

PRELIMINARY STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Action Date:

Action:

Meeting Dates:

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WHAT THE MEASURE DOES:

Requires financial institutions to participate in data match system established by Department of Revenue to identify assets held at financial institutions by delinquent debtors. The purpose of these agreements is to conduct quarterly matches to identify assets held by delinquent debtors. The bill also allows the Department of Revenue to enter into agreements with the Department of Justice's Division of Child Support to access employer data on newly hired workers. The measure clarifies current law that a writ of garnishment issued to a financial institution operating in Oregon is effective to garnish property held in another state. The bill creates civil and criminal provisions for misuse of matched data.

ISSUES DISCUSSED:

- Limitations associated with account disclosure
- Criminal provision
- Implementation by financial institutions
- Similar California law
- Current law, and case law, related to a writ of garnishment
- Writ of garnishment issued to a financial institutions operating in Oregon and that is effective to garnish property held in another state
- Operative date of data match provision

EFFECT OF COMMITTEE AMENDMENT:

The -A7 amendment makes technical changes to the measure.

BACKGROUND:

The Secretary of State's Audit Division issued a report on the state's management of its delinquent debt collections. Among the recommendations in the report was the development of data matching agreements with banks and other financial institutions. According to the Legislative Fiscal Office's annual delinquent and liquidated accounts report, the state has 95,337 debtor accounts subject to bank garnishments.