



Oregon Department of Justice

Ellen F. Rosenblum, Attorney General
Frederick M. Boss, Deputy Attorney General

Division of Child Support

1162 Court St NE
Salem OR 97301
Telephone: (503) 947-4388
FAX: (503) 947-2578
TTY: (800) 735-2900
oregonchildsupport.gov

TESTIMONY ON SENATE BILL 516A For the House Committee on Judiciary May 23, 2017

Submitted by:

Kate Cooper Richardson, Director
Oregon Child Support Program
Division of Child Support
Department of Justice
kate.richardson@doj.state.or.us

This testimony is submitted in support of Senate Bill 516A.

How This Bill Changes Current Law

Senate Bill 516A adds provisions to ORS Chapter 25 to require all orders for payment of child support and spousal support to have a monthly due date of the first day of month in which payment is due. The legislation requires that a court order must specify the first day of a calendar month upon which a support is due, with subsequent payments due on the first day of each following month, and that each month's current support is enforceable by income withholding as of the first of the month even if the order's due date has not been reached.

The proposed statutory changes remove ambiguity if an order is signed after the month support is intended to begin, clarify that the support can be collected by income withholding as of the first of the calendar month in which a due date occurs, ensure consistency with system automation for income withholding once per calendar month, and add medical support to monthly accrual provisions. They also add a provision to ensure that actions based on delinquency, including contempt, will not be initiated simply because a payment is not made before, or exactly on, the first of the month. Additionally, these changes prevent income withholding and monthly-average conversion provisions from applying to enforcement remedies for property rights.

The legislation would reduce the potential for overpayment claims, audit requests, and staff time expended addressing complaints. This legislation will support automation in the new child support system in development for the Oregon Child Support Program.

Key Points of Legislation

- Requires that any order under ORS chapter 107, 108, 109, 110, 416, 419B or 419C that includes support must have a due date on the first of the month.
- Applies to orders issued or modified on or after the effective date of the Act.
- Allows any support order that accrues on other than a monthly basis to be converted to a monthly average, supporting automation in the Oregon Child Support Program's case management system.
- Allows payments from employers to apply to current support whether or not the due date in that month has been reached, when pay cycles differ from accrual dates and the employer is paying an averaged amount.
- Clarifies that payments become delinquent only if not paid in full within one month of the payment due date.
- Prohibits these new provisions from applying to any action or proceeding affecting property rights under ORS Chapter 18.

Fiscal Impact

None.

Fiscal Benefits

Reduced potential for overpayment claims, audit requests, and staff time expended addressing complaints.

Recommended Action

The Oregon Department of Justice recommends committee approval of Senate Bill 516A because it will significantly streamline financial case management by establishing a uniform billing accrual date for all support orders, thereby reducing overpayment claims, audit requests, and staff time.