

SB 765 A STAFF MEASURE SUMMARY

Carrier: Rep. Greenlick

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:

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:

- Department of Justice assists collection of medical and child support
- Prohibited by federal regulation from disbursing payments to a collection agency

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Changes to federal rules, published as the Flexibility, Efficiency, and Modernization in Child Support Enforcement Programs, took effect January 19, 2017. States must comply with these provisions, amending 45 CFR 303.31, which eliminate 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 2017 federal rule, now requires support payments to 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.