setting criteria
25 for effective and efficient assignment of liquidated and delinquent ac-
26 counts to the Department of Revenue or private collection agencies,
27 and setting performance measurements to be used in the application
28 of the criteria.**

29 “(d) **For the allocation, form and amount of charges or fees added
30 to liquidated and delinquent accounts under ORS 293.231, 293.250 and**

1 **697.105.**

2 **“(e) Setting exemptions or adjustments for state agencies that are**
3 **prohibited by law from adding or collecting fees under ORS 293.231,**
4 **293.250 or 697.105 and for agencies for which the addition or collection**
5 **of the fees is not feasible given the agency resources available for**
6 **collection of accounts receivable.**

7 **“(f) For the improvement of communications regarding liquidated**
8 **and delinquent accounts between state agencies, private collection**
9 **agencies and the Department of Revenue.**

10 **“(g) Describing conditions under which a state agency may request**
11 **and collect Social Security numbers in accordance with state and fed-**
12 **eral law when it is reasonably foreseeable that a person may owe the**
13 **state agency a liquidated and delinquent amount as a result of a**
14 **transaction or activity.**

15 **“(h) After consultation with the Attorney General, setting criteria**
16 **under which state agencies and private collection agencies may pro-**
17 **pose and accept offers of compromise as provided in ORS 293.240.**

18 **“(2) The Oregon Department of Administrative Services shall:**

19 **“(a) Provide training to state agencies regarding processing and**
20 **managing accounts receivable in compliance with applicable law and**
21 **state policies.**

22 **“(b) Provide technical assistance to state agencies in resolving**
23 **challenges in processing and managing accounts receivable and devel-**
24 **oping financial administrative systems to improve the handling of**
25 **liquidated and delinquent accounts.**

26 **“(3) As used in this section, ‘state agency’ means any state officer,**
27 **board, commission, corporation, institution, department or other state**
28 **organization.**

29 **“SECTION 7. (1) Subject to ORS 293.250, a state agency shall make**
30 **all reasonable efforts to collect delinquent accounts owing to the state**

1 agency, including the use of Social Security numbers made available
2 by state agencies pursuant to section 1 of this 2015 Act, and the setoff
3 of any refunds or sums due to the debtor from the state agency, the
4 Department of Revenue or from any other state agency.

5 “(2) The Oregon Department of Administrative Services shall adopt
6 rules establishing procedures for the setoff of amounts between state
7 agencies under this section.

8 “(3) As used in this section, ‘state agency’ means any state officer,
9 board, commission, corporation, institution, department or other state
10 organization.

11 **“SECTION 8. (1) The Oregon Department of Administrative Services**
12 **shall estimate in advance the expenses that the department will incur**
13 **during a biennium in carrying out the provisions of sections 1 and 6**
14 **to 8 of this 2015 Act.**

15 “(2) The department shall charge each state agency for the agency’s
16 share of the expenses described in subsection (1) of this section for the
17 biennium. The department shall determine the rate to be charged state
18 agencies.

19 “(3) Each state agency shall pay to the credit of the department the
20 charge described in this section as an administrative expense from
21 funds or appropriations available to the state agency in the same
22 manner as other claims against the state agency are paid.

23 “(4) All moneys received by the department under this section shall
24 be credited to the Delinquent Accounts Administration Fund estab-
25 lished under section 9 of this 2015 Act.

26 “(5) The department shall adopt rules specifying the methods for
27 calculating and collecting the rates and charges described in this sec-
28 tion.

29 “(6) As used in this section, ‘state agency’ means any state officer,
30 board, commission, corporation, institution, department or other state

1 organization.

2 **“SECTION 9. (1) The Delinquent Accounts Administration Fund is**
3 **established in the State Treasury, separate and distinct from the**
4 **General Fund. Interest earned by the Delinquent Accounts Adminis-**
5 **tration Fund shall be credited to the fund. Moneys in the fund are**
6 **continuously appropriated to the Oregon Department of Administra-**
7 **tive Services for purposes of administering sections 1 and 6 to 8 of this**
8 **2015 Act.**

9 **“(2) The fund shall consist of:**

10 **“(a) Moneys deposited in the fund pursuant to section 8 of this 2015**
11 **Act;**

12 **“(b) Amounts donated to the fund;**

13 **“(c) Amounts appropriated or otherwise transferred to the fund by**
14 **the Legislative Assembly; and**

15 **“(d) Other amounts deposited in the fund from any source.”.**

16 In line 31, delete “14” and insert “10”.

17 On page 10, line 24, delete “(3)(g)” and insert “(3)(e)”.

18 In line 25, delete “(3)(f)” and insert “(3)(d)”.

19 In line 26, delete “15” and insert “11”.

20 In line 38, delete “(3)(g)” and insert “(3)(e)”.

21 In line 39, delete “(3)(f)” and insert “(3)(d)”.

22 Delete lines 40 through 45.

23 On page 11, delete lines 1 and 2 and insert:

24 **“SECTION 12. (1) Sections 1 and 6 to 8 of this 2015 Act and the**
25 **amendments to ORS 137.118, 156.315, 293.229, 293.231, 293.240 and 293.250**
26 **by sections 2 to 5, 10 and 11 of this 2015 Act become operative January**
27 **1, 2016.**

28 **“(2) The Oregon Department of Administrative Services, the De-**
29 **partment of Revenue or any other state agency may take any action**
30 **before the operative date specified in subsection (1) of this section that**

1 **is necessary for the department or state agency to exercise, on or after**
2 **the operative date specified in subsection (1) of this section, all the**
3 **duties, functions and powers conferred on the department or state**
4 **agency by sections 1 and 6 to 8 of this 2015 Act and the amendments**
5 **to ORS 137.118, 156.315, 293.229, 293.231, 293.240 and 293.250 by sections**
6 **2 to 5, 10 and 11 of this 2015 Act.”.**

7 In line 3, delete “17” and insert “13”.

8
