

**SB 981 STAFF MEASURE SUMMARY**  
**Senate Committee On Finance and Revenue**

**Carrier:** Sen. Meek

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**Action Date:** 03/21/23  
**Action:** Do pass.  
**Vote:** 5-0-0-0  
**Yeas:** 5 - Boquist, Findley, Golden, Jama, Meek  
**Fiscal:** No fiscal impact  
**Revenue:** No revenue impact  
**Prepared By:** Kyle Easton, Economist  
**Meeting Dates:** 3/8, 3/21

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**WHAT THE MEASURE DOES:**

Authorizes Oregon Department of Administrative Services to exempt certain accounts that originate in Department of Revenue from general requirement to assign liquidated and delinquent account to private collection agency within one year of most recent payment on account.

**ISSUES DISCUSSED:**

- Types of collection accounts, referral of accounts to private collection firms (PCF)
- Share of accounts that are sent from Department of Revenue (DOR) to PCFs
- Discretionary authority residing in Department of Administrative Services rulemaking rather than DOR
- Other agency debt, collection by DOR and DOR lien authority
- Fees charged by PCFs.

**EFFECT OF AMENDMENT:**

No amendment.

**BACKGROUND:**

In general, state agencies are required to assign uncollected delinquent debt to the Department of Revenue (DOR) for collection through DOR's Other Agency Accounts division within ninety days if no payment has been received. Department of Revenue is generally required to offer such agency debts to assignment with a private collection agency if DOR has not collected a payment on the account within the previous six months. The Oregon Department of Administrative Services (DAS) is authorized to adopt rules providing exemptions from such agency debt account assignment requirements. While exceptions exist, debt originating in the Department of Revenue is generally required to be offered for assignment with a private collection agency no later than one year from the date of most recent payment on the account and such requirement is not subject to DAS adopted rule exclusions. Measure would include such debt originating in DOR to also be potentially subject to DAS adopted rule exclusions.