

SB 517 A STAFF MEASURE SUMMARY

Carrier: Rep. Lininger

House Committee On Judiciary

Action Date: 05/23/17

Action: Do Pass the A-Eng bill.

Vote: 10-0-1-0

Yeas: 10 - Barker, Gorsek, Greenlick, Lininger, Olson, Post, Sanchez, Stark, Vial, Williamson

Exc: 1 - Sprenger

Fiscal: No fiscal impact

Revenue: No revenue impact

Prepared By: Whitney Perez, Counsel

WHAT THE MEASURE DOES:

Limits credit for payments made outside of Division of Child Support to current balance owed to obligee when payments are not assigned to State. Allows rule making by Department of Justice on crediting of support payments.

ISSUES DISCUSSED:

- Measure supports automated functionality of new child support system
- Direct payments will not be credited to arrears owed to the state

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Oregon Department of Justice's Division of Child Support is responsible for processing over \$1 million each day in medical and child support of children. Occasionally, payments are made from one party to another outside of the Division's disbursement unit. In some instances, one party may owe money to the State for services, such Temporary Assistance for Needy Families. Current law requires the Division to credit outside payments to the amounts owed the State if the parties make sworn statements that the payments were made and substantial evidence corroborates the statements. If money is not owed to the State, the outside payment is credited to the account of the obligee, even if there are no arrears or outstanding balance owed by the obligor.

Senate Bill 517-A removes the requirement to credit an outside child support payment to moneys owed to the State. Additionally, the measure limits the amount of credit on payments owed to the obligee to the current balance of the account. The measure also allows the Division to adopt rules relating to crediting payments to accounts.