

Oregon Department of Justice

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TESTIMONY ON SENATE BILL 812A For the House Committee On Judiciary Subcommittee On Civil Law

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Presented by:

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This testimony is presented in support of Senate Bill 812A.

How This Bill Changes Current Law

The default method of collecting child support is through an employer withholding child support payments from a parent's wages and forwarding them to the Oregon Child Support Program for accounting and disbursement. A parent may be eligible for an exception to income withholding if they meet certain criteria.

Senate Bill 812A amends ORS 25.396 to remove the requirement that, in order to qualify for an exception to income withholding, a parent who pays support must have complied with the terms of any prior exceptions to income withholding agreements. By rule, the agreement is cancelled if one month of arrears accrue or the parent submits two dishonored payments within the last 12 months. This means that if the previous agreement is ever cancelled due to one of these reasons, the parent has failed to comply with the terms of the agreement, thus precluding them from being able to apply again in the future. However, after a reasonable period of regular income withholding, the circumstances may warrant an alternative payment method. This legislation provides that flexibility and is consistent with the goal of the Oregon Child Support Program to support parents to support their children.

Key Points of Legislation

- Removes the "one strike and you're out" approach, allowing the parent to requalify for an exception to income withholding in the future when all other criteria are met, regardless of whether they had been disqualified in the past.
- ➤ Provides flexibility by allowing the parent to pay support in a manner that works best for them.

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Fiscal Impact

None.

Benefits to Customers

This legislation will provide additional flexibility for parents to pay support if they qualify for an exception to income withholding.

Recommended Action

The Oregon Department of Justice recommends committee approval of Senate Bill 812A because a parent should be allowed to requalify for an alternative payment method if all other requirements are met.