

SB 79 A STAFF MEASURE SUMMARY

Carrier: Rep. Smith G

House Committee On Revenue**Action Date:** 05/29/19**Action:** Do Pass the A-Eng bill.**Vote:** 6-0-1-0**Yeas:** 6 - Findley, Hernandez, Marsh, Nathanson, Reschke, Smith G**Exc:** 1 - Smith Warner**Fiscal:** Fiscal impact issued**Revenue:** Revenue impact issued**Prepared By:** Kyle Easton, Economist**Meeting Dates:** 5/14, 5/29**WHAT THE MEASURE DOES:**

Clarifies existing authority of Department of Revenue to render assistance in the collection of any delinquent account owing to a state agency, public university, Oregon Health and Science University, community college and county, if county debt arises from judicial judgment. Allows Department of Revenue to render assistance in the collection of delinquent debt to the Oregon State Bar for purpose of collecting assignments to a client security fund.

Allows Department of Revenue to render assistance to any local government or any special government body in the collection of delinquent debt, only through setoff against any refunds or sums due to a debtor from the department or any other state agency.

ISSUES DISCUSSED:

- Origin of need for clarification of Department of Revenue collection authority
- How individuals are notified of a tax refund offset and where their tax refunds were directed
- Individuals that have refund subject to offset do receive a statement of delinquent account
- Measure provides additional option (offset only) for collection of debt owed to a city.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

The Other Agency Accounts (OAA) division of the Department of Revenue (DOR) collects delinquent debt for more than 280 state agencies, boards, and commissions including circuit courts, universities, and a wide variety of regulatory agencies. In addition to working to collect delinquent debt, OAA also manages and delivers appropriate accounts to private collection firms.

Measure clarifies existing authority of DOR to collect delinquent debt of state agencies, public universities, community colleges and the Oregon Health and Science University. Measure expands authority of DOR to collect debt, through DOR's tax refund offset program (setoff), originating from local and special government bodies such as: school, port, parks and recreation or health districts.