## Memorandum

PREPARED FOR: Representative Boshart Davis DATE: March 9, 2023 BY: Erin Seiler, LPRO Analyst RE: Questions regarding House Bill 2008 – relating to protections from debt collections



Representative Boshart Davis,

Following the public hearing on House Bill 2008 in the House Committee on Business and Labor on March 6, 2023, you sent me an email requesting answers to two questions related to the measure.

## Question #1:

What are the legal options for state agencies (DOJ, DOR, maybe others) that are trying to collect from someone who fits in these proposed exemption categories? I'm wondering specifically for back/unpaid taxes, child support, spousal support. Will there be a fiscal from the agencies because of this? And as written, if someone makes under the \$1,000/week threshold in the bill, would they not have to pay child support?

Yes, state agencies that collect debt, including Department of Revenue and Department of Justice, are subject to the exemption and garnishment provisions of House Bill 2008. The measure does not exempt public agencies.

The Department of Revenue collects debts owed to the State of Oregon on behalf of itself and other government entities that have assigned debt to the department.<sup>1</sup>

The Department of Justice identified that the measure would affect their Civil Recovery Section, which supports the work of the Oregon Child Support Program, other state agencies, and Oregon crime victims by assisting with the collection of restitution, child support, civil penalties, and other debts owed to the State.<sup>2</sup>

Fiscal or revenue impact statements for the measure have not been prepared. It is possible that HB 2008, as currently written, will reduce revenue collection by the state.

## Question #2

Were there any considerations made to keep this concept in alignment with federal regulations around debt collection?

An answer would speak to intent of the measure. This is a question best answered by proponents. With your permission, I have shared the question and requested an answer.

<sup>&</sup>lt;sup>1</sup> Marjorie Taylor, Department of Revenue, House Bill 2008,

https://olis.oregonlegislature.gov/liz/2023R1/Downloads/PublicTestimonyDocument/59386 <sup>2</sup> Kate Denison, Department of Justice, HB 2008 – Oregon Family Financial Protection Act, https://olis.oregonlegislature.gov/liz/2023R1/Downloads/PublicTestimonyDocument/59894