

Senate Bill 184

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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**.

Modifies employer child support reporting requirements to include payments made to independent contractors.

A BILL FOR AN ACT

1
2 Relating to child support; creating new provisions; and amending ORS 25.790 and 25.793.

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

4 **SECTION 1.** ORS 25.790 is amended to read:

5 25.790. (1)(a) An employer shall report to the Division of Child Support of the Department of
6 Justice the hiring or rehiring, **or the engagement or reengagement**, of an individual who resides
7 or works in the state and to whom the employer anticipates paying earnings if the employer:

8 (A) Has employees **or independent contractors** working only in this state; or

9 (B) Is a multistate employer and has designated to the United States Secretary of Health and
10 Human Services that Oregon is the employer's reporting state.

11 (b) The employer shall submit the report by mail or other means in accordance with rules
12 adopted by the Department of Justice.

13 (2)(a) An employer shall make the report required by subsection (1) of this section with respect
14 to an employee **or an independent contractor**:

15 (A) Not later than 20 days after the date the employer hires or rehires the employee **or engages**
16 **or reengages the independent contractor**; or

17 (B) In the case of an employer transmitting reports electronically, by transmissions each month
18 not less than 12 days nor more than 16 days apart.

19 (b) An employer may submit a cumulative report for all individuals hired or rehired **or engaged**
20 **or reengaged** during the previous reporting period.

21 (3) The report required under subsection (1) of this section may be made on a W-4 form, **a W-9**
22 **form** or, at the option of the employer, an equivalent form approved by the Division of Child Sup-
23 port of the Department of Justice, but must contain the employer's name, address and federal tax
24 identification number and the employee's **or independent contractor's** name, address and Social
25 Security number.

26 (4) As used in this section:

27 [(a) "Employee" means an individual who must file a federal withholding form W-4 under the
28 Internal Revenue Code.]

29 (a)(A) **"Employee" means an individual who performs work or provides services for**
30 **compensation, as evidenced by the requirement that the individual complete a federal with-**

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 **holding form W-4 or a taxpayer identification number form W-9 under the Internal Revenue**
 2 **Code.**

3 **(B) “Employee” does not include an independent contractor.**

4 **(b) “Independent contractor” has the meaning given that term in ORS 670.600.**

5 **(c) “Reengage” means to engage an independent contractor who previously performed**
 6 **services as an independent contractor for the employer but who has not performed services**
 7 **for the employer within the previous 60 days.**

8 [(b)] **(d) “Rehire” means to re-employ any individual who was laid off, separated, furloughed,**
 9 **granted a leave without pay or terminated from employment for more than 60 days.**

10 **SECTION 2.** ORS 25.793 is amended to read:

11 25.793. (1) Subject to the limitations provided in subsection (2) of this section, the Division of
 12 Child Support of the Department of Justice may enter into agreements with other divisions of the
 13 Department of Justice or with the Department of Revenue for the provision of information reported
 14 to the Division of Child Support by an employer pursuant to ORS 25.790 regarding hiring or rehiring
 15 **or the engagement or reengagement** of individuals in this state. The information may be used for
 16 purposes other than paternity establishment or child support enforcement, including but not limited
 17 to debt collection.

18 (2) Information provided by the division under this section is limited to information reported
 19 pursuant to ORS 25.790 that has not yet been entered into either:

20 (a) The statewide automated data processing and information retrieval system required to be
 21 established and operated by the division under 42 U.S.C. 654a; or

22 (b) The automated state directory of new hires required to be established by the division under
 23 42 U.S.C. 653a.

24 (3) An agreement entered into under this section must include, but is not limited to, provisions
 25 describing:

26 (a) How the information is to be reported or transferred from the division;

27 (b) Fees, reimbursements and other financial responsibilities of the recipient in exchange for
 28 receipt of the information from the division, not to exceed actual expenses;

29 (c) Coordination of data systems to facilitate the sharing of the information; and

30 (d) Such other terms and requirements as are necessary to accomplish the objectives of the
 31 agreement.

32 (4) An agreement entered into under this section is subject to the approval of the Department
 33 of Justice.

34 **SECTION 3.** **The amendments to ORS 25.790 and 25.793 by sections 1 and 2 of this 2023**
 35 **Act apply to individuals engaged or reengaged to provide services on or after the effective**
 36 **date of this 2023 Act.**