

SB 1595 A STAFF MEASURE SUMMARY

Senate Committee On Finance and Revenue

Action Date: 02/15/24

Action: Do pass the A-Eng bill and refer to Ways and Means by prior reference.

Vote: 5-0-0-0

Yeas: 5 - Boquist, Findley, Golden, Jama, Meek

Fiscal: Fiscal impact issued

Revenue: Revenue impact issued

Prepared By: Kyle Easton, Senior Economist

Meeting Dates: 2/15

WHAT THE MEASURE DOES:

Modifies amounts exempt from execution of a judgment or garnishment. Increases value of a vehicle exempt from garnishment from \$3,000 to \$10,000. Increases amount of disposable earnings exempt from garnishment of non-tax debt. Phases in disposable earnings amount exempt from garnishment beginning January 1, 2025, and specifies exempt amount as a portion of Oregon's standard minimum wage for wages payable on or after July 1, 2027. Increases amount of homestead exemption from \$40,000, or \$50,000 (two or more with interest in homestead) to \$150,000 or \$300,000 respectively. Exempts \$2,500 from financial account garnishment and indexes exempt amount to inflation. Specifies that changes to garnishment exemptions made by measure do not apply if writ of garnishment includes debt arising from child support, spousal support, or restitution. Modifies actions deemed an unlawful collection practice. Increases minimum amount of damages that may be awarded resulting from an unlawful collection practice. Defines terms. Updates forms in conformance with changes made by measure. Applies to writs of garnishment and execution issued on or after January 1, 2025 and notices of wage garnishment in effect on or after January 1, 2025. Declares an emergency, effective on passage.

ISSUES DISCUSSED:

- History of measure, past session and current
- Proposed changes to garnishment thresholds
- Taxes being imposed on individuals with incomes below proposed garnishment exemption thresholds
- Potential opposition to measure
- Proposed garnishment exemptions and potential outcomes on people affected by debt collections
- Interaction with proposed homestead exemption and property seizure laws.

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Measure increases amounts exempt from execution of judgment or garnishment and increases the amount of damage award that is available for violation of the Unlawful Debt Collection Practices Act. The Legislative Fiscal Office annually provides a statutorily required [report](#) on liquidated and delinquent accounts which details agency collections and outstanding accounts receivable.