

SB 765 A STAFF MEASURE SUMMARY

House Committee On Judiciary

Prepared By: Whitney Perez, Counsel

Meeting Dates: 5/23

WHAT THE MEASURE DOES:

Eliminates requirement that health care coverage under medical support clause in child support order be private health care coverage. Removes authorization for Department of Justice to disburse payments to collection agency. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In December, 2016, the Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs was published. This federal rule was effective on January 19, 2017 and requires states to comply with its provisions. This rule amended 45 CFR 303.31, eliminating the distinction between private and public health care coverage. In Oregon, child support orders are required to include a medical support clause that addresses providing private health care coverage for the child. Senate Bill 765-A eliminates references to private health care coverage and allows the medical support clause to address both public and private health care coverage by using the term health care coverage.

Currently, the Department of Justice (DOJ) is required to submit support payments to a collection agency when the obligee requests it by submitting the appropriate form. 45 CFR 302.38, also amended by the 2016 federal rule, now requires support payments be made directly to the resident parent, legal guardian or the like. SB 765-A eliminates DOJ obligations on child support orders when the obligee enters an agreement with a collection agency and the Administrator of Division of Child Support is providing support enforcement services. These obligations include when to disburse support payments to the collection agency.