



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

DATE: March 6, 2023

TO: Representative Paul Holvey, Chair  
House Committee on Business and Labor

FROM: Kate Denison, Deputy Legislative Director  
Oregon Department of Justice

SUBJECT: HB 2008 – Oregon Family Financial Protection Act

While 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, it is also important that the legislature carefully consider the potential in this legislation for unintended negative consequences on programs such as child support and victims assistance that provide important support to vulnerable Oregonians.

**Support for Sections 12-15 of HB 2008**

The Attorney General enforces the Oregon Unfair Debt Collection Practices Act (UDCPA) and supports long overdue changes in Sections 12-15 of HB 2008 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 corrects a lopsided statute of limitations provision so that debtors have the same amount of time to bring a claim as debt collectors (6 years). 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.

**Concerns Regarding Additional Provisions of HB 2008**

DOJ's Division of Child Support administers the Oregon Child Support Program, the federal Title IV-D program for the state. After public schools, the Oregon Health Plan, and SNAP, the Oregon

Child Support Program is the public program serving the most children. The important anti-poverty program collects more than \$366 million in child support annually for Oregon families. The federal government matches \$2 for every \$1 of state general fund, and in Oregon, \$3.96 is collected for every government dollar spent on compliance with child support. Although not consumer debt as contemplated by this measure, past-due child support is collected by the Oregon Child Support Program using means that would be affected by the measure's current language.

The Department's Civil Recovery Section 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 of Oregon.

DOJ has provided feedback to the proponents of HB 2008 regarding the potential negative impacts of Sections 1-10 of this legislation on the collection of child support, restitution for crime victims, and debts owed to the State of Oregon (including those owed by wealthy debtors). The Department is providing suggestions for amendments to address these concerns. We are grateful for proponents' receptiveness, and their willingness to work with us to address these concerns.

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