



**DEPARTMENT OF JUSTICE**  
OFFICE OF THE ATTORNEY GENERAL

DATE: February 5, 2024

TO: Senator Kathleen Taylor, Chair  
Senate Committee on Labor and Business

FROM: Kimberly McCullough, Legislative Director  
Oregon Department of Justice

SUBJECT: SB 1595 – Oregon Family Financial Protection Act

The Department of Justice supports measures that strengthen Oregon laws related to the collection of consumer debt and that provide greater financial stability for Oregon families. Because of this, we wholeheartedly support the Oregon Family Financial Protection Act.

**SB 1595 Empowers Consumers Against Unlawful Debt Collection**

The Attorney General enforces the Oregon Unlawful Debt Collection Practices Act (UDCPA) and supports long overdue changes in the Oregon Family Financial Protection Act to strengthen that law, and to encourage more private enforcement of unfair debt collection practices. The bill updates and aligns statutory damages with amounts in the federal Fair Debt Collection Practices Act. It also addresses a lopsided statute of limitations provision so that debtors have more time to bring a claim against debt collectors who violate their rights. The bill also updates and aligns attorney fee provisions in the UDCPA with most state and federal consumer protection statutes.

These changes will provide consumers with the ability to assert their own rights related to debt collectors' unlawful collection of "phantom debt" that has been discharged, is time-barred or does not exist; and will hopefully encourage better overall enforcement of the statute. This is an area of law where consumers hold little power, and we strongly support empowering consumers with the ability to assert their rights. Underenforcement of consumer laws encourages bad actors to engage in profitable but illegal conduct.

**SB 1595 Protects Consumer Access to Critical Funds**

This bill amends a number of garnishment provisions found in ORS Chapter 18. These provisions are used by private creditors as well as state agencies to collect debts owed by Oregonians. The Department of Justice issues garnishments to collect child support, spousal support, restitution, civil penalties and judgments (owed to both the State and individual Oregonians) by those who violate Oregon law. These cases range from wage theft and discrimination to environmental contamination, to securities violations and elder financial abuse.

The Department of Justice worked closely with proponents of the Oregon Family Financial Protection Act to focus on updates to specific garnishment statutes that provide the greatest protection for Oregon consumers, while minimizing the impact to our agency. We are grateful for the hard work and collaboration that improved this portion of the bill, particularly with regard to limiting the measure's impact on our ability to collect child support, spousal support, and restitution.

From our perspective, the result is a bill that will protect consumers' ability to pay their rent or stay in their home, take home a living wage, and maintain access to stable transportation. For these reasons, we urge your support of SB 1595.