

**SB 79 A STAFF MEASURE SUMMARY**  
**Senate Committee On Finance and Revenue**

**Carrier:** Sen. Taylor

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**Action Date:** 02/26/19  
**Action:** Do pass with amendments. (Printed A-Eng.)  
**Vote:** 5-0-0-0  
**Yeas:** 5 - Bentz, Boquist, Hass, Riley, Taylor  
**Fiscal:** Fiscal impact issued  
**Revenue:** Revenue impact issued  
**Prepared By:** Kyle Easton, Economist  
**Meeting Dates:** 1/29, 2/26

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**WHAT THE MEASURE DOES:**

Clarifies existing authority of Department of Revenue to render assistance in the collection of any delinquent account owing to a state agency, public university, Oregon Health and Science University, community college and county, if county debt arises from judicial judgment. Allows Department of Revenue to render assistance in the collection of delinquent debt to the Oregon State Bar for purpose of collecting assignments to a client security fund.

Allows Department of Revenue to render assistance to any local government or any special government body in the collection of delinquent debt, only through setoff against any refunds or sums due to a debtor from the department or any other state agency.

**ISSUES DISCUSSED:**

- Department of Revenue (DOR) offset program is a program where potential state tax refunds are diverted to pay outstanding debt
- Potential to use offset program to collect outstanding debt for local governments
- Measure expands permissive authority of DOR to collect local government debt
- Potential language change that would narrow the introduced version of measure
- Method local governments use today to collect delinquent debt.

**EFFECT OF AMENDMENT:**

Replaced content of measure as introduced.

**BACKGROUND:**

The Other Agency Accounts (OAA) division of the Department of Revenue (DOR) collects delinquent debt for more than 280 state agencies, boards, and commissions including circuit courts, universities, and a wide variety of regulatory agencies. In addition to working to collect delinquent debt, OAA also manages and delivers appropriate accounts to private collection firms.

Measure clarifies existing authority of DOR to collect delinquent debt of state agencies, public universities, community colleges and the Oregon Health and Science University. Measure expands authority of DOR to collect debt, through DOR's tax refund offset program (setoff), originating from local and special government bodies such as: school, port, parks and recreation or health districts.