

**SB 510 B STAFF MEASURE SUMMARY**

**Carrier:** Rep. Olson

**House Committee On Judiciary**

---

**Action Date:** 05/23/17

**Action:** Do pass with amendments to the A-Eng bill. (Printed B-Eng.)

**Vote:** 10-0-1-0

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

**Exc:** 1 - Sprenger

**Fiscal:** Has minimal fiscal impact

**Revenue:** No revenue impact

**Prepared By:** Whitney Perez, Counsel

---

**WHAT THE MEASURE DOES:**

Expands definition of "account" for purposes of support enforcement to include a claim for insurance benefits or payments of at least \$500 made by a claimant. Adds definition of "claimant" to mean an obligor who is asserting claim of at least \$500, not including claim for property damage, under liability insurance or uninsured motorist insurance policy by insurer authorized to do business in Oregon. Excludes claims for property damage in these definitions. Modifies definition of "financial records" to include original written or electronic document or copy held by a financial institution when the document pertains to claimant of the financial institution. Allows Oregon Department of Justice to adopt rules to implement automated data exchanges performed by data match system. Requires financial institution to notify administrator in writing at least three business days prior to disbursing funds to obligor, if notice has not previously been given.

**ISSUES DISCUSSED:**

- Property claims excluded; those funds often go to the person who repaired the property
- Federal insurance match system provides some notification of these claims
- Not all insurance companies match in the federal system
- Agency rules are contemplated to permit matching through insurance services office and federal office of child support enforcement

**EFFECT OF AMENDMENT:**

Requires notice to administrator at least three business days before financial institution disburses payment to obligor pursuant to claim, if no previous notification given.

**BACKGROUND:**

For purposes of collecting support from delinquent obligors, the Oregon Department of Justice accesses insurance company data for delinquent debtors who are receiving payments for an injury or loss, which can then be garnished. While most major insurance companies voluntarily provide such data through the federal Office of Child Support Enforcement's Financial Institution Data Match program, some do not, reportedly because definitions within current statute may be unclear. Senate Bill 510-B expands the definition of "account" to include pending claims of at least \$500, not including a claim for property damage, under a liability insurance or uninsured motorist insurance policy from an insurer authorized to do business in Oregon. SB 510-B also requires a financial institution that has a claim for insurance benefits or payments to notify the administrator at least three business days prior to disbursing payment to the obligor, if prior information has not been given.