

# Oregon Department of Justice

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## **Division of Child Support**

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TESTIMONY ON SENATE BILL 682 For the Senate Judiciary Committee April 10, 2017

### **Presented by:**

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This testimony is submitted in support of Senate Bill 682, with the -2 amendments.

## **How This Bill Changes Current Law**

Senate Bill 682, with the -2 amendments, establishes a process to suspend child support obligations owed by parents incarcerated for at least 180 consecutive days, or about six months, under a rebuttable presumption of inability to pay. Current law provides for a child support order modification to zero dollars under the same circumstances, effective only after service on the nonrequesting party. SB 682, with the -2 amendments, also provides that the previously ordered support amount reinstates at 50% on the 121<sup>st</sup> day after the parent has been released, rather than in full on the 61<sup>st</sup> day as provided by current law. SB 682 preserves incarceration as a qualifying change in circumstances for an obligated parent, supporting a modification if the presumption of inability to pay is rebutted, and adds that release from incarceration is also a qualifying change in circumstances.

This legislation is necessary to ensure that parents who are incarcerated do not reenter society owing child support debt that accrued while they were unable to pay it, which has been found to increase recidivism and reduce the chance that future support will be paid. This legislation is also necessary to enable the Oregon Child Support Program to comply with updated federal regulations prohibiting an assumption that an incarcerated parent is voluntary unemployed, imputing income without a factual basis, and requiring that a modification be initiated or offered to parents incarcerated for at least 180 days.

## **Key Points of Legislation**

- Creates a process to suspend or credit child support orders in lieu of child support order modification to zero dollars when obligated parents are incarcerated for at least six months.
- ➤ Preserves the rights of parents to receive support from incarcerated obligors who have the ability to pay while incarcerated. Reinstates support after a suspension at 50% of the previously calculated amount and requires a review of the support amount to ensure the support obligation reflects the family's current situation and decreased earning capacity as the result of incarceration.
- ➤ Enables the Oregon Child Support Program to comply with recently updated federal regulations.

## **Fiscal Impact**

None identified

## **Fiscal Benefits**

Passage of SB 682 increases the likelihood of current support collection from obligated parents post incarceration by providing additional time to reintegrate upon release prior to reinstatement and entering orders that reflect the obligated parent's actual ability to pay.

#### **Recommended Action**

The Oregon Department of Justice recommends adoption of the -2 amendments and committee approval of Senate Bill 682 as amended because it will provide a more flexible and realistic process for adjusting child support obligations in response to the incarceration status of an obligated parent.