

Senate Bill 79

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Provides that Department of Revenue may assist public bodies, public universities and Oregon Health and Science University in collecting delinquent accounts.

A BILL FOR AN ACT

1
2 Relating to the Collections Unit of the Department of Revenue; amending ORS 293.250.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1.** ORS 293.250 is amended to read:

5 293.250. (1) There is created a Collections Unit in the Department of Revenue.

6 (2) The Department of Revenue may render assistance in the collection of any delinquent ac-
7 count owing to any [*state agency, or to a county pursuant to a judgment obtained under ORS 169.151,*
8 *assigned by the state agency or county to which the delinquent account is owed*] **qualified entity if**
9 **the qualified entity assigns the account** to the department for collection. The department may
10 prescribe criteria for the kinds of accounts that may be assigned under this section, including a
11 minimum dollar amount owed.

12 (3)(a) Subject to rules prescribed by the Oregon Department of Administrative Services for col-
13 lection of delinquent accounts owing to [*state agencies or to counties*] **qualified entities**, the De-
14 partment of Revenue shall render assistance in the collection and shall charge the [*state agencies*
15 *or counties*] **qualified entities** separately for the cost of assistance. The charges may not exceed the
16 proceeds of collection credited to the [*state agency or county*] **qualified entity** for the same
17 biennium. The Department of Revenue may designate a single percentage to retain from the pro-
18 ceeds of collection as a charge for the cost of assistance. If the Department of Revenue finds that
19 accounts assigned to the department for collection by [*certain state agencies or counties*] **a qualified**
20 **entity** lack sufficient information to properly and efficiently identify the debtor or that the account
21 information must be put into a form usable by the department in order to efficiently provide col-
22 lection services, the department may establish a separate percentage charge to be retained from
23 collections for the [*state agency or county*] **qualified entity**. The charge must reflect the average of
24 the actual cost to provide collection services for all accounts assigned by that [*state agency or*
25 *county*] **qualified entity**.

26 (b) In providing assistance, the Department of Revenue shall make all reasonable efforts to col-
27 lect the delinquent accounts including the setoff of any refunds or sums due to the debtor from the
28 department or any other state agency. The department may offset any refunds or sums due to the
29 debtor from the department or any other state agency against delinquent accounts assigned by a
30 [*county*] **qualified entity** to the department for collection under this section.

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) No setoff may be made by the Department of Revenue unless the debt is in a liquidated
2 amount.

3 (d) At the time any setoff is made, the Department of Revenue shall notify the debtor of the
4 sums due to the debtor from a state agency that are applied against the debtor's delinquent account.
5 The notice must provide that the debtor may, within 30 days and in a manner prescribed by the
6 department, contest the setoff and request a hearing before the department. No issues may be con-
7 sidered at the hearing that were previously litigated or that the debtor failed to raise timely after
8 being given due notice of rights of appeal.

9 (e) All moneys received by the Department of Revenue in payment of charges made under par-
10 agraph (a) of this subsection shall be paid into the State Treasury and deposited in a miscellaneous
11 receipts account for the department.

12 (f) Net proceeds of collections of delinquent accounts shall be credited to the account or fund
13 of the [*state agency or county*] **qualified entity** to which the debt was originally owing.

14 (4)(a) In providing assistance in the collection of any delinquent account under this section, the
15 Department of Revenue may issue a warrant for the collection of the delinquent account. The
16 warrant may be recorded in the County Clerk Lien Record maintained under ORS 205.130.

17 (b) A warrant may not be issued under this subsection unless the debt is in a liquidated amount.

18 (c) The amount of any warrant issued under this subsection shall include the amount of the debt,
19 any added penalties or interest attributable to the delinquent account and any costs associated with
20 recording, indexing or service of the warrant and any satisfaction or release thereof.

21 (d) A warrant may not be issued under this subsection before the debtor has been notified that
22 the department intends to issue the warrant and of the collection action that may be taken under
23 the warrant.

24 (5) Except as prohibited by federal law and notwithstanding any provision of state law, for
25 purposes of collecting debts assigned to the Department of Revenue under ORS 293.231, the Col-
26 lections Unit created under subsection (1) of this section has access to all data and other informa-
27 tion available to the department for any purpose allowed by law.

28 (6) Nothing in this section prohibits the collection of:

29 (a) A child or spousal support obligation as provided in ORS 25.610; or

30 (b) Criminal judgments that impose monetary obligations, including judgments requiring the
31 payment of fines, costs, assessments, compensatory fines, attorney fees, forfeitures or restitution.

32 (7) As used in this section, [*“state agency” means any state officer, board, commission, corporation,*
33 *institution, department or other state organization.*] **“qualified entity” means:**

34 (a) **A public body as defined in ORS 174.109;**

35 (b) **A public university listed in ORS 352.002, notwithstanding ORS 352.138; or**

36 (c) **The Oregon Health and Science University, notwithstanding ORS 353.100.**

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