

FISCAL IMPACT OF PROPOSED LEGISLATION

78th Oregon Legislative Assembly – 2016 Regular Session
Legislative Fiscal Office

Measure: HB 4131 - A7

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Prepared by: Theresa McHugh
Reviewed by: John Borden
Date: February 20, 2016

Measure Description:

Requires financial institutions to participate in data match system established by Department of Revenue to identify assets held at financial institutions by delinquent debtors.

Government Unit(s) Affected:

Department of Revenue (DOR)

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 financial institutions to participate in a data match process to be established by the Department of Revenue (DOR). The process will identify assets held at financial institutions by delinquent debtors. Financial institutions are authorized to charge a fee to the Department to reimburse them for their actual costs of the program. DOR may then, in turn, charge a fee to delinquent debtors to recover costs for the data match process. The bill also allows the Department to access reporting data for newly hired employees in Oregon from the Department of Justice Division of Child Support.

While the measure includes an emergency clause authorizing DOR to begin work on the program, it does not authorize the data match system to become operative until July 1, 2017. As such, there are no costs for the measure in 2015-17. DOR does anticipate General Fund costs of \$264,174 in 2017-19 to cover fees charged by financial institutions that are in excess of what will be recovered from fees paid by delinquent debtors.

