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TESTIMONY ON SENATE BILL 682A For the House Committee on Judiciary May 23, 2017

Presented by:

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This testimony is submitted in support of Senate Bill 682A.

How This Bill Changes Current Law

Senate Bill 682A 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 682A also provides that the previously ordered support amount reinstates at 50% on the 121st day after the parent has been released, rather than in full on the 61st day as provided by current law. SB 682A preserves incarceration as a qualifying change in circumstances for a parent obligated to pay child support, supporting a modification if the presumption of inability to pay is rebutted and adding that release from incarceration also is 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 also is necessary to enable the Oregon Child Support Program to comply with updated federal regulations prohibiting an assumption that an incarcerated parent is voluntarily unemployed, imputing income without a factual basis, and requiring that a modification be initiated or offered to parents incarcerated for at least 180 days.

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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 parents (obligors) who have the ability to pay while incarcerated.
- After a suspension, reinstates support 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 the obligated parent's decreased earning capacity as the result of incarceration.
- Enables the Oregon Child Support Program to comply with recently updated federal regulations.

Fiscal Impact

None.

Fiscal Benefits

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

Recommended Action

The Oregon Department of Justice recommends committee approval of Senate Bill 682A 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.