

A-Engrossed
Senate Bill 1595

Ordered by the Senate February 14
Including Senate Amendments dated February 14

Sponsored by Senators GORSEK, JAMA, Representative SOSA, Senators GOLDEN, MANNING JR, PATTERSON, Representative RUIZ; Senators CAMPOS, DEMBROW, FREDERICK, GELSER BLOUIN, LIEBER, MEEK, PROZANSKI, SOLLMAN, TAYLOR, WAGNER, WEBER, WOODS, Representatives ANDERSEN, BOWMAN, BYNUM, CHAICHI, DEXTER, FAHEY, GAMBA, GRAYBER, HARTMAN, HOLVEY, HUDSON, MARSH, NATHANSON, NELSON, NERON, NGUYEN D, NGUYEN H, NOSSE, PHAM K, RAYFIELD, REYNOLDS, SMITH G, VALDERRAMA, WALTERS (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act increases some amounts that are protected from debt collectors. The Act changes some laws about bad debt collection methods. (Flesch Readability Score: 63.2).

Increases certain exemptions from garnishment and execution.
Modifies provisions relating to unfair debt collection practices.
[Takes effect on the 91st day following adjournment sine die.]
Declares an emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to protections from debt collection; creating new provisions; amending ORS 18.345, 18.348,
3 18.385, 18.395, 18.402, 18.412, 18.600, 18.618, 18.658, 18.785, 18.787, 18.788, 18.790, 18.835, 18.838,
4 18.840, 18.845, 18.847, 18.854, 18.855, 18.888, 18.892, 18.896, 646.639 and 646.641 and ORCP 84 D;
5 repealing ORS 18.784 and 646.643; and declaring an emergency.

6 **Be It Enacted by the People of the State of Oregon:**

7 **SECTION 1.** ORS 18.345 is amended to read:

8 18.345. (1) All property **of a judgment debtor**, including franchises, or rights or interest
9 *[therein, of the judgment debtor, shall be]* **in the judgment debtor's property, is** liable to an exe-
10 cution, except as provided in this section and in other statutes granting exemptions from execution.

11 The following property **of the judgment debtor**, or rights or interest *[therein of the judgment*
12 *debtor]* **in the property**, except as provided in ORS 18.305, *[shall be]* **is** exempt from execution:

13 (a) Books, pictures and musical instruments to the value of \$600.

14 (b) Wearing apparel, jewelry and other personal items to the value of \$1,800.

15 (c) The tools, implements, apparatus, team, harness or library, necessary to enable the judgment
16 debtor to carry on the trade, occupation or profession by which the judgment debtor habitually
17 earns a living, to the value of \$5,000.

18 *[(d) A vehicle to the value of \$3,000. As used in this paragraph "vehicle" includes an automobile,*
19 *truck, trailer, truck and trailer or other motor vehicle.]*

20 **(d)(A) A vehicle, including an automobile, truck, trailer, truck and trailer or other motor**
21 **vehicle, to the value of \$10,000; or**

22 **(B) If the judgment debtor owes a debt that arises out of a child support or spousal**
23 **support obligation or a money award judgment that includes restitution, a vehicle, including**

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 **an automobile, truck, trailer, truck and trailer or other motor vehicle, to the value of \$3,000.**

2 (e) Domestic animals and poultry kept for family use, to the total value of \$1,000 and food suf-
3 ficient to support such animals and poultry for 60 days.

4 (f) Household goods, furniture, radios, a television set and utensils all to the total value of
5 \$3,000, if the judgment debtor holds the property primarily for the personal, family or household use
6 of the judgment debtor; provisions actually provided for family use and necessary for the support
7 of a householder and family for 60 days and also 60 days' supply of fuel.

8 (g) All property of the state or any county or incorporated city therein, or of any other public
9 or municipal corporation of like character.

10 (h) All professionally prescribed health aids for the **judgment** debtor or a dependent of the
11 **judgment** debtor.

12 (i) Spousal support, child support, or separate maintenance to the extent reasonably necessary
13 for the support of the **judgment** debtor and any dependent of the **judgment** debtor.

14 (j) The **judgment** debtor's right to receive, or property that is traceable to, an award under any
15 crime victim reparation law.

16 (k) The **judgment** debtor's right to receive, or property that is traceable to, a payment or pay-
17 ments, not to exceed a total of \$10,000, on account of personal bodily injury of the **judgment** debtor
18 or an individual of whom the **judgment** debtor is a dependent.

19 (L) The **judgment** debtor's right to receive, or property that is traceable to, a payment in
20 compensation of loss of future earnings of the **judgment** debtor or an individual of whom the
21 **judgment** debtor is or was a dependent, to the extent reasonably necessary for the support of the
22 **judgment** debtor and any dependent of the **judgment** debtor.

23 (m) Veterans' benefits and loans.

24 (n) The **judgment** debtor's right to receive an earned income tax credit under the federal tax
25 laws and any moneys that are traceable to a payment of an earned income tax credit under the
26 federal tax laws.

27 (o) The **judgment** debtor's right to the assets held in, or right to receive payments under, a
28 medical savings account or health savings account authorized under section 220 or 223 of the
29 Internal Revenue Code.

30 (p) The **judgment** debtor's interest, not to exceed \$400 in value, in any personal property.
31 However, this exemption may not be used to increase the amount of any other exemption.

32 (q) The **judgment** debtor's right to receive a tax credit under ORS 315.273, and any moneys that
33 are traceable to a payment of a tax credit under ORS 315.273.

34 (2) If the property claimed by the judgment debtor as exempt is adjudicated by the court out of
35 which the execution issued to be of a value in excess of that allowed by the appropriate paragraph
36 of subsection (1) of this section, the officer seizing the property shall proceed to sell such property.
37 Out of the proceeds of such sale, the officer shall deduct costs of sale and shall pay to the judgment
38 debtor an amount equivalent to the value declared to be exempt by any of the paragraphs of sub-
39 section (1) of this section and shall apply the balance of the proceeds of sale on the execution. A
40 sale may not be made under such execution unless the highest bid made exceeds the appropriate
41 exemption claimed and allowed plus costs of sale. If no bid is received in excess of the value allowed
42 by the appropriate paragraph of subsection (1) of this section, the costs of sale shall be borne by the
43 judgment creditor.

44 (3) If two or more members of a household are joint judgment debtors, each judgment debtor
45 shall be entitled to claim the exemptions in subsection (1)(a), (b), (c), (d) and (p) of this section in

1 the same or different properties. The exemptions provided by subsection (1)(a), (b), (c), (d), (j), (k) and
 2 (p) of this section, when claimed for jointly owned property, may be combined at the option of the
 3 **judgment** debtors.

4 (4) Notwithstanding any other provision of law except ORS 657.855, if a writ of garnishment or
 5 other execution is issued to collect past due support as defined in ORS 18.600, 50 percent of unem-
 6 ployment compensation benefits, workers' compensation benefits and other benefits paid to the
 7 **judgment** debtor by the United States, by the state or by a political subdivision of the state are
 8 exempt. The exemption related to unemployment compensation benefits provided by this subsection
 9 is subject to ORS 657.855. The exemption provided by this subsection applies without regard to
 10 whether the payment is made on a periodic basis or in a lump sum, including any lump sum payable
 11 pursuant to a settlement or judgment. Notwithstanding subsection (1)(k) of this section, if a payment
 12 is made under a settlement or judgment on account of personal bodily injury and the garnishment
 13 or other execution is issued to collect past due support as defined in ORS 18.600, the lesser of 50
 14 percent of the payment or \$7,500 is exempt.

15 **SECTION 2.** ORS 18.348 is amended to read:

16 18.348. (1) Funds that are exempt from execution under ORS 18.358, 18.385, 178.345, 238.445,
 17 344.580, 407.595, 411.760, 414.095, 655.530, 656.234, 657.855 and 748.207 remain exempt when deposited
 18 in an account in a financial institution as long as the exempt funds are reasonably identifiable.

19 (2) Subsection (1) of this section does not apply to any accumulation of funds greater than
 20 \$7,500.

21 (3) All funds that are exempt under federal law remain exempt when deposited in an account in
 22 a financial institution as long as the exempt funds are reasonably identifiable.

23 (4) The application of subsections (1) and (3) of this section is not affected by the commingling
 24 of exempt and nonexempt funds in an account. For the purpose of identifying exempt funds in an
 25 account, first in, first out accounting principles shall be used.

26 (5) The provisions of this section do not affect the duties of a garnishee with respect to amounts
 27 in accounts that are not subject to garnishment under ORS [18.784] **18.785**.

28 **SECTION 3.** ORS 18.385 is amended to read:

29 18.385. (1) Except as provided in this section, 75 percent of the disposable earnings of an indi-
 30 vidual are exempt from execution.

31 (2) **Except as provided in subsection (6) of this section**, the disposable earnings of an indi-
 32 vidual are exempt from execution to the extent that payment under a garnishment would result in
 33 net disposable earnings for an individual of less than the following amounts:

34 [(a) \$254 for any period of one week or less;]

35 [(b) \$509 for any two-week period;]

36 [(c) \$545 for any half-month period;]

37 [(d) \$1,090 for any one-month period; and]

38 [(e) For any other period longer than one week, \$254 multiplied by that fraction produced by di-
 39 viding the number of days for which the earnings are paid by seven. The amount calculated under this
 40 paragraph must be rounded to the nearest dollar.]

41 **(a) For any period of one week or less:**

42 **(A) For wages payable before January 1, 2025, \$254.**

43 **(B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$305.**

44 **(C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$338.**

45 **(D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$400.**

1 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS
2 653.025 (1), multiplied by 30.

3 (b) For any two-week period:

4 (A) For wages payable before January 1, 2025, \$509.

5 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$611.

6 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$675.

7 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$832.

8 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS
9 653.025 (1), multiplied by 60.

10 (c) For any half-month period:

11 (A) For wages payable before January 1, 2025, \$545.

12 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$655.

13 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$737.

14 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$912.

15 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS
16 653.025 (1), multiplied by 65.

17 (d) For any one-month period:

18 (A) For wages payable before January 1, 2025, \$1,090.

19 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$1,309.

20 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$1,458.

21 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$1,792.

22 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS
23 653.025 (1), multiplied by 130.

24 (e) For any other period longer than one week:

25 (A) The following amount multiplied by that fraction produced by dividing the number
26 of days for which the earnings are paid by seven, rounded to the nearest dollar:

27 (i) For wages payable before January 1, 2025, \$254.

28 (ii) For wages payable on or after January 1, 2025, and before July 1, 2025, \$305.

29 (iii) For wages payable on or after July 1, 2025, and before July 1, 2026, \$338.

30 (iv) For wages payable on or after July 1, 2026, and before July 1, 2027, \$400.

31 (B) For wages payable on or after July 1, 2027, the minimum wage specified in ORS
32 653.025 (1), multiplied by 30 and multiplied again by that fraction produced by dividing the
33 number of days for which the earnings are paid by seven. The amount calculated under this
34 sub-paragraph must be rounded to the nearest dollar.

35 (3) Beginning in 2027, the State Court Administrator shall calculate the exemption
36 amounts specified in subsection (2) of this section each year on or before July 1 and shall
37 publish the results of the calculations on the Judicial Department website. In making the
38 calculations, the State Court Administrator shall round to the nearest dollar. The adjusted
39 exemption amounts become effective on July 1 of the year in which the State Court Admin-
40 istrator makes the calculation.

41 [(3)] (4) If an individual is paid for a period shorter than one week[.]:

42 (a) The exemption calculated under subsection (2) of this section may not exceed [\$254] the
43 following amount for any one-week period[.]:

44 (A) For wages payable before January 1, 2025, \$254.

45 (B) For wages payable on or after January 1, 2025, and before July 1, 2025, \$305.

1 (C) For wages payable on or after July 1, 2025, and before July 1, 2026, \$338.

2 (D) For wages payable on or after July 1, 2026, and before July 1, 2027, \$400.

3 (E) For wages payable on or after July 1, 2027, the minimum wage specified in ORS
4 653.025 (1), multiplied by 30.

5 (b) The exemption calculated under subsection (6) of this section may not exceed \$254.

6 [(4)] (5) An employer shall deduct from the amount of disposable earnings determined to be
7 nonexempt under subsections (1) [to (3)], (2) and (4) of this section any amounts withheld from the
8 individual's earnings for the same period of time under an order issued pursuant to ORS 25.378 or
9 419B.408 or ORS chapter 110. The employer shall make payment under a garnishment only of those
10 amounts remaining after the deduction is made.

11 (6) If a writ of garnishment includes or is attached to a notice from a state or federal
12 child support agency, or includes or is attached to an attestation that a debt arises out of a
13 child support or spousal support obligation or a money award judgment that includes
14 restitution, the individual's disposable earnings are exempt only to the extent that payment
15 under a garnishment would result in net disposable earnings for an individual of less than
16 the following amounts:

17 (a) \$254 for any period of one week or less;

18 (b) \$509 for any two-week period;

19 (c) \$545 for any half-month period;

20 (d) \$1,090 for any one-month period; and

21 (e) For any other period longer than one week, \$254 multiplied by that fraction produced
22 by dividing the number of days for which the earnings are paid by seven. The amount cal-
23 culated under this paragraph must be rounded to the nearest dollar.

24 [(5)] (7) Subsections (1) to [(4)] (6) of this section do not apply to:

25 (a) Any order of a court of bankruptcy.

26 (b) Any debt due for federal tax.

27 [(6)] (8) Subsections (2) to [(4)] (6) of this section do not apply to any debt due for state tax.
28 Subsection (1) of this section does not apply to a debt due for state tax if a state agency issues a
29 special notice of garnishment under ORS 18.855 (6).

30 [(7)] (9) A court may not make, execute or enforce any order or process in violation of this
31 section.

32 [(8)] (10) Any waiver by an individual of the provisions of this section is void.

33 [(9)] (11) An employer may not discharge any individual because the individual has had earnings
34 garnished.

35 **SECTION 4.** ORS 18.395 is amended to read:

36 18.395. (1)(a) **Except as provided in paragraph (b) of this subsection,** a homestead [shall be]
37 is exempt from sale on execution, from the lien of every judgment and from liability in any form for
38 the debts of the owner to the amount in value of [\$40,000] **\$150,000**, except as otherwise provided
39 by law. The exemption [shall be] is effective without the necessity of a claim thereof by the judgment
40 debtor. When two or more members of a household are **judgment** debtors whose interests in the
41 homestead are subject to sale on execution, the lien of a judgment or liability in any form, their
42 combined exemptions under this section shall not exceed [\$50,000] **\$300,000**.

43 (b) **A homestead is exempt from sale on execution, from the lien of every judgment and**
44 **from liability in any form for the debts of the owner arising out of a child support or spousal**
45 **support obligation or a money award judgment that includes restitution to the amount in**

1 value of \$40,000, except as otherwise provided by law. The exemption is effective without the
 2 necessity of a claim thereof by the judgment debtor. When two or more members of a
 3 household are judgment debtors whose interests in the homestead are subject to sale on ex-
 4 ecution, the lien of a judgment or liability in any form, their combined exemptions under this
 5 section shall not exceed \$50,000.

6 (c) To qualify for the exemption under paragraph (a) or (b) of this subsection, the home-
 7 stead must be the actual abode of and occupied by the owner, or the owner's spouse, parent or child,
 8 but the exemption shall not be impaired by:

9 [(a)] (A) Temporary removal or temporary absence with the intention to reoccupy the same as
 10 a homestead;

11 [(b)] (B) Removal or absence from the property; or

12 [(c)] (C) The sale of the property.

13 (d)(A) The State Court Administrator shall index the amounts identified as exempt from
 14 execution under paragraph (a) of this subsection each year on or before July 1 to reflect in-
 15 creases or decreases in the cost of living for the previous calendar year, based on changes
 16 in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published
 17 by the Bureau of Labor Statistics of the United States Department of Labor or a successor
 18 agency. The State Court Administrator shall publish the adjusted exemption limitations on
 19 the Judicial Department website. In adjusting the amounts, the State Court Administrator
 20 shall round to the nearest \$100, but shall use unrounded adjusted amounts to calculate the
 21 amounts of the exemptions during the succeeding year. The new amounts become effective
 22 on July 1 of the year in which the State Court Administrator makes the adjustment.

23 (B) The indexing described in subparagraph (A) of this paragraph does not apply to the
 24 amount of any exemption specified for a debt that arises out of a child support or spousal
 25 support obligation or a money award judgment that includes restitution.

26 (2) The exemption [*shall extend*] extends to the proceeds derived from [*such sale to an amount*
 27 *not exceeding \$40,000 or \$50,000, whichever amount*] selling the homestead in the amount that is
 28 applicable under subsection (1)(a) or (b) of this section, if the proceeds are held for a period not
 29 exceeding one year and held with the intention to procure another homestead therewith.

30 (3) The exemption period under subsection [(1)(b) and (c)] (1)(c)(B) and (C) of this section [*shall*
 31 *be*] is one year from the removal, absence or sale, whichever occurs first.

32 (4) When the owner of a homestead has been granted a discharge in bankruptcy or has conveyed
 33 the homestead property, the value thereof, for the purpose of determining a leviable interest in ex-
 34 cess of the homestead exemption, [*shall be*] is the value on the date of the petition in bankruptcy,
 35 whether the value is determined in the bankruptcy proceedings or not, or on the date the
 36 conveyance becomes effective, whichever [*shall first occur*] occurs first. However, with respect to
 37 judgments not discharged in the bankruptcy, or entered against the owner after discharge, the value
 38 on the effective date of conveyance [*shall be*] is controlling.

39 (5) Except as provided in subsection (7) of this section, [*no*] a homestead that is the actual abode
 40 of and occupied by the judgment debtor, or that is the actual abode of and occupied by a spouse,
 41 dependent parent or dependent child of the judgment debtor, [*shall*] may not be sold on execution
 42 to satisfy a judgment that at the time of entry does not exceed \$3,000. However, such judgment
 43 [*shall remain*] remains a lien upon the real property, and the property may be sold on execution:

44 (a) At any time after the sale of the property by the judgment debtor; and

45 (b) At any time after the property is no longer the actual abode of and occupied by the judgment

1 debtor or the spouse, dependent parent or dependent child of the judgment debtor.

2 (6) The limitation on execution sales imposed by subsection (5) of this section is not impaired
3 by temporary removal or temporary absence with the intention to reoccupy the property as a
4 homestead.

5 (7) The limitation on execution sales imposed by subsection (5) of this section does not apply if
6 two or more judgments are owing to a single judgment creditor and the total amount owing to the
7 judgment creditor, determined by adding the amount of each individual judgment as of the date the
8 judgment was entered, is greater than \$3,000.

9 (8) Upon the issuance of an order authorizing sale as required by ORS 18.904, and in conform-
10 ance with subsection (5) of this section, the sheriff may proceed to sell the property. If the home-
11 stead exemption applies, the sheriff shall pay the homestead owner out of the proceeds the [*sum of*
12 *\$40,000 or \$50,000, whichever is applicable,*] **applicable amount under subsection (1)(a) or (b) of**
13 **this section** and apply the balance of the proceeds on the execution. However, [*no sale shall be*
14 *made where the homestead*] **the sheriff may not sell the homestead if an** exemption applies unless
15 the sum bid for the homestead [*is in excess of the sum of the costs of sale and \$40,000 or \$50,000,*
16 *whichever is applicable*] **exceeds the sum of the costs of the sale and the amount of the appli-**
17 **cable exemption.** If no such bid is received, the **petitioner shall bear the** expense of the sale [*shall*
18 *be borne by the petitioner*].

19 (9) The homestead exemption provided by this section applies to a purchaser's interest under a
20 land sale contract, as defined by ORS 18.960.

21 (10) The homestead exemption provided by this section applies to:

22 (a) A floating home, as defined by ORS 830.700; and

23 (b) A manufactured dwelling, as defined by ORS 446.003.

24 **SECTION 5.** ORS 18.402 is amended to read:

25 18.402. [*The homestead mentioned in ORS 18.395 shall consist*] **A homestead described in ORS**
26 **18.395 consists**, when not located in any town or city laid off into blocks and lots, of any quantity
27 of land not exceeding 160 acres, and when located in any such town or city, of any quantity of land
28 not exceeding one block. However, a homestead under this section [*shall not exceed in value the sum*
29 *of \$40,000 or \$50,000, whichever amount is applicable under*] **may not exceed in value the applica-**
30 **ble amount specified in ORS 18.395 (1)(a) or (b).**

31 **SECTION 6.** ORS 18.412 is amended to read:

32 18.412. (1) At any time after the date of execution of an agreement to transfer the ownership
33 of property in which a homestead exemption exists pursuant to ORS 18.395, the homestead owner
34 or the owner's transferee may give notice of intent to discharge the property from the judgment lien
35 to a judgment creditor. Each notice [*shall*] **must** bear the caption of the action in which the judg-
36 ment was recovered and [*shall*] **must**:

37 (a) Identify the property and the judgment and state that the judgment debtor is about to
38 transfer, or has transferred, the property and that the transfer is intended to discharge the property
39 from any lien effect of the judgment;

40 (b) State the fair market value of the property on the date of the notice or of any applicable
41 petition in bankruptcy, whichever is applicable, and list the encumbrances against the property, in-
42 cluding the nature and date of each encumbrance, the name of the encumbrancer and the amount
43 presently secured by each encumbrance;

44 (c) State that the property is claimed by the person giving the notice to be wholly exempt from
45 the lien of the judgment or, if the value of the property exceeds the sum of the encumbrances

1 specified as required under paragraph (b) of this subsection that are senior to the judgment lien and
2 [\$40,000 or \$50,000, whichever amount of the homestead exemption is applicable under] **the applicable**
3 **amount of the homestead exemption specified in ORS 18.395 (1)(a) or (b)**, that the amount of the
4 excess or the amount due on the judgment, whichever is less, will be deposited with the court ad-
5 ministrator for the court in which the judgment was entered for the use of the judgment holder; and

6 (d) Advise the holder of the judgment that the property may be discharged from any lien arising
7 from the judgment, without further notice to the judgment creditor, unless prior to a specified date,
8 which in no case may be earlier than 14 days after the date of mailing of the notice, the judgment
9 creditor files objections and a request for a hearing on the matter as provided in ORS 18.415.

10 (2) Each notice described by subsection (1) of this section [shall] **must** be sent by certified mail
11 to the judgment creditor, as shown by the court records, at the judgment creditor's present or last-
12 known address according to the best knowledge of the person sending the notice. A copy of each
13 notice, together with proof of mailing, may be filed with the court administrator for the court in
14 which the judgment was entered and [shall] **must** be filed by the court administrator with the re-
15 cords and files of the action in which the judgment was recovered.

16 **SECTION 7.** ORS 18.600 is amended to read:

17 18.600. As used in ORS 18.600 to 18.850:

18 (1) "Account" means an account at a financial institution, including a master account or sub-
19 account, to which an electronic payment may be directly routed.

20 (2) "Check" has the meaning given that term in ORS 73.0104.

21 (3) "Creditor" means a person to whom a debt is owed by a debtor.

22 (4) "Debt" means any monetary obligation for which a garnishment may be issued under ORS
23 18.605.

24 (5) "Debtor" means a person whose property is being garnished for the purpose of paying a debt
25 owed to a creditor.

26 (6) "Federal benefit payment" means:

27 (a) A benefit payment from the United States Social Security Administration that is protected
28 under 42 U.S.C. 407 and 1383(d)(1);

29 (b) A benefit payment from the United States Department of Veterans Affairs that is protected
30 under 38 U.S.C. 5301(a);

31 (c) A benefit payment from the Railroad Retirement Board that is protected under 45 U.S.C.
32 231m(a) and 352(e); or

33 (d) A benefit payment from the United States Office of Personnel Management that is protected
34 under 5 U.S.C. 8346 and 8470.

35 (7) "Financial institution" means a financial institution or trust company as those terms are
36 defined in ORS 706.008.

37 (8) "Garnishable property" means all property described in ORS 18.615, but does not include:

38 (a) Any property that is not subject to garnishment under ORS 18.618; and

39 (b) Any property that is applied as a setoff under ORS 18.620 or 18.795.

40 (9) "Garnishee" means a person to whom a writ of garnishment has been delivered.

41 (10) "Garnishment account review" means the process of examining deposits to an account to
42 determine whether benefit payments described in ORS [18.784 (3)] **18.785 (2)(c)(B)** have been de-
43 posited in the account during the lookback period **described in ORS 18.785 (2)(d)**.

44 (11) "Garnishor" means:

45 (a) The creditor, if the writ is issued by the court administrator on behalf of the creditor under

1 ORS 18.635 (2); or

2 (b) The issuer, if the writ is issued under ORS 18.635 by any person other than the court ad-
3 ministrator.

4 (12) "Past due support" means the amount of child or spousal support, or both, determined under
5 a court or administrative order in a proceeding under ORS 25.501 to 25.556 or ORS chapter 107, 108,
6 109, 110, 419B or 419C that has not been paid or is certified to be owed by another state under ORS
7 25.083.

8 (13) "Wages" includes all amounts paid for the services of an employee by an employer, includ-
9 ing amounts paid as a commission or bonus.

10 (14) "Writ" means a writ of garnishment.

11 **SECTION 8.** ORS 18.618 is amended to read:

12 18.618. (1)(a) Notwithstanding ORS 18.615, the following are not garnishable property:

13 (A) Equitable interests, except to the extent allowed under ORS chapter 130.

14 (B) Property in the custody of the law.

15 (C) Property in the possession of a conservator.

16 (D) Property in the possession of a personal representative that constitutes the subject matter
17 of a trust contained in a duly probated will of a decedent.

18 (E) If a residential landlord is the garnishee, property in the possession of a residential landlord
19 that is held as a security deposit or prepaid rent under ORS 90.300.

20 (F) The right of a seller under a land sale contract, as defined by ORS 18.960, to receive pay-
21 ments that are due more than 45 days after the writ of garnishment is delivered.

22 (G) Amounts in an account in a financial institution that are not subject to garnishment under
23 ORS [18.784] **18.785**.

24 (H) An identification document, such as a driver license, passport, certified copy of a record of
25 live birth or Social Security card.

26 (b) If a garnishee holds any property described in paragraph (a) of this subsection, the garnishee
27 must note in the garnishee response required by ORS 18.680 that the garnishee holds the property,
28 but may not deliver the property to the garnishor.

29 (2)(a) Notwithstanding ORS 18.615, wages owing by a garnishee to a debtor for a specific pay
30 period are not garnishable property if:

31 (A) The writ is delivered within two business days before the debtor's normal payday for the
32 pay period;

33 (B) When the writ is delivered to the garnishee, the debtor's wages are paid by direct deposit
34 to a financial institution, or the garnishee uses the Oregon Department of Administrative Services
35 or an independent contractor as defined in ORS 670.600 as payroll administrator for the garnishee's
36 payroll; and

37 (C) Before the writ is delivered to the garnishee, the garnishee issued instructions to the fi-
38 nancial institution or the payroll administrator to pay the debtor for the pay period.

39 (b) If a garnishee owes any wages as described in paragraph (a) of this subsection, the garnishee
40 must so note in the garnishee response required by ORS 18.680.

41 (3) Notwithstanding any other provision of law, if a voluntary or involuntary bankruptcy peti-
42 tion has been filed by or on behalf of the debtor after a writ of garnishment could be issued under
43 ORS 18.605, the garnishment of any property of the debtor in the garnishee's possession, control or
44 custody is stayed pursuant to section 362 of the United States Bankruptcy Code (11 U.S.C. 101 to
45 1330).

1 **SECTION 9.** ORS 18.658 is amended to read:

2 18.658. (1) Following delivery of a writ of garnishment to a garnishee, the person who delivered
3 the writ must mail or deliver promptly the following documents to the debtor whose property is
4 being garnished by the writ:

5 (a) A copy of the writ of garnishment.

6 (b) The original of the debt calculation form.

7 (c) A notice of exemptions form in substantially the form provided by ORS 18.845 **or section**
8 **19 of this 2024 Act, as appropriate.**

9 (d) A challenge to garnishment form in substantially the form provided by ORS 18.850, with the
10 names and addresses of the garnishor and garnishee entered by the garnishor.

11 (2) A person serving a writ of garnishment may meet the requirements of subsection (1) of this
12 section by mailing the documents to the address of the debtor that appears in the writ of
13 garnishment. If an address for the debtor does not appear in the writ, the person serving the writ
14 need not comply with subsection (1) of this section.

15 **SECTION 10.** ORS 18.785 is amended to read:

16 18.785. *[(1) Except as provided in this section, if a financial institution determines from a*
17 *garnishment account review conducted under ORS 18.784 (1) that one or more payments described in*
18 *ORS 18.784 (3) have been deposited into the debtor's account by direct deposit or electronic payment*
19 *during the lookback period described in ORS 18.784 (2), and there is a positive balance in the account*
20 *at the time the garnishment account review is conducted, the financial institution shall:]*

21 *[(a) Immediately calculate and establish the amount in the debtor's account that is not subject to*
22 *garnishment and ensure that the debtor has full customary access to that amount; and]*

23 *[(b) Issue a notice to the account holder in substantially the form set forth in ORS 18.847.]*

24 *[(2) A financial institution shall issue the notice required by this section directly to the account*
25 *holder or to a fiduciary who administers the account and receives communications on behalf of the*
26 *account holder.]*

27 *[(3) The notice required by this section must be sent separately to the debtor and may not be in-*
28 *cluded with other materials being provided to the debtor by the financial institution that do not relate*
29 *to the garnishment.]*

30 *[(4) The notice required by this section must be sent to the account holder within three business*
31 *days after the financial institution completes the garnishment account review required by ORS 18.784*
32 *(1).]*

33 *[(5) A financial institution shall perform the calculation described in subsection (1) of this section*
34 *for each account of the account holder. However, the financial institution may issue a single notice*
35 *under this section for multiple accounts of the same account holder.]*

36 *[(6) Issuance of a notice under this section does not constitute the giving of legal advice and a fi-*
37 *nanacial institution is not obligated to provide legal advice by reason of issuing a notice required by this*
38 *section.]*

39 **(1) As used in this section:**

40 **(a) "Base protected account balance" means the amount not subject to garnishment**
41 **calculated under subsection (2)(j) of this section.**

42 **(b) "Garnishment account review" means the review conducted under subsection (2)(c)**
43 **of this section.**

44 **(c) "Lookback period" means the period described in subsection (2)(d) of this section.**

45 **(2)(a)(A) If a financial institution receives a writ of garnishment for a debtor that has**

1 an account with the financial institution, the financial institution shall first determine
2 whether the writ of garnishment includes a Notice of Right to Garnish Federal Benefits from
3 the United States Government or from a state child support enforcement agency, as provided
4 in 31 C.F.R. part 212, or is attached to an attestation that a debt arises out of a child sup-
5 port or spousal support obligation or a judgment that contains a money award of restitution.

6 (B) If the writ of garnishment includes a Notice of Right to Garnish Federal Benefits, the
7 provisions of paragraphs (b) to (j) of this subsection do not apply to the writ of garnishment
8 and the financial institution shall proceed on the garnishment as provided in ORS 18.600 to
9 18.850.

10 (C) If the writ of garnishment is attached to an attestation that a debt arises out of a
11 child support or spousal support obligation or a judgment that contains a money award of
12 restitution, paragraphs (b), (c)(A), (e), (f) and (j) of this subsection do not apply to the writ
13 of garnishment and the financial institution shall conduct a garnishment account review as
14 provided in paragraphs (c)(B), (d) and (g) to (i) of this subsection.

15 (D) If the writ of garnishment does not include a Notice of Right to Garnish Federal
16 Benefits or is not attached to an attestation that a debt arises out of a child support or
17 spousal support obligation or a judgment that contains a money award of restitution, the fi-
18 nancial institution shall immediately calculate and establish the total amount in all of the
19 accounts the debtor has with the financial institution.

20 (b) If the total of the amounts in all of a debtor's accounts with the financial institution
21 does not exceed the base protected account balance, the financial institution shall provide
22 full customary access to the amounts in the debtor's accounts with the financial institution.

23 (c) If a financial institution finds under paragraph (a)(C) of this subsection that the total
24 amount in all of a debtor's accounts with the financial institution exceeds the base protected
25 account balance, the financial institution shall:

26 (A) Provide full customary access to the base protected account balance; and

27 (B) Conduct a garnishment account review to determine whether one or more of the
28 payments listed in this subparagraph were made to any of the debtor's accounts by direct
29 deposit or electronic transfer within the lookback period. The payments a financial institu-
30 tion must look for during a garnishment account review are:

31 (i) Federal benefit payments;

32 (ii) Payments from a public or private retirement plan as defined in ORS 18.358;

33 (iii) Public assistance payments or medical assistance, as defined in ORS 414.025, from
34 the State of Oregon or an agency of the State of Oregon;

35 (iv) Unemployment compensation payments from the State of Oregon or an agency of the
36 State of Oregon;

37 (v) Black lung benefits payments from the United States Department of Labor; and

38 (vi) Workers' compensation payments from a workers' compensation carrier.

39 (d) The lookback period during which a financial institution must determine whether a
40 payment listed in paragraph (c) of this subsection was made to a debtor's account with the
41 financial institution:

42 (A) Ends on the day before the day on which the financial institution conducts the
43 garnishment account review; and

44 (B) Begins:

45 (i) On the day in the second calendar month preceding the month in which the financial

1 institution conducts the garnishment account review that has the same number as the day
2 on which the lookback period ends; or

3 (ii) On the last day of the second calendar month preceding the month in which the fi-
4 nancial institution conducts the garnishment account review, if the day described in sub-
5 subparagraph (i) of this subparagraph does not exist.

6 (e)(A) If a financial institution determines after conducting a garnishment account re-
7 view that a payment listed in paragraph (c)(B) of this subsection was made by direct deposit
8 or electronic transfer to an account the debtor has with the financial institution within the
9 lookback period, the financial institution shall provide the debtor with full customary access
10 to the sum of the following amounts, which are not subject to garnishment:

11 (i) The base protected account balance; and

12 (ii) The amount by which the sum of all payments listed in paragraph (c) of this sub-
13 section that were made by direct deposit or electronic transfer to the debtor's accounts with
14 the financial institution within the lookback period exceeds the base protected account bal-
15 ance.

16 (B) The amounts in subparagraph (A) of this paragraph are calculated as of the effective
17 date and time of the garnishment, but before the financial institution conducts the
18 garnishment account review, and are not affected by withdrawals of funds by the debtor af-
19 ter the effective date and time of the garnishment.

20 (f) A financial institution that conducts a garnishment account review under paragraph
21 (c) of this subsection shall proceed to deliver to the garnishor under ORS 18.600 to 18.850 any
22 amount that exceeds an amount not subject to garnishment described in paragraph (e) of
23 this subsection.

24 (g) If the writ of garnishment is attached to an attestation that a debt arises out of a
25 child support or spousal support obligation or a judgment that contains a money award of
26 restitution, the financial institution shall conduct a garnishment account review and provide
27 the debtor with full customary access to all payments listed in paragraph (c)(B) of this sub-
28 section that were made by direct deposit or electronic transfer to an account the debtor has
29 with the financial institution within the lookback period.

30 (h) A financial institution shall perform a garnishment account review only one time for
31 a specific garnishment. If the same writ of garnishment is served on a financial institution
32 more than once, the financial institution may not perform a garnishment account review or
33 take any other action relating to the garnishment based on the second and any subsequent
34 service of the writ of garnishment.

35 (i) The provisions of this subsection do not affect a debtor's ability to claim any ex-
36 emption that otherwise is available to the debtor under law for any amounts in an account
37 in a financial institution.

38 (j) The initial base protected account balance is the combined total of \$2,500 in all of a
39 debtor's accounts in the financial institution. The State Court Administrator shall index the
40 base protected account balance amount each year on or before July 1 to reflect increases or
41 decreases in the cost of living for the previous calendar year, based on changes in the Con-
42 sumer Price Index for All Urban Consumers, West Region (All Items), as published by the
43 Bureau of Labor Statistics of the United States Department of Labor or a successor agency.
44 The State Court Administrator shall publish the adjusted exemption on the Judicial Depart-
45 ment website. In adjusting the exempted amount, the State Court Administrator shall round

1 to the nearest \$100, but shall use the unrounded adjusted amount to calculate the exempted
2 amount for the succeeding year. The new exempted amount becomes effective on July 1 of
3 the year in which the State Court Administrator makes the adjustment and becomes the
4 amount that the State Court Administrator must adjust in the succeeding year.

5 (3) A financial institution that conducts the garnishment account review described in
6 subsection (2)(c) of this section shall, within three business days after conducting the
7 garnishment account review, notify the debtor, or a fiduciary that administers the debtor's
8 accounts and receives communications on behalf of the debtor, of the financial institution's
9 actions. The financial institution shall provide the notice in substantially the form specified
10 in ORS 18.847 and must send the notice to the debtor or fiduciary separately, not as part of
11 any communications unrelated to the garnishment that the financial institution provides to
12 the debtor or fiduciary.

13 (4) A financial institution must perform the calculations described in subsection (2)(c)
14 of this section for each of the debtor's accounts with the financial institution, but may issue
15 a single notice under subsection (3) of this section for multiple accounts of the same account
16 holder.

17 (5) Issuing a notice under subsection (3) of this section does not constitute giving legal
18 advice. A financial institution is not obligated to provide legal advice by reason of issuing a
19 notice under subsection (3) of this section.

20 (6) The provisions of subsection (2)(c), (d), (e) and (f) of this section apply only to pay-
21 ments that a financial institution can identify, from information the payer transmits to the
22 financial institution, as one of the types of payments listed in subsection (2)(c)(B) of this
23 section.

24 **SECTION 11.** ORS 18.787 is amended to read:

25 18.787. A financial institution is not liable to any account holder, garnishor or other financial
26 institution, and may not be assessed any penalty, by reason of any action taken by the financial
27 institution in good faith under ORS [18.784 or] 18.785, including:

28 (1) Delivery or refusal to deliver any funds that are not subject to garnishment under ORS
29 [18.784] **18.785** to a garnishor;

30 (2) Providing the notice required [by this section] **under ORS 18.785** to an account holder;

31 (3) Customary clearing and settlement adjustments made to a debtor's account that affect the
32 balance in the debtor's account; and

33 (4) Any bona fide errors that occur under ORS [18.784 or] 18.785 despite reasonable procedures
34 implemented by the financial institution to prevent those errors.

35 **SECTION 12.** ORS 18.788 is amended to read:

36 18.788. A financial institution shall maintain records of account activity and actions taken by
37 the financial institution in response to a garnishment that are adequate to demonstrate compliance
38 with the requirements of ORS [18.784 and] 18.785 for a period of not less than two years after the
39 financial institution receives the writ of garnishment.

40 **SECTION 13.** ORS 18.790 is amended to read:

41 18.790. (1) Except as provided in subsection (4) of this section, at the time of delivery of any
42 writ of garnishment on a financial institution or at the time a notice of garnishment is delivered to
43 the financial institution under ORS 18.854:

44 (a) A search fee of \$10 must be paid to the financial institution if the garnishor is the Depart-
45 ment of Revenue.

1 (b) A search fee of \$15 must be paid to the financial institution if the garnishor is a person other
2 than the department.

3 (2) A separate search fee must be paid under this section to the financial institution for each
4 debtor if the writ is issued for more than one debtor under ORS 18.607 (5).

5 (3) If the search fee required under this section is not paid:

6 (a) The garnishment is not effective to garnish any property of the debtor; and

7 (b) The financial institution need not file a garnishee response.

8 (4) The search fee required under this section need not be paid to a financial institution if the
9 debtor is an employee of the financial institution.

10 (5) Notwithstanding subsection (1) of this section, a financial institution may enter into an
11 agreement with any state agency authorized to garnish pursuant to ORS 18.645 or 18.854 for periodic
12 billing and payment of garnishee search fees required under this section.

13 (6) The right of a financial institution to receive the search fee required under this section does
14 not in any way restrict or impair the right of the financial institution to charge and collect an ad-
15 ditional garnishment processing fee from any debtor whose property the financial institution holds,
16 or to whom the financial institution owes money. However, a financial institution may not charge
17 or collect a garnishment processing fee in violation of ORS 652.610. If a financial institution charges
18 a garnishment processing fee, the financial institution may collect the fee by deducting the amount
19 of the fee from any amount that the financial institution owes to the debtor.

20 (7) If a garnishment account review reveals that a payment **listed in ORS 18.785 (2)(c)(B)** was
21 made by direct deposit or electronic payment to the debtor's account during the lookback period
22 described in ORS [18.784 (2)] **18.785 (2)(d)**, the financial institution may not charge or collect a
23 garnishment processing fee under subsection (6) of this section against the amount that is not sub-
24 ject to garnishment, and may not charge or collect a garnishment processing fee under subsection
25 (6) of this section against any amounts in the account after the date of the garnishment account
26 review.

27 **SECTION 14.** ORS 18.835 is amended to read:

28 18.835. A garnishee response must be in substantially the following form:

29 _____

30 _____ COURT
31
32 COUNTY OF _____

33
34 _____)
35 Plaintiff,) GARNISHEE
36) RESPONSE
37 vs.) Case No. _____
38)
39 _____)
40 Defendant.)

41
42 The writ of garnishment was delivered to me on the ____ day of _____, 2____. The following
43 responses are accurate and complete as of that date.

44 _____

PART I: DEBTOR'S PROPERTY
GENERALLY
(ALL GARNISHEES MUST FILL OUT
THIS PORTION OF THE RESPONSE)

Place a check in front of all the following statements that apply. You may need to check more than one statement.

— I have discovered that a voluntary or involuntary bankruptcy petition has been filed by or on behalf of the Debtor after the date shown on the face of the writ as the date on which the judgment was entered against the Debtor or after the debt otherwise became subject to garnishment. (You need not complete any other part of this response, but you must sign the response and deliver it in the manner specified in Step 2 of the Instructions to Garnishee form.)

— I do not employ the Debtor, I do not have in my possession, control or custody any personal property of the Debtor, and I do not owe any debts or other obligations to the Debtor.

— I employ the Debtor. (You must complete Part II of this response.)

— I have in my possession, control or custody garnishable money that belongs to the Debtor (other than wages), or I owe a debt or other obligation to the Debtor (other than wages) that is due as of the time of this response. I am forwarding this money, or enough of it to satisfy the garnishment, to the Garnishor.

— I owe a debt or other obligation to the Debtor (other than wages) that was not due as of the time of this response but will become due within 45 days after the writ was delivered to me. I will forward the money, or enough of it to satisfy the garnishment, to the Garnishor when the debt or other obligation becomes due.

— I owe the following debt or other obligation to the Debtor (other than wages) that will not become due within 45 days after the date that the writ was delivered to me. I will not make any payments on the debt or obligation until I receive instructions from the Sheriff or until 30 days have passed from the date on which I deliver this response. (See Instructions to Garnishee form.)

— I have in my possession, control or custody the following personal property (other than

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45

money) that belongs to the Debtor. I will hold all of the property for the Garnishor until I receive instructions from the Sheriff or until 30 days have passed from the date on which I deliver this response. (See Instructions to Garnishee form.)

— I may owe money to or hold property of the Debtor, but I am not sure what or how much it might be. (You must provide an explanation in the following space and you must deliver an amended response when you find out. You must deliver an amended response even if you find out that you have no property of the Debtor or owe no money to the Debtor.)

— (FINANCIAL INSTITUTIONS ONLY) We hold one or more accounts for the Debtor, of which \$_____ is not subject to garnishment under ORS [18.784] **18.785**. We are forwarding all other garnishable amounts, or enough of it to satisfy the garnishment, to the Garnishor.

— The writ of garnishment delivered to me, on its face, does not comply with the Oregon laws governing writs of garnishment, or I cannot determine the identity of the Debtor from the information in the writ. (You must provide an explanation in the following space.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45

— I have received an order to withhold income that applies to the income of the Debtor. The order to withhold income has priority over the writ of garnishment, and compliance with the order will reduce or eliminate the money that I would otherwise deliver under the writ. (Provide details, including the name of the agency serving the order to withhold income, the date the order was served on you and the amount to be withheld. If you employ the Debtor, you must still complete Part II of this response.)

— I have received notice of a challenge to the garnishment. I will deliver to the court administrator all money that I would otherwise deliver to the Garnishor. (See Step 3 of Instructions to Garnishee form.)

— Other (Explain)

PART II: DEBTOR'S EMPLOYER
(GARNISHEES WHO EMPLOY THE
DEBTOR MUST FILL OUT THIS
PORTION OF THE RESPONSE)

Place a check in front of all the following statements that apply. You may need to check more than one statement.

NOTE: THE LAW PROHIBITS DISCHARGE OF THE DEBTOR FROM EMPLOYMENT BY REASON OF GARNISHMENT.

1 — I employ the Debtor. The Debtor is paid on a _____ basis (insert “weekly,” “monthly” or
2 other pay period). Wages will next be payable to the Debtor on the _____ day of _____,
3 2____. I will complete a Wage Exemption Calculation form for each payment of wages that is
4 made during the 90-day period immediately following the date that the writ of garnishment
5 was delivered to me. I will also complete a Wage Exemption Calculation form for the payday
6 immediately following the end of the 90-day period. I will forward to the Garnishor on each
7 of these occasions those wages calculated to be subject to garnishment, or enough of those
8 wages to satisfy the garnishment.

9
10 — I had already received a writ of garnishment from another Garnishor before this writ was
11 delivered to me. Under Oregon law, the previous writ has priority. The previous writ will
12 terminate on the _____ day of _____, 2____.

13 _____

14
15 I hereby certify that I have fully and accurately completed this garnishee response.

16
17 Dated _____, 2____

18
19 _____

20 Name of Garnishee

21
22 _____

23 Signature

24
25 Telephone number _____

26
27 Fax number (if available) _____

28
29 _____

30 Address

31 _____

32
33 **SECTION 15.** ORS 18.838 is amended to read:

34 18.838. Instructions to garnishees must be in substantially the following form:

35 _____

36
37 INSTRUCTIONS TO GARNISHEE

38
39 Except as specifically provided in these instructions, you must complete and deliver the
40 Garnishee Response within seven calendar days after you receive the writ of garnishment. If the
41 writ does not comply with Oregon law, the writ is not effective to garnish any property of the
42 Debtor, but you still must complete and deliver the Garnishee Response. You must complete and
43 deliver the response even though you cannot determine from the writ whether you hold any property
44 or owe any debt to the Debtor. If the seventh calendar day is a Saturday, Sunday or legal holiday,
45 you must deliver your response on or before the next following day that is not a Saturday, Sunday

1 or legal holiday.

2
3 The writ is not effective, and you need not make a Garnishee Response, if:

- 4
- 5 • You do not receive the writ within 60 days after the date of issuance shown on the face of
 - 6 the writ.
 - 7
 - 8 • You do not receive an original writ of garnishment or a copy of the writ.
 - 9

10 Statutes that may affect your rights and duties under the writ can be found in ORS 18.600 to

11 18.850.

12

13 NOTE: The Garnishor may be the Creditor, the attorney for the Creditor or some other person

14 who is authorized by law to issue the writ of garnishment. See the writ to determine who the

15 Garnishor is.

16

17 STEP 1. FILL OUT THE GARNISHEE RESPONSE.

18

19 All garnishees who are required to deliver a garnishee response must fill in Part I of the

20 Garnishee Response. Garnishees who employ the Debtor must also fill in Part II of the response.

21 You should keep a copy of the response for your records.

22

23 Completing Part I of the Garnishee Response. If you discover before you deliver your response

24 that a bankruptcy petition has been filed by or on behalf of the Debtor, and the bankruptcy petition

25 was filed after a judgment was entered against the Debtor or after the debt otherwise became sub-

26 ject to garnishment (see the date specified in the writ), you must put a check by the appropriate

27 statement in Part I. If a bankruptcy petition has been filed, you should not make any payments to

28 the Garnishor unless the court orders otherwise. You need not complete any other part of the re-

29 sponse, but you still must sign the response and deliver it in the manner described in Step 2 of these

30 instructions.

31 In all other cases you must list in Part I all money and personal property of the Debtor that is

32 in your possession, control or custody at the time of delivery of the writ. You must also list all debts

33 that you owe to the Debtor, whether or not those debts are currently due (e.g., money loaned to you

34 by the Debtor that is to be repaid at a later time).

35 If you are the employer of the Debtor at the time the writ is delivered to you, you must put a

36 check by the appropriate statement in Part I. In addition, you must complete Part II of the response.

37 If you believe that you may hold property of the Debtor or that you owe a debt to the Debtor,

38 but you are not sure, you must put a check by the appropriate statement and provide an explana-

39 tion. When you find out what property you hold that belongs to the Debtor, or you find out whether

40 you owe money to the Debtor and how much, you must prepare and deliver an amended response.

41 You must do this even if you find out that you have no property of the Debtor or that you do not

42 owe anything to the Debtor.

43 If you determine that the writ, on its face, does not comply with Oregon laws governing writs

44 of garnishment, or if you are unable to determine the identity of the Debtor from the information

45 in the writ, then the writ is not effective to garnish any property of the Debtor. You must put a

1 check by the appropriate statement in Part I and provide an explanation. You still must complete
2 the response and deliver the response in the manner described in Step 2 of these instructions.

3 If you have received an order to withhold income that applies to the income of the Debtor and
4 that order has priority over the garnishment, and if compliance with the order will reduce or elim-
5 inate the money or property that you would otherwise deliver under the garnishment, you must put
6 a check by the appropriate statement in Part I. You still must fill out the remainder of the response
7 and deliver the response in the manner described in Step 2 of these instructions. If you employ the
8 Debtor, you still must complete Part II of the response.

9 If you receive notice of a challenge to the garnishment before you send your response, you must
10 complete and deliver your response as otherwise required by these instructions. However, see Step
11 3 of these instructions regarding payment of money or delivery of property after receipt of notice
12 of a challenge to the garnishment.

13 If you owe a debt to the Debtor and the Debtor owes a debt to the holder of an underlying lien
14 on your property, you may be able to offset the amount payable to the underlying lienholder. See
15 ORS 18.620. You must note that you have made the offset in Part I of the response (under
16 "Other") and specify the amount that was offset.

17
18 Completing Part II of the Garnishee Response (employers only). You must fill in Part II of the
19 response if you employ the Debtor on the date the writ of garnishment is delivered to you, or if you
20 previously employed the Debtor and still owe wages to the Debtor on the date the writ is delivered
21 to you.

22
23 Wages affected. Except as provided below, the writ garnishes all wages that you owe to the
24 Debtor for work performed before the date you received the writ, even though the wages will not
25 be paid until a later date. The writ also garnishes all wages that are attributable to services per-
26 formed during the 90-day period following the date you received the writ, even though you would
27 not pay the Debtor for all or part of those services until after the end of the 90-day period. Wages
28 subject to garnishment under the writ include all amounts paid by you as an employer, whether on
29 an hourly, weekly or monthly basis, and include commission payments and bonuses.

30
31 Example 1: Debtor A is employed by you and is paid a monthly salary on the first day of
32 each month. You receive a writ of garnishment on July 17. The writ garnishes all wages
33 that you owe to Debtor A for work performed on or before July 17. If Debtor A was paid
34 on July 1 for services performed in the month of June, the writ garnishes Debtor A's salary
35 for the period beginning July 1 and ending October 15 (90 days after receipt of the writ).

36
37 The writ does not garnish any wages you owe to a Debtor for a specific pay period if:

38 (a) The writ is delivered to you within two business days before the Debtor's normal payday for
39 the pay period;

40 (b) When the writ is delivered to you, the Debtor's wages are paid by direct deposit to a finan-
41 cial institution, or you use an independent contractor as payroll administrator for your payroll; and

42 (c) Before the writ was delivered to you, you issued instructions to the financial institution or
43 the payroll administrator to pay the Debtor for the pay period.

44 If any wages are not garnishable by reason of the issuance of instructions to a financial insti-
45 tution or a payroll administrator as described above, you must so note in the Garnishee Response.

1 Thereafter, you must pay to the Garnishor all wages that are subject to garnishment that are at-
2 tributable to services performed by the Debtor during the 90-day period following the date you re-
3 ceived the writ.

4
5 Calculation of wages subject to garnishment. A Wage Exemption Calculation form is attached
6 to the writ of garnishment. You must use this form to calculate the amount of the Debtor's wages
7 that is subject to garnishment. You should read the instructions printed on the Wage Exemption
8 Calculation form to determine the normal wage exemption and the minimum wage exemption for
9 each payment you make under the writ.

10 A Wage Exemption Calculation form must be sent with the first payment you make under the
11 writ. For the 90-day period during which the writ is effective, you must also fill out and return a
12 Wage Exemption Calculation form with a subsequent payment any time the initial calculation
13 changes. Finally, you must fill out and return a Wage Exemption Calculation form with the final
14 payment that you make under the writ.

15
16 Payment of amount subject to garnishment. Payments under the writ must be made at the fol-
17 lowing times, unless the amount owing on the judgment or other debt is fully paid before the final
18 payment is made or the writ is released:

19 (a) You must make a payment to the Garnishor of all wages subject to garnishment at the time
20 you next pay wages to the Debtor. Complete the wage exemption computation, using the Wage Ex-
21 emption Calculation form, to determine the portion of the Debtor's wages that is subject to
22 garnishment. Be sure to adjust the minimum exemption amount for any payment that covers less
23 than a full pay period. You must include a copy of the Wage Exemption Calculation form with this
24 first payment.

25
26 Example 2: Using the facts given in Example 1, when you next make any payment of wages
27 to Debtor A after you receive the writ on July 17, you must complete the Wage Exemption
28 Calculation form and send the form to the Garnishor along with all amounts determined to
29 be subject to garnishment that are attributable to the period covered by the payment. If you
30 pay Debtor A on August 1, the payment will be for all wages attributable to the period be-
31 ginning July 1 and ending July 31.

32
33 (b) Unless the writ of garnishment is satisfied or released, during the 90-day period following the
34 date you received the writ, you must pay to the Garnishor all wages that are determined to be
35 subject to garnishment whenever you issue a paycheck to the Debtor. If the Debtor is paid on a
36 weekly basis, you must make payment under the writ on a weekly basis. If the Debtor is paid on a
37 monthly basis, you must make payment under the writ on a monthly basis. If the amount paid to the
38 Debtor varies from paycheck to paycheck, or changes at any time from the amount being paid at the
39 time the writ was delivered to you, you must perform a new wage exemption computation to deter-
40 mine the amount of wages subject to garnishment under the writ. You must send a copy of the new
41 Wage Exemption Calculation form with your payment to the Garnishor.

42
43 Example 3: Using the facts given above, as you make each subsequent payment of wages to
44 Debtor A you must make a payment of that portion of the Debtor's wages that are subject
45 to garnishment. If you continue to pay Debtor A on the first of each month, payments must

1 be made on September 1 and October 1.

2

3 (c) Upon the expiration of the 90-day period, you must make a final payment to the Garnishor
4 for all wages that were owing to the Debtor for the work performed by the Debtor through the 90th
5 day following your receipt of the writ. This payment may be made at the time of the Debtor's next
6 paycheck. You will need to complete another Wage Exemption Calculation form to determine the
7 amount of the wages subject to garnishment.

8

9 Example 4: Using the facts given above, you must make a final payment for the wages owing
10 to Debtor A for the period beginning October 1 and ending October 15. You may make this
11 payment at the time you issue Debtor A's paycheck on November 1, but you must make the
12 payment at any time you issue a paycheck to Debtor A after October 15. Be sure that in
13 completing the wage exemption computation for the final payment you adjust the minimum
14 exemption amount to take into account the fact that the period covered is only 15 days of
15 the full month (see instructions on Wage Exemption Calculation form).

16

17 Processing fee. You may collect a \$2 processing fee for each week of wages, or fraction of a
18 week of wages, for which a payment is made under the writ. The fee must be collected after you
19 make the last payment under the writ. The fee must be withheld from the wages of the debtor, and
20 is in addition to the amounts withheld for payment to the Garnishor under the writ or under any
21 other writ you have received.

22

23 If you receive more than one writ of garnishment. If you receive a second writ of garnishment
24 for the same Debtor from another Garnishor, the first writ will have priority for wages. The priority
25 of the first writ lasts for the 90-day period following delivery of that writ to you, or until the first
26 writ is paid in full, whichever comes first. In your response to the second writ, you must put a check
27 by the appropriate statement in Part II and indicate the date on which the first writ will expire (90
28 days after the date you received the writ). You should make no payments under the second writ
29 until expiration of the first writ. The expiration date of the second writ is 90 days after the date
30 you received the second writ; the expiration date is not affected by any delay in payment attribut-
31 able to the priority of the first writ.

32

33 STEP 2. DELIVER THE GARNISHEE RESPONSE.

34

35 You must deliver your Garnishee Response and copies of the response in the manner provided
36 in this step. The response and copies may be mailed or delivered personally.

37

38 You must complete and deliver the Garnishee Response within seven calendar days after you
39 receive the writ of garnishment. If the seventh calendar day is a Saturday, Sunday or legal holiday,
40 you must deliver your response on or before the next following day that is not a Saturday, Sunday
41 or legal holiday.

42

43 If you are required to hold any property under the writ or make any payment under the writ,
44 either at the time of making your response or later, you must:

45 (a) Send the original of your Garnishee Response to the Garnishor at the address indicated on

1 the writ under Important Addresses.

2 (b) Send a copy of your Garnishee Response to the court administrator at the address indicated
3 on the writ under Important Addresses.

4 (c) Send a copy of your Garnishee Response to the Debtor if an address is indicated on the writ
5 under Important Addresses.

6
7 If you are not required to hold any property under the writ or make any payment under the
8 writ, either at the time of making your response or later, you must:

9 (a) Send the original of your Garnishee Response to the Garnishor at the address indicated on
10 the writ under Important Addresses.

11 (b) Send a copy of your Garnishee Response to the Debtor if an address is indicated on the writ
12 under Important Addresses.

13
14 STEP 3. DELIVER THE FUNDS OR OTHER PROPERTY.

15
16 As long as the writ is in effect, you may be liable to the Creditor if you pay any debt or turn
17 over any property to the Debtor except as specifically allowed by law. If you have any money or
18 property of the Debtor in your possession, control or custody at the time of delivery of the writ, or
19 owe any debt to the Debtor, you must pay the money or hold the property as required by this step.
20 Exceptions to this requirement are listed below.

21
22 IF YOU ARE HOLDING MONEY FOR THE DEBTOR OR OWE A DEBT THAT IS CUR-
23 RENTLY DUE, you must pay the money to the Garnishor with your response. You must send your
24 payment to the Garnishor at the address indicated on the writ under Important Addresses. Make
25 your check payable to the Garnishor.

26
27 IF YOU OWE A DEBT TO THE DEBTOR THAT WILL BECOME DUE WITHIN 45 DAYS
28 AFTER THE DATE YOU RECEIVED THE WRIT, you must send your payment directly to the
29 Garnishor at the address provided in the writ when the debt becomes due. Make your check payable
30 to the Garnishor.

31
32 IF YOU ARE HOLDING PROPERTY THAT BELONGS TO THE DEBTOR, OR OWE A DEBT
33 TO THE DEBTOR THAT WILL NOT BECOME DUE WITHIN 45 DAYS AFTER THE DATE YOU
34 RECEIVED THE WRIT, you must keep the property or debt in your possession, control or custody
35 until you receive written notice from the Sheriff. The Sheriff's notice will tell you what to do with
36 the property or debt. If you have followed all of the instructions in the writ and you receive no
37 notice from the Sheriff within 30 days after the date on which you delivered your Garnishee Re-
38 sponse, you may treat the writ as being of no further force or effect.

39
40 EXCEPTIONS:

41
42 1. Challenge to garnishment or specific directions from court. If you are making any payments
43 under the garnishment and before making a payment you receive notice of a challenge to the
44 garnishment from the court, or receive a specific direction from the court to make payments to the
45 court, you must send or deliver the payment directly to the court administrator. If the money is

1 currently due when you receive the notice, send the payment promptly to the court. If the payment
2 is for a debt that is payable within 45 days after you receive the writ, make the payment to the
3 court promptly when it becomes due. If you make payment by check, make the check payable to the
4 State of Oregon. Because you may be liable for any payment that does not reach the court, it is
5 better not to send cash by mail.

6 A challenge to the garnishment does not affect your duty to follow the instructions you receive
7 from the Sheriff for property that belongs to the Debtor and debts that you owe to the Debtor that
8 do not become due within 45 days.

9
10 2. Previous writ of garnishment. If you receive a second writ of garnishment for the same Debtor
11 from another Garnishor, the first writ will have priority and you need not make payments or deliver
12 property under the second writ to the extent that compliance with the first writ will reduce or
13 eliminate the payment of money or delivery of property that you would otherwise make under the
14 garnishment. You must still deliver a Garnishee Response to the second writ, and must commence
15 payment under the second writ as soon as the first writ is satisfied or expires.

16
17 3. Offset for payment of underlying lien. If you owe a debt to the Debtor and the Debtor owes
18 a debt to the holder of an underlying lien on your property, you may be able to offset the amount
19 payable to the underlying lienholder. See ORS 18.620.

20
21 4. Subsequent events:

22
23 (a) Bankruptcy. If you make your response and then discover that a voluntary or involuntary
24 bankruptcy petition has been filed by or on behalf of the Debtor after the judgment was entered
25 against the Debtor or after the debt otherwise became subject to garnishment (see date in writ), you
26 may not make any further payments or delivery of property under the writ unless the court orders
27 otherwise. If you have not delivered all property that is subject to garnishment under this writ when
28 you discover that a bankruptcy petition has been filed, you must mail the following notice to the
29 Garnishor and to the Debtor.

30
31 (b) Order to withhold income. If you make your response and then receive an order to withhold
32 income that has priority over the writ, you may make payments or deliver property under the writ
33 only after payment of the amounts required under the order to withhold income. If you have not
34 delivered all property that is subject to garnishment under this writ when you receive an order to
35 withhold income that has priority, you must mail the following notice to the Garnishor and to the
36 Debtor.

37
38
39 SUPPLEMENTAL GARNISHEE
40 RESPONSE

41
42 TO: The Garnishor and the Debtor

43
44 RE: Writ of garnishment received _____, 2__ (date), in the case of _____ (Plaintiff)
45 vs. _____ (Defendant), Circuit Court of _____ County, Oregon, Case No. _____.

1 The undersigned Garnishee furnished a Garnishee Response to this writ of garnishment on
2 _____, 2___ (date). Since that time (check appropriate statement):

3
4 — I have discovered that a voluntary or involuntary bankruptcy petition has been filed by or
5 on behalf of the Debtor after the judgment was entered against the Debtor or after the debt
6 otherwise became subject to garnishment.

7
8 — I have received an order to withhold income of the Debtor by reason of a support obligation.
9 Under ORS 25.375, the order to withhold income has priority over any other legal process
10 under Oregon law against the same income. The withholding of income pursuant to the or-
11 der to withhold income might reduce or eliminate subsequent payments under the
12 garnishment. (Provide details, including the name of the agency serving the order to with-
13 hold, the date the order was served on you and the amounts to be withheld.)

14
15 Dated _____, 2___

16
17 _____
18 Name of Garnishee

19
20 _____
21 Signature

22
23 _____
24 Address

25
26
27 SPECIAL INSTRUCTIONS FOR BANKS
28 AND OTHER FINANCIAL INSTITUTIONS

29
30 [Unless a Notice of Right to Garnish Federal Benefits from the United States Government or from
31 a state child support enforcement agency is attached to or included in the garnishment, you must con-
32 duct a garnishment account review for each account that you hold for the debtor. If a Notice of Right
33 to Garnish Federal Benefits from the United States Government or from a state child support enforce-
34 ment agency is attached to or included in the garnishment, you should not conduct a garnishment ac-
35 count review, and should proceed upon the garnishment in the normal manner.]

36 [If you hold an account for the debtor, and any of the payments listed below has been deposited
37 in the account by direct deposit or electronic payment during the lookback period described in ORS
38 18.784 (2) (the period that begins on the date preceding the date of your garnishment account review
39 and that ends on the corresponding date of the month two months earlier, or on the last day of the
40 month two months earlier if the corresponding date does not exist), an amount equal to the lesser of
41 the sum of those payments or the total balance in the debtor’s account is not subject to garnishment,
42 and you may not deliver that amount to the garnishor:]

43 [(a) Federal benefit payments as defined in ORS 18.600 (payments from the United States Social
44 Security Administration, the United States Department of Veterans Affairs, the United States Office
45 of Personnel Management or the Railroad Retirement Board);]

1 *[(b) Payments from a public or private retirement plan as defined in ORS 18.358;]*

2 *[(c) Public assistance or medical assistance, as defined in ORS 414.025, payments from the State*
3 *of Oregon or an agency of the State of Oregon;]*

4 *[(d) Unemployment compensation payments from the State of Oregon or an agency of the State of*
5 *Oregon;]*

6 *[(e) Black lung benefits payments from the United States Department of Labor; and]*

7 *[(f) Workers' compensation payments from a workers' compensation carrier.]*

8 **(1)(a) If you receive a writ of garnishment for a Debtor who has an account with your**
9 **institution, you must first determine whether a Notice of Right to Garnish Federal Benefits**
10 **from the United States Government or from a state child support enforcement agency, as**
11 **provided in 31 C.F.R. part 212, accompanies the writ of garnishment.**

12 **(b) If a Notice of Right to Garnish Federal Benefits accompanies the writ of garnishment,**
13 **you must proceed with the garnishment in the normal manner.**

14 **(c) If the writ of garnishment is attached to an attestation that a debt arises out of a**
15 **child support or spousal support obligation or a judgment that contains a money award of**
16 **restitution, the base protected account balance does not apply and you should not perform**
17 **the calculation provided by (1)(d), (2), (3), (5) and (6) below, but you must perform a**
18 **garnishment account review as provided in (4) and (7) below.**

19 **(d) If a Notice of Right to Garnish Federal Benefits does not accompany the writ of**
20 **garnishment or the writ of garnishment is not attached to an attestation that a debt arises**
21 **out of a child support or spousal support obligation or a judgment that contains a money**
22 **award that includes restitution, you must immediately determine the total amount in all of**
23 **the accounts the Debtor has with your institution.**

24 **(2)(a) If, after making the determination in (1)(d) above, you find that the total amount**
25 **in all of the Debtor's accounts with your institution is less than or equal to the base pro-**
26 **ected account balance, as defined in ORS 18.785 (1)(a), shown on the Oregon Judicial De-**
27 **partment website as exempt from garnishment:**

28 **(A) The Debtor's accounts are not subject to garnishment.**

29 **(B) You must provide full customary access to the Debtor's accounts.**

30 **(b) As of the effective date of this 2024 Act, the amount that is not subject to**
31 **garnishment is \$2,500, but this amount is indexed to the Consumer Price Index for All Urban**
32 **Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the**
33 **United States Department of Labor or a successor agency, and may vary from year to year.**

34 **(3) If, after making the determination in (1)(d) above, you find that the total amount in**
35 **all of the Debtor's accounts with your institution exceeds the base protected account balance**
36 **shown on the Oregon Judicial Department website as exempt from garnishment:**

37 **(a) The base protected account balance is not subject to garnishment.**

38 **(b) You must provide full customary access to the base protected account balance shown**
39 **on the Oregon Judicial Department website as exempt from garnishment.**

40 **(c) You must conduct a garnishment account review.**

41 **(4) In a garnishment account review, you must determine whether any of the following**
42 **payments were made by direct deposit or electronic transfer to any of the Debtor's accounts**
43 **with your institution within the lookback period described in ORS 18.785 (2)(d) (the period**
44 **that begins on the date preceding the date of your garnishment account review and that ends**
45 **on the corresponding date of the month two months earlier, or on the last day of the month**

1 **two months earlier if the corresponding date does not exist):**

2 (a) **Federal benefit payments as defined in ORS 18.600 (benefit payments from the United**
3 **States Social Security Administration, the United States Department of Veterans Affairs, the**
4 **United States Office of Personnel Management or the Railroad Retirement Board);**

5 (b) **Payments from a public or private retirement plan as defined in ORS 18.358;**

6 (c) **Public assistance payments or medical assistance, as defined in ORS 414.025, from the**
7 **State of Oregon or an agency of the State of Oregon;**

8 (d) **Unemployment compensation payments from the State of Oregon or an agency of the**
9 **State of Oregon;**

10 (e) **Black lung benefits payments from the United States Department of Labor; or**

11 (f) **Workers' compensation payments from a workers' compensation carrier.**

12 (5) **If in the garnishment account review you determine that any of the payments listed**
13 **in (4) above were made by direct deposit or electronic transfer to any of the Debtor's ac-**
14 **counts with your institution within the lookback period, you may not garnish, and must**
15 **provide full customary access to, the sum of:**

16 (a) **The base protected account balance shown on the Oregon Judicial Department**
17 **website as exempt from garnishment; and**

18 (b) **The amount by which the sum of all payments described in (4) above exceeds the base**
19 **protected account balance.**

20 (6) **Any amount in the Debtor's accounts that exceeds the amounts described in (5) above**
21 **is subject to garnishment and you must proceed with garnishment in the ordinary manner.**

22 (7) **If the writ of garnishment is attached to an attestation that a debt arises out of a**
23 **child support or spousal support obligation or a judgment that contains a money award of**
24 **restitution, you must provide the Debtor with full customary access to all payments listed**
25 **in (4) above that were made by direct deposit or electronic transfer to an account within the**
26 **lookback period the Debtor has with your institution.**

27
28 If the Garnishor fails to pay the search fee required by ORS 18.790 and you do not employ the
29 Debtor, you are not required to deliver a Garnishee Response and you may deal with any property
30 of the Debtor as though the garnishment had not been issued.

31
32 If the Debtor owes a debt to you that was due at the time you received the writ of garnishment,
33 you may be able to offset the amount of that debt. See ORS 18.795. You must note that you have
34 made the offset in Part I of the Garnishee Response (under "Other") and specify the amount that
35 was offset.

36
37 Before making a payment under the writ, you may first deduct any processing fee that you are
38 allowed under ORS 18.790. If you are required to conduct a garnishment account review, you may
39 not charge or collect a processing fee against any amount that is not subject to garnishment, and
40 may not charge or collect a garnishment processing fee against any amounts in the account after
41 the date that you conduct the review.

42
43 You need not deliver any property contained in a safe deposit box unless the Garnishor pays
44 you in advance for the costs that will be incurred in gaining entry to the box. See ORS 18.792.

1 If you are required to conduct a garnishment account review and you determine from the review
 2 that one or more of the payments listed in ORS [18.784 (3)] **18.785 (2)(c)(B)** have been deposited into
 3 the Debtor’s account by direct deposit or electronic payment during the lookback period described
 4 in ORS [18.784 (2)] **18.785 (2)(d)**, and that there is a positive balance in the account, you must issue
 5 a notice to the account holder in substantially the form set forth in ORS 18.847. The notice must
 6 be issued directly to the account holder or to a fiduciary who administers the account and receives
 7 communications on behalf of the account holder. The notice must be sent separately to the account
 8 holder and may not be included with other materials being provided to the account holder that do
 9 not relate to the garnishment. You must send the notice to the account holder within three business
 10 days after you complete the garnishment account review. You may issue one notice with information
 11 related to multiple accounts of a single account holder.

12
13
14 **SECTION 16.** ORS 18.840 is amended to read:

15 18.840. (1) A wage exemption calculation form must be delivered to the garnishee with each writ
 16 of garnishment. **Except as provided in subsection (2) of this section,** a wage exemption calcu-
 17 lation form must be in substantially the following form: **For wages paid on or after July 1, 2027,**
 18 **the garnishor is required to update this form with the applicable year and wage exemption**
 19 **amounts published on the Judicial Department website pursuant to ORS 18.385 (3). The**
 20 **garnishor is required to include the wage exemption amounts for wages earned before and**
 21 **after July 1 of the year the garnishment was issued.**

22
23
24 **WAGE EXEMPTION CALCULATION**
 25 (to be filled out by employers only)

- 26
27 1. Debtor’s gross wages
 28 for period covered by this
 29 payment..... \$ _____
- 30 2. Total amount required to be
 31 withheld by law for amount in Line 1
 32 (Federal and state
 33 withholding, Social
 34 Security, etc.)..... \$ _____
- 35 3. Debtor’s disposable wages
 36 (Subtract Line 2
 37 from Line 1)..... \$ _____
- 38 4. Normal exemption
 39 (Enter 75 percent
 40 of Line 3)..... \$ _____
- 41 [5. *Minimum exemption (check one)*
 42 — \$254 (payment of wages weekly)
 43 — \$509 (payment of wages every
 44 two weeks)
 45 — \$545 (payment of wages half-monthly)

1 — \$1,090 (payment of wages monthly)
2 — \$_____ (Any other period longer
3 than one week, including partial
4 payments for less than full pay
5 period) (Multiply \$254 by number
6 of weeks or fraction of a week)]

7 **5. Minimum exemption (check one)**

8 **If you pay wages weekly:**

- 9 — \$254, if the wages are payable before January 1, 2025
10 — \$305, if the wages are payable on or after January 1, 2025, and before July 1, 2025
11 — \$338, if the wages are payable on or after July 1, 2025, and before July 1, 2026
12 — \$400, if the wages are payable on or after July 1, 2026, and before July 1, 2027
13 — \$__, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note:
14 The garnishor is required to insert the applicable wage exemption amount published
15 on the Judicial Department website pursuant to ORS 18.385 (3)
16 — \$__, if the wages are payable on or after July 1, __ and before July 1, __. Note:
17 The garnishor is required to insert the applicable years and wage exemption amount
18 published on the Judicial Department website pursuant to ORS 18.385 (3)

19 **If you pay wages every two weeks:**

- 20 — \$509, if the wages are payable before January 1, 2025
21 — \$611, if the wages are payable on or after January 1, 2025, and before July 1, 2025
22 — \$675, if the wages are payable on or after July 1, 2025, and before July 1, 2026
23 — \$832, if the wages are payable on or after July 1, 2026, and before July 1, 2027
24 — \$__, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note:
25 The garnishor is required to insert the applicable wage exemption amount published
26 on the Judicial Department website pursuant to ORS 18.385 (3)
27 — \$__, if the wages are payable on or after July 1, __ and before July 1, __. Note:
28 The garnishor is required to insert the applicable years and wage exemption amount
29 published on the Judicial Department website pursuant to ORS 18.385 (3)

30 **If you pay wages for a half-month period:**

- 31 — \$545, if the wages are payable before January 1, 2025
32 — \$655, if the wages are payable on or after January 1, 2025, and before July 1, 2025
33 — \$737, if the wages are payable on or after July 1, 2025, and before July 1, 2026
34 — \$912, if the wages are payable on or after July 1, 2026, and before July 1, 2027
35 — \$__, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note:
36 The garnishor is required to insert the applicable wage exemption amount published
37 on the Judicial Department website pursuant to ORS 18.385 (3)
38 — \$__, if the wages are payable on or after July 1, __ and before July 1, __. Note:
39 The garnishor is required to insert the applicable years and wage exemption amount
40 published on the Judicial Department website pursuant to ORS 18.385 (3)

41 **If you pay wages monthly:**

- 42 — \$1,090, if the wages are payable before January 1, 2025
43 — \$1,309, if the wages are payable on or after January 1, 2025, and before July 1, 2025
44 — \$1,458, if the wages are payable on or after July 1, 2025, and before July 1, 2026
45 — \$1,792, if the wages are payable on or after July 1, 2026, and before July 1, 2027

1 — \$__, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note:
2 The garnishor is required to insert the applicable wage exemption amount published
3 on the Judicial Department website pursuant to ORS 18.385 (3)

4 — \$__, if the wages are payable on or after July 1, __ and before July 1, __. Note:
5 The garnishor is required to insert the applicable years and wage exemption amount
6 published on the Judicial Department website pursuant to ORS 18.385 (3)

7 If you pay wages for any other period longer than one week, including partial payments
8 for less than a full pay period:

9 — \$254 multiplied by that fraction produced by dividing the number of days for which
10 the earnings are paid by seven, rounded to the nearest dollar, if the wages are paya-
11 ble before January 1, 2025

12 — \$305 multiplied by that fraction produced by dividing the number of days for which
13 the earnings are paid by seven, rounded to the nearest dollar, if the wages are paya-
14 ble on or after January 1, 2025, and before July 1, 2025

15 — \$338 multiplied by that fraction produced by dividing the number of days for which
16 the earnings are paid by seven, rounded to the nearest dollar, if the wages are paya-
17 ble on or after July 1, 2025, and before July 1, 2026

18 — \$400 multiplied by that fraction produced by dividing the number of days for which
19 the earnings are paid by seven, rounded to the nearest dollar, if the wages are paya-
20 ble on or after July 1, 2026, and before July 1, 2027

21 — The minimum wage that the Bureau of Labor and Industries calculates under ORS
22 653.025 (1) multiplied by 30 and multiplied again by the number of weeks or fraction
23 of a week, if the wages are payable on or after July 1, 2027

24 6. Wages exempt from garnishment
25 (Line 4 or 5,
26 whichever is greater)..... \$ _____

27 7. Nonexempt wages
28 (Subtract Line 6
29 from Line 3)..... \$ _____

30 8. Amount withheld for this pay period
31 pursuant to a support order under
32 support withholding process or under
33 another writ with priority..... \$ _____

34 9. Wages subject to garnishment
35 (Subtract Line 8
36 from Line 7)..... \$ _____

37
38
39
40

INSTRUCTIONS FOR WAGE
EXEMPTION CALCULATION FORM

41 If you employ the Debtor named in the writ of garnishment, you must fill out and return this
42 Wage Exemption Calculation form. A Wage Exemption Calculation form must be sent with the first
43 payment you make under the writ. For the 90-day period during which the writ is effective, you must
44 also fill out and return a Wage Exemption Calculation form with a subsequent payment any time the
45 initial calculation changes. Finally, you must fill out and return a Wage Exemption Calculation form

1 with the final payment that you make under the writ.

2
3 Normal wage exemption. The wage exemption calculation is based on the amount of the payment
4 you make under the writ of garnishment. The normal wage exemption in Line 4 is 75 percent of the
5 employee's disposable wages in Line 3.

6
7 Minimum wage exemption. The minimum exemption in Line 5 is also based on the amount of the
8 payment you are making. The minimum exemption is designed to ensure that an employee receives
9 at least a certain minimum amount in any one-week period. *[If the payment is for a one-week period*
10 *(without regard to whether the period is a calendar week or any other seven-day period), the minimum*
11 *exemption is \$254. The minimum exemption is \$509 if the payment is for a two-week period. If the*
12 *payment is for one-half of one month (i.e., the Debtor is paid twice each month), the minimum exemption*
13 *is \$545. The minimum exemption for a monthly payment is \$1,090.]*

14 **If the payment is for a one-week period (without regard to whether the period is a cal-**
15 **endar week or any other seven-day period), the minimum exemption is:**

16 **\$254, if the wages are payable before January 1, 2025**

17 **\$305, if the wages are payable on or after January 1, 2025, and before July 1, 2025**

18 **\$338, if the wages are payable on or after July 1, 2025, and before July 1, 2026**

19 **\$400, if the wages are payable on or after July 1, 2026, and before July 1, 2027**

20 **\$___, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The**
21 **garnishor is required to insert the applicable wage exemption amount published on the Ju-**
22 **dicial Department website pursuant to ORS 18.385 (3)**

23 **\$___, if the wages are payable on or after July 1, ___ and before July 1, ___. Note: The**
24 **garnishor is required to insert the applicable years and wage exemption amount published**
25 **on the Judicial Department website pursuant to ORS 18.385 (3)**

26 **If the payment is for a two-week period, the minimum exemption is:**

27 **\$509, if the wages are payable before January 1, 2025**

28 **\$611, if the wages are payable on or after January 1, 2025, and before July 1, 2025**

29 **\$675, if the wages are payable on or after July 1, 2025, and before July 1, 2026**

30 **\$832, if the wages are payable on or after July 1, 2026, and before July 1, 2027**

31 **\$___, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The**
32 **garnishor is required to insert the applicable wage exemption amount published on the Ju-**
33 **dicial Department website pursuant to ORS 18.385 (3)**

34 **\$___, if the wages are payable on or after July 1, ___ and before July 1, ___. Note: The**
35 **garnishor is required to insert the applicable years and wage exemption amount published**
36 **on the Judicial Department website pursuant to ORS 18.385 (3)**

37 **If the payment is for a one-half of one month (i.e. the Debtor is paid twice each month),**
38 **the minimum exemption is:**

39 **\$545, if the wages are payable before January 1, 2025**

40 **\$655, if the wages are payable on or after January 1, 2025, and before July 1, 2025**

41 **\$737, if the wages are payable on or after July 1, 2025, and before July 1, 2026**

42 **\$912, if the wages are payable on or after July 1, 2026, and before July 1, 2027**

43 **\$___, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The**
44 **garnishor is required to insert the applicable wage exemption amount published on the Ju-**
45 **dicial Department website pursuant to ORS 18.385 (3)**

1 \$ ___, if the wages are payable on or after July 1, ___ and before July 1, ___. Note: The
2 garnishor is required to insert the applicable years and wage exemption amount published
3 on the Judicial Department website pursuant to ORS 18.385 (3)

4 If the payment is for a monthly period, the minimum exemption is:

5 \$1,090, if the wages are payable before January 1, 2025

6 \$1,309, if the wages are payable on or after January 1, 2025, and before July 1, 2025

7 \$1,458, if the wages are payable on or after July 1, 2025, and before July 1, 2026

8 \$1,792, if the wages are payable on or after July 1, 2026, and before July 1, 2027

9 \$ ___, if the wages are payable on or after July 1, 2027, and before July 1, 2028. Note: The
10 garnishor is required to insert the applicable wage exemption amount published on the Ju-
11 dicial Department website pursuant to ORS 18.385 (3)

12 \$ ___, if the wages are payable on or after July 1, ___, and before July 1, ___. Note: The
13 garnishor is required to insert the applicable years and wage exemption amount published
14 on the Judicial Department website pursuant to ORS 18.385 (3)

15 If the payment you are making is based on some period of time other than one week, two weeks,
16 half month or month, and the payment is for more than one week, you must calculate the minimum
17 exemption by multiplying [*\$254 by*] **the minimum exemption for one week or less provided for**
18 **in ORS 18.385 (2)(a) by** the number of weeks covered by the paycheck, including any fraction of a
19 week. You should round the amount calculated to the nearest dollar.

20

21 [*Example 1: You pay Debtor A every 10 days. Each 10-day period is equal to 1.429 weeks (10*
22 *divided by 7). The minimum exemption is \$363 ($\254×1.429 rounded to the nearest dollar).]*

23

24 [*You must use this same calculation for computing the minimum exemption when making a payment*
25 *for less than a full pay period (e.g., for the final payment at the end of the 90-day period covered by*
26 *the writ).]*

27

28 [*Example 2: You pay Debtor A on a monthly basis. You are required to make a final payment*
29 *under a writ of garnishment for the wages owing to Debtor A for the period beginning October*
30 *1 and ending October 15. This period is equal to 2.143 weeks (15 divided by 7). The minimum*
31 *exemption is \$544 ($\254×2.143 rounded to the nearest dollar).]*

32

33 [*The amount of time actually worked by the Debtor during the period covered by the paycheck does*
34 *not affect the calculation of the minimum exemption.*]

35

36 [*Example 3: You pay Debtor A on a weekly basis. Debtor A works two days per week. The*
37 *minimum exemption is \$254 for each weekly payment you make for Debtor A.*]

38

39 [*If the payment you are making is based on a period of time less than one week, the minimum wage*
40 *exemption may not exceed \$254 for any one-week period.*]

41 **The amounts that are exempt from garnishment may change from year to year. You may**
42 **view updated garnishment exemption limitations on the Oregon Judicial Department website.**

43

44 If you receive more than one writ of garnishment. If you receive more than one writ of
45 garnishment for the same debtor, the writs have priority based on the date on which you receive

1 them. If the full amount of wages subject to garnishment for a given pay period is paid on the first
2 writ, you should not make any payment on subsequently received writs until the first writ expires.
3 In some cases, it may be necessary to make payments on two or more writs for the same pay period.

4
5 Example [4]: You have received two writs of garnishment for Debtor A. You pay Debtor A
6 on a monthly basis. The first writ expires on October 16. The second writ will not expire
7 until November 15. You will need to prepare two wage exemption calculation forms for
8 Debtor A's October wages and make payments under both writs. The wage exemption cal-
9 culation form for the first writ will be for the wages attributable to October 1 to October
10 15 [as described in Example 2]. The wage exemption calculation form for the second writ
11 will be for all wages for the month of October, but the amounts withheld under the first
12 writ must be subtracted on Line 8 to determine the October wages subject to garnishment
13 under the second writ.

14
15
16 **(2) If a writ of garnishment includes or is attached to a notice from a state or federal**
17 **child support agency or includes or is attached to an attestation that a debt arises out of a**
18 **judgment debtor's child support or spousal support obligation or a money award judgment**
19 **that includes restitution, the wage exemption calculation form described in subsection (1)**
20 **of this section must be modified to read as follows:**

21
22
23 **WAGE EXEMPTION CALCULATION**
24 **(to be filled out by employers only)**
25

- 26 **1. Debtor's gross wages**
27 **for period covered by this**
28 **payment..... \$ _____**
29 **2. Total amount required to be**
30 **withheld by law for amount in Line 1**
31 **(Federal and state**
32 **withholding, Social**
33 **Security, etc.)..... \$ _____**
34 **3. Debtor's disposable wages**
35 **(Subtract Line 2**
36 **from Line 1) \$ _____**
37 **4. Normal exemption**
38 **(Enter 75 percent**
39 **of Line 3)..... \$ _____**
40 **5. Minimum exemption (check one)**
41 **— \$254 (payment of wages weekly)**
42 **— \$509 (payment of wages every two weeks)**
43 **— \$545 (payment of wages half-monthly)**
44 **— \$1,090 (payment of wages monthly)**
45 **— \$_____ (Any other period longer than one**

- 1 week, including partial payments for less
- 2 than full pay period) (Multiply \$254 by number
- 3 of weeks or fraction of a week)
- 4 **6. Wages exempt from garnishment**
- 5 (Line 4 or 5,
- 6 whichever is greater) \$ _____
- 7 **7. Nonexempt wages**
- 8 (Subtract Line 6
- 9 from Line 3) \$ _____
- 10 **8. Amount withheld for this pay period**
- 11 pursuant to a support order under
- 12 support withholding process or under
- 13 another writ with priority..... \$ _____
- 14 **9. Wages subject to garnishment**
- 15 (Subtract Line 8
- 16 from Line 7) \$ _____

**INSTRUCTIONS FOR WAGE
EXEMPTION CALCULATION FORM**

20 If you employ the Debtor named in the writ of garnishment, you must fill out and return
21 this Wage Exemption Calculation form. A Wage Exemption Calculation form must be sent
22 with the first payment you make under the writ. For the 90-day period during which the writ
23 is effective, you must also fill out and return a Wage Exemption Calculation form with a
24 subsequent payment any time the initial calculation changes. Finally, you must fill out and
25 return a Wage Exemption Calculation form with the final payment that you make under the
26 writ.

28 Normal wage exemption. The wage exemption calculation is based on the amount of the
29 payment you make under the writ of garnishment. The normal wage exemption in Line 4 is
30 75 percent of the employee's disposable wages in Line 3.

32 Minimum wage exemption. The minimum exemption in Line 5 is also based on the
33 amount of the payment you are making. The minimum exemption is designed to ensure that
34 an employee receives at least a certain minimum amount in any one-week period. If the
35 payment is for a one-week period (without regard to whether the period is a calendar week
36 or any other seven-day period), the minimum exemption is \$254. The minimum exemption is
37 \$509 if the payment is for a two-week period. If the payment is for one-half of one month
38 (i.e., the Debtor is paid twice each month), the minimum exemption is \$545. The minimum
39 exemption for a monthly payment is \$1,090.

40 If the payment you are making is based on some period of time other than one week, two
41 weeks, half month or month, and the payment is for more than one week, you must calculate
42 the minimum exemption by multiplying \$254 by the number of weeks covered by the pay-
43 check, including any fraction of a week. You should round the amount calculated to the
44 nearest dollar.

1 **Example 1:** You pay Debtor A every 10 days. Each 10-day period is equal to 1.429
2 weeks (10 divided by 7). The minimum exemption is \$363 ($\254×1.429 rounded to the
3 nearest dollar).

4
5 You **must** use this same calculation for computing the minimum exemption when making
6 a payment for less than a full pay period (e.g., for the final payment at the end of the 90-day
7 period covered by the writ).

8
9 **Example 2:** You pay Debtor A on a monthly basis. You are required to make a final
10 payment under a writ of garnishment for the wages owing to Debtor A for the period
11 beginning October 1 and ending October 15. This period is equal to 2.143 weeks (15
12 divided by 7). The minimum exemption is \$544 ($\254×2.143 rounded to the nearest
13 dollar).

14
15 The amount of time actually worked by the Debtor during the period covered by the
16 paycheck does **not** affect the calculation of the minimum exemption.

17
18 **Example 3:** You pay Debtor A on a weekly basis. Debtor A works two days per week.
19 The minimum exemption is \$254 for each weekly payment you make for Debtor A.

20
21 If the payment you are making is based on a period of time less than one week, the
22 minimum wage exemption may not exceed \$254 for any one-week period.

23
24 If you receive more than one writ of garnishment. If you receive more than one writ of
25 garnishment for the same debtor, the writs have priority based on the date on which you
26 receive them. If the full amount of wages subject to garnishment for a given pay period is
27 paid on the first writ, you should not make any payment on subsequently received writs until
28 the first writ expires. In some cases, it may be necessary to make payments on two or more
29 writs for the same pay period.

30
31 **Example 4:** You have received two writs of garnishment for Debtor A. You pay Debtor
32 A on a monthly basis. The first writ expires on October 16. The second writ will not
33 expire until November 15. You will need to prepare two wage exemption calculation
34 forms for Debtor A's October wages and make payments under both writs. The wage
35 exemption calculation form for the first writ will be for the wages attributable to
36 October 1 to October 15 as described in Example 2. The wage exemption calculation
37 form for the second writ will be for all wages for the month of October, but the
38 amounts withheld under the first writ must be subtracted on Line 8 to determine the
39 October wages subject to garnishment under the second writ.

40
41
42 **SECTION 17.** ORS 18.845 is amended to read:

43 18.845. **Except as provided in section 19 of this 2024 Act,** a notice of exemptions form must
44 be in substantially the form set forth in this section. Nothing in the notice form described in this
45 section is intended to expand or restrict the law relating to exempt property. A determination as

1 to whether property is exempt from execution, attachment and garnishment must be made by refer-
2 ence to other law. The form provided in this section may be modified to provide more information
3 or to update the notice based on subsequent changes in exemption laws.

5
6 NOTICE OF EXEMPT PROPERTY
7 AND INSTRUCTIONS FOR
8 CHALLENGE TO GARNISHMENT
9

10 Property belonging to you may have been taken or held in order to satisfy a debt. The debt may be
11 reflected in a judgment or in a warrant or order issued by a state agency. Important legal papers
12 are enclosed.

13 YOU MAY BE ABLE TO GET YOUR PROPERTY BACK, SO READ THIS NOTICE CARE-
14 FULLY.

15 State and federal law specify that certain property may not be taken. Some of the property that
16 you may be able to get back is listed below.

17 *[(1) Wages or a salary as described in ORS 18.375 and 18.385. Whichever of the following*
18 *amounts is greater:]*

19 **(1) Your disposable earnings, as described in ORS 18.375 and 18.385, in an amount that**
20 **does not exceed the greater of:**

21 (a) 75 percent of your take-home wages; or

22 *[(b) \$254 per workweek.]*

23 **(b) \$__ per workweek for wages earned before (date) and \$__ per workweek for wages**
24 **earned after (date). Note: The garnishor is required to insert the applicable years and wage**
25 **exemption amounts published on the Judicial Department website pursuant to ORS 18.385 (3).**

26 (2) Social Security benefits.

27 (3) Supplemental Security Income (SSI).

28 (4) Public assistance (welfare).

29 (5) Unemployment benefits.

30 (6) Disability benefits (other than SSI benefits).

31 (7) Workers' compensation benefits.

32 (8) All Social Security benefits and Supplemental Security Income benefits, and up to \$7,500 in
33 exempt wages, retirement benefits, welfare, unemployment benefits and disability benefits, that are
34 held in a bank account. You may attach copies of bank statements to the Challenge to Garnishment
35 form if you claim this exemption.

36 (9) Spousal support, child support or separate maintenance to the extent reasonably necessary
37 for your support or the support of any of your dependents.

38 (10) A homestead (house, manufactured dwelling or floating home) occupied by you, or occupied
39 by your spouse, parent or child. Up to *[\$40,000]* **\$150,000** of the value of the homestead is exempt.
40 If you jointly own the homestead with another person who is also liable on the debt, up to
41 *[\$50,000]* **\$300,000** of the value of the homestead is exempt.

42 (11) Proceeds from the sale of a homestead described in item 10, up to the limits described in
43 item 10, if you hold the proceeds for less than one year and intend to use those proceeds to procure
44 another homestead.

45 (12) Household goods, furniture, radios, a television set and utensils with a combined value not

1 to exceed \$3,000.

2 *[(13) An automobile, truck, trailer or other vehicle with a value not to exceed \$3,000.]*

3 ***(13) A vehicle, including an automobile, truck, trailer, truck and trailer or other motor**
4 **vehicle, with a value not to exceed \$10,000.**

5 *(14) Tools, implements, apparatus, team, harness or library that are necessary to carry on your
6 occupation, with a combined value not to exceed \$5,000.

7 *(15) Books, pictures and musical instruments with a combined value not to exceed \$600.

8 *(16) Wearing apparel, jewelry and other personal items with a combined value not to exceed
9 \$1,800.

10 (17) Domestic animals and poultry for family use with a combined value not to exceed \$1,000
11 and their food for 60 days.

12 (18) Provisions and fuel for your family for 60 days.

13 (19) One rifle or shotgun and one pistol. The combined value of all firearms claimed as exempt
14 may not exceed \$1,000.

15 (20) Public or private pensions.

16 (21) Veterans' benefits and loans.

17 (22) Medical assistance benefits.

18 (23) Health insurance proceeds and disability proceeds of life insurance policies.

19 (24) Cash surrender value of life insurance policies not payable to your estate.

20 (25) Federal annuities.

21 (26) Other annuities to \$250 per month (excess over \$250 per month is subject to the same ex-
22 emption as wages).

23 ***(27) Up to \$2,500 in all of the accounts you hold in a financial institution to the extent**
24 **that such amounts are exempt under ORS 18.785.**

25 *[(27)] (28) Professionally prescribed health aids for you or any of your dependents.*

26 **[(28)] (29) Rental assistance to an elderly person allowed pursuant to ORS 458.375.*

27 *[(29)] (30) Your right to receive, or property traceable to:*

28 (a) An award under any crime victim reparation law.

29 (b) A payment or payments, not exceeding a total of \$10,000, on account of personal bodily in-
30 jury suffered by you or an individual of whom you are a dependent.

31 (c) A payment in compensation of loss of future earnings of you or an individual of whom you
32 are or were a dependent, to the extent reasonably necessary for your support and the support of
33 any of your dependents.

34 *[(30)] (31) Amounts paid to you as an earned income tax credit under federal tax law.*

35 *[(31)] (32) Your right to the assets held in, or right to receive payments under, a medical savings*
36 *account or health savings account authorized under section 220 or 223 of the Internal Revenue*
37 *Code.*

38 **[(32)] (33) Interest in personal property to the value of \$400, but this cannot be used to increase*
39 *the amount of any other exemption.*

40 *[(33)] (34) Equitable interests in property.*

41 *[(34)] (35) Security deposits or prepaid rent held by a residential landlord under ORS 90.300.*

42 *[(35)] (36) If the amount shown as owing on the Debt Calculation form exceeds the amount you*
43 *actually owe to the creditor, the difference between the amount owed and the amount shown on the*
44 *Debt Calculation form.*

45 *[(36)] (37) Amounts paid to you as a tax credit under ORS 315.273.*

1 Note: If two or more people in your household owe the claim or judgment, each of them may
2 claim the exemptions marked by an asterisk (*).

3
4
5 **Note: The amounts specified as limitations on exemptions in this form may change as a**
6 **result of changes in the Consumer Price Index for All Urban Consumers, West Region (All**
7 **Items), as published by the Bureau of Labor Statistics of the United States Department of**
8 **Labor or a successor agency. You may view updated garnishment exemption limitations on**
9 **the Oregon Judicial Department website.**

10
11
12 SPECIAL RULES APPLY FOR DEBTS THAT ARE OWED FOR CHILD SUPPORT AND
13 SPOUSAL SUPPORT. Some property that may not otherwise be taken for payment against the debt
14 may be taken to pay for overdue support. For instance, Social Security benefits, workers' compen-
15 sation benefits, unemployment benefits, veterans' benefits and pensions are normally exempt, but
16 only 50 percent of a lump sum payment of these benefits is exempt if the debt is owed for a support
17 obligation.

18
19 YOU MUST ACT PROMPTLY IF YOU WANT TO GET YOUR MONEY OR PROPERTY BACK.
20 You may seek to reclaim your exempt property by doing the following:

21 (1) Fill out the Challenge to Garnishment form that you received with this notice.

22 (2) Mail or deliver the Challenge to Garnishment form to the court administrator at the address
23 shown on the writ of garnishment, and mail or deliver a copy of the form to the Garnishor at the
24 address shown on the writ of garnishment. If you wish to claim wages or salary as exempt, you must
25 mail or deliver the form within 120 days after you receive this notice. If you wish to claim that any
26 other money or property is exempt, or claim that the property is not subject to garnishment, you
27 must mail or deliver the form within 30 days after you receive this notice. You have the burden of
28 showing that your challenge is made on time, so you should keep records showing when the chal-
29 lenge was mailed or delivered.

30 (3) The law only requires that the Garnishor hold the garnished money or property for 10 days
31 before applying it to the Creditor's use. You may be able to keep the property from being used by
32 the Creditor by promptly following (1) and (2) above.

33
34 You should be prepared to explain your exemption in court. If you have any questions about the
35 garnishment or the debt, you should see an attorney.

36 YOU MAY USE THE CHALLENGE TO GARNISHMENT FORM ONLY FOR THE FOLLOW-
37 ING PURPOSES:

38 (1) To claim such exemptions from garnishment as are permitted by law.

39 (2) To assert that property is not garnishable property under ORS 18.618.

40 (3) To assert that the amount specified in the writ of garnishment as being subject to
41 garnishment is greater than the total amount owed.

42
43 YOU MAY NOT USE THE CHALLENGE TO GARNISHMENT FORM TO CHALLENGE THE
44 VALIDITY OF THE DEBT.

45 IF YOU FILE A CHALLENGE TO A GARNISHMENT IN BAD FAITH, YOU MAY BE SUB-

1 JECT TO PENALTIES IMPOSED BY THE COURT THAT COULD INCLUDE A FINE. Penalties
2 that you could be subject to are listed in ORS 18.715.

3 When you file a Challenge to Garnishment form, the Garnishee may be required to make all
4 payments under the garnishment to the court, and the Garnishor may be required to pay to the
5 court all amounts received by the Garnishor that are subject to the challenge to the garnishment.
6 The Garnishee and Garnishor are subject to penalties if they do not. For a complete explanation of
7 their responsibilities, see ORS 18.705 and 18.708.

8
9
10 **SECTION 18.** Section 19 of this 2024 Act is added to and made a part of ORS 18.600 to
11 18.850.

12 **SECTION 19.** If a judgment debtor's debt arises out of a child support or spousal support
13 obligation or a money award judgment that includes restitution, a notice of exemptions form
14 must be in substantially the form set forth in this section. The notice form described in this
15 section does not expand or restrict the law relating to exempt property. A determination as
16 to whether property is exempt from execution, attachment and garnishment must be made
17 by reference to other law. The form provided in this section may be modified to provide more
18 information or to update the notice based on subsequent changes in exemption laws.

20
21 **NOTICE OF EXEMPT PROPERTY**
22 **AND INSTRUCTIONS FOR**
23 **CHALLENGE TO GARNISHMENT**

24 **Property belonging to you may have been taken or held in order to satisfy a debt that**
25 **arises out of a child support or spousal support obligation or from a money award judgment**
26 **that includes restitution. The debt may be reflected in a judgment or in a warrant or order**
27 **issued by a state agency. Important legal papers are enclosed.**

28 **YOU MAY BE ABLE TO GET YOUR PROPERTY BACK, SO READ THIS NOTICE**
29 **CAREFULLY.**

30 **State and federal law specify that certain property may not be taken. Some of the prop-**
31 **erty that you may be able to get back is listed below.**

32 **(1) Your disposable earnings, as described in ORS 18.375 and 18.385, in an amount that**
33 **does not exceed the greater of:**

34 **(a) 75 percent of your take-home wages; or**

35 **(b) \$254 per workweek.**

36 **(2) Social Security benefits.**

37 **(3) Supplemental Security Income (SSI).**

38 **(4) Public assistance (welfare).**

39 **(5) Unemployment benefits.**

40 **(6) Disability benefits (other than SSI benefits).**

41 **(7) Workers' compensation benefits.**

42 **(8) All Social Security benefits and Supplemental Security Income benefits, and up to**
43 **\$7,500 in exempt wages, retirement benefits, welfare, unemployment benefits and disability**
44 **benefits, that are held in a bank account. You may attach copies of bank statements to the**
45 **Challenge to Garnishment form if you claim this exemption.**

1 **(9) Spousal support, child support or separate maintenance to the extent reasonably**
2 **necessary for your support or the support of any of your dependents.**

3 **(10) A homestead (house, manufactured dwelling or floating home) occupied by you, or**
4 **occupied by your spouse, parent or child. Up to \$40,000 of the value of the homestead is ex-**
5 **empt. If you jointly own the homestead with another person who is also liable on the debt,**
6 **up to \$50,000 of the value of the homestead is exempt.**

7 **(11) Proceeds from the sale of a homestead described in item 10, up to the limits de-**
8 **scribed in item 10, if you hold the proceeds for less than one year and intend to use those**
9 **proceeds to procure another homestead.**

10 **(12) Household goods, furniture, radios, a television set and utensils with a combined**
11 **value not to exceed \$3,000.**

12 ***(13) A vehicle, including an automobile, truck, trailer, truck and trailer or other motor**
13 **vehicle, with a value not to exceed \$3,000.**

14 ***(14) Tools, implements, apparatus, team, harness or library that are necessary to carry**
15 **on your occupation, with a combined value not to exceed \$5,000.**

16 ***(15) Books, pictures and musical instruments with a combined value not to exceed \$600.**

17 ***(16) Wearing apparel, jewelry and other personal items with a combined value not to**
18 **exceed \$1,800.**

19 **(17) Domestic animals and poultry for family use with a combined value not to exceed**
20 **\$1,000 and their food for 60 days.**

21 **(18) Provisions and fuel for your family for 60 days.**

22 **(19) One rifle or shotgun and one pistol. The combined value of all firearms claimed as**
23 **exempt may not exceed \$1,000.**

24 **(20) Public or private pensions.**

25 **(21) Veterans' benefits and loans.**

26 **(22) Medical assistance benefits.**

27 **(23) Health insurance proceeds and disability proceeds of life insurance policies.**

28 **(24) Cash surrender value of life insurance policies not payable to your estate.**

29 **(25) Federal annuities.**

30 **(26) Other annuities to \$250 per month (excess over \$250 per month is subject to the same**
31 **exemption as wages).**

32 **(27) Professionally prescribed health aids for you or any of your dependents.**

33 ***(28) Rental assistance to an elderly person allowed pursuant to ORS 458.375.**

34 **(29) Your right to receive, or property traceable to:**

35 **(a) An award under any crime victim reparation law.**

36 **(b) A payment or payments, not exceeding a total of \$10,000, on account of personal**
37 **bodily injury suffered by you or an individual of whom you are a dependent.**

38 **(c) A payment in compensation of loss of future earnings of you or an individual of whom**
39 **you are or were a dependent, to the extent reasonably necessary for your support and the**
40 **support of any of your dependents.**

41 **(30) Amounts paid to you as an earned income tax credit under federal tax law.**

42 **(31) Your right to the assets held in, or right to receive payments under, a medical**
43 **savings account or health savings account authorized under section 220 or 223 of the Internal**
44 **Revenue Code.**

45 ***(32) Interest in personal property to the value of \$400, but this cannot be used to in-**

1 **crease the amount of any other exemption.**

2 **(33) Equitable interests in property.**

3 **(34) Security deposits or prepaid rent held by a residential landlord under ORS 90.300.**

4 **(35) If the amount shown as owing on the Debt Calculation form exceeds the amount you**
5 **actually owe to the creditor, the difference between the amount owed and the amount shown**
6 **on the Debt Calculation form.**

7 **(36) Amounts paid to you as a tax credit under ORS 315.273.**

8
9 **Note: If two or more people in your household owe the claim or judgment, each of them**
10 **may claim the exemptions marked by an asterisk (*).**

11
12
13 **SPECIAL RULES APPLY FOR DEBTS THAT ARE OWED FOR CHILD SUPPORT AND**
14 **SPOUSAL SUPPORT. Some property that may not otherwise be taken for payment against**
15 **the debt may be taken to pay for overdue support. For instance, Social Security benefits,**
16 **workers' compensation benefits, unemployment benefits, veterans' benefits and pensions are**
17 **normally exempt, but only 50 percent of a lump sum payment of these benefits is exempt if**
18 **the debt is owed for a support obligation.**

19
20 **YOU MUST ACT PROMPTLY IF YOU WANT TO GET YOUR MONEY OR PROPERTY**
21 **BACK. You may seek to reclaim your exempt property by doing the following:**

22 **(1) Fill out the Challenge to Garnishment form that you received with this notice.**

23 **(2) Mail or deliver the Challenge to Garnishment form to the court administrator at the**
24 **address shown on the writ of garnishment, and mail or deliver a copy of the form to the**
25 **Garnishor at the address shown on the writ of garnishment. If you wish to claim wages or**
26 **salary as exempt, you must mail or deliver the form within 120 days after you receive this**
27 **notice. If you wish to claim that any other money or property is exempt, or claim that the**
28 **property is not subject to garnishment, you must mail or deliver the form within 30 days**
29 **after you receive this notice. You have the burden of showing that your challenge is made**
30 **on time, so you should keep records showing when the challenge was mailed or delivered.**

31 **(3) The law only requires that the Garnishor hold the garnished money or property for**
32 **10 days before applying it to the Creditor's use. You may be able to keep the property from**
33 **being used by the Creditor by promptly following (1) and (2) above.**

34
35 **You should be prepared to explain your exemption in court. If you have any questions**
36 **about the garnishment or the debt, you should see an attorney.**

37 **YOU MAY USE THE CHALLENGE TO GARNISHMENT FORM ONLY FOR THE FOL-**
38 **LOWING PURPOSES:**

39 **(1) To claim such exemptions from garnishment as are permitted by law.**

40 **(2) To assert that property is not garnishable property under ORS 18.618.**

41 **(3) To assert that the amount specified in the writ of garnishment as being subject to**
42 **garnishment is greater than the total amount owed.**

43
44 **YOU MAY NOT USE THE CHALLENGE TO GARNISHMENT FORM TO CHALLENGE**
45 **THE VALIDITY OF THE DEBT.**

1 IF YOU FILE A CHALLENGE TO A GARNISHMENT IN BAD FAITH, YOU MAY BE
2 SUBJECT TO PENALTIES IMPOSED BY THE COURT THAT COULD INCLUDE A FINE.
3 Penalties that you could be subject to are listed in ORS 18.715.

4 When you file a Challenge to Garnishment form, the Garnishee may be required to make
5 all payments under the garnishment to the court, and the Garnishor may be required to pay
6 to the court all amounts received by the Garnishor that are subject to the challenge to the
7 garnishment. The Garnishee and Garnishor are subject to penalties if they do not. For a
8 complete explanation of their responsibilities, see ORS 18.705 and 18.708.

9 _____
10
11 **SECTION 20.** ORS 18.847 is amended to read:

12 18.847. The notice given by a financial institution to a debtor under ORS 18.785 [(1)] (3) must
13 be in substantially the following form:

14 _____
15
16 _____
17 _____
18 _____
19 (Name, address of financial institution)

20
21 IMPORTANT INFORMATION ABOUT
22 YOUR ACCOUNT

23 Date: _____
24 Notice to: _____
25 Account Number: _____
26
27

28 Why am I receiving this notice?

29
30 On _____ [date on which garnishment order was served], _____ [name of financial
31 institution] received a garnishment order from a court to garnish funds in your account. The amount
32 of the garnishment order was for \$_____ [amount of garnishment order]. We are sending you this
33 notice to let you know what we have done in response to the garnishment order.
34

35 What is garnishment?

36
37 Garnishment is a legal process that allows a creditor to remove funds from your bank/credit
38 union account to satisfy a debt that you have not paid. In other words, if you owe money to a person
39 or company, they can obtain a court order directing your bank/credit union to take money out of
40 your account to pay off your debt. If this happens, you cannot use that money in your account.
41

42 What has happened to my account?

43
44 **An amount specified by the Oregon Judicial Department is protected by law from**
45 **garnishment under ORS 18.785. As of the date of this notice, that amount is**

_____ . This means you have access to up to this amount from any and all of the accounts you have with us. If you owe a debt that arises out of a child support, spousal support or a money award that includes restitution, the protected amount specified by the Oregon Judicial Department does not apply. If your accounts with us have a total amount that exceeds the amount the Oregon Judicial Department has specified, we must research your account to determine whether certain payments you might have received were made to your accounts in the previous two months. The amount of those payments might be protected from garnishment.

____ (check if applicable) On _____ [date of account review], we researched your account and identified that one or more payments identified by ORS [18.784 (1)] 18,785 (2)(c)(B) have been deposited in the last two months (see below for a list of qualifying payments). In most cases, these payments are protected from garnishment. As required by state and federal regulations, therefore, we have established a "protected amount" of funds that will remain available to you and that will not be frozen or removed from your account in response to the garnishment order.

(Conditional paragraph if funds have been frozen)

____ (check if applicable) Your account contained additional money that may not be protected from garnishment. As required by law, we have placed a hold on or removed these funds in the amount of \$_____ [amount frozen] and may have to turn these funds over to your creditor as directed by the garnishment order.

The chart below summarizes this information about your account(s):

ACCOUNT SUMMARY AS OF _____ [DATE OF ACCOUNT REVIEW]

Account Number	Amount in Account	Amount Protected
_____	_____	_____
_____	_____	_____

Amount Subject to Garnishment (now frozen/ removed)	Garnishment Fee Charged
_____	_____
_____	_____

(If the account holder has multiple accounts, use a separate row for each account)

Please note that these amount(s) may be affected by deposits or withdrawals after the protected

1 amount was calculated on _____ (date of garnishment account review).

2
3 Do I need to do anything to access my protected funds?

4
5 You may use the protected amount of money in your account as you normally would.

6
7 There is nothing else you need to do to make sure that the protected amount is safe.

8
9 Who garnished my account?

10
11 The creditor who obtained a garnishment order against you is _____ (name of credi-
12 tor).

13
14 What types of benefit payments are protected from garnishment?

15
16 In most cases, you have protections from garnishment if the funds in your account include one
17 or more of the following benefit payments:

- 18
19 • Social Security benefits
20 • Supplemental Security Income benefits
21 • Veterans' benefits
22 • Railroad retirement benefits
23 • Railroad Unemployment Insurance benefits
24 • Civil Service Retirement System benefits
25 • Federal Employees Retirement System benefits
26 • Payments from a public or private retirement plan as defined in ORS 18.358
27 • Public assistance or medical assistance, as defined in ORS 414.025, from the State of Oregon
28 or an agency of the State of Oregon
29 • Unemployment compensation payments from the State of Oregon or an agency of the State
30 of Oregon
31 • Black lung benefits payments from the United States Department of Labor
32 • Workers' compensation payments from a workers' compensation carrier

33
34 What should I do if I think that additional funds in my account are from protected benefit payments?

35
36 If you believe that funds in your account(s) should not have been frozen or removed, there are
37 several things you can do:

38
39 You can fill out a Challenge to Garnishment form and submit it to the court.

40 You may contact the creditor that garnished your account and explain that funds are from
41 protected benefit payments and should be released to you. The creditor may be contacted at
42 _____ (address of creditor).

43 You may consult an attorney to help you prove to the creditor that garnished your account that
44 additional funds are from protected benefit payments and cannot be taken. For information about
45 how to find an attorney, contact the Oregon State Bar's Lawyer Referral Service at (800) 452-7636

1 or go online to www.oregonlawhelp.org.

2
3 This notice contains all the information that we have about the garnishment order. However,
4 if you have a question about your account, you may contact us at _____ (telephone
5 number of financial institution).

6 _____
7
8 **SECTION 21.** ORS 18.854 is amended to read:

9 18.854. (1) Any state agency authorized to issue warrants to collect taxes and debts owed to the
10 State of Oregon, including but not limited to warrants issued pursuant to ORS 179.655, 184.644,
11 267.385, 293.250, 314.430, 316.207, 320.080, 321.570, 323.390, 411.703, 651.065, 657.396, 657.642, 657.646,
12 705.175 and 825.504, or any county tax collector authorized to issue warrants to collect taxes and
13 debts owed to the county pursuant to ORS 311.625, may garnish property of a debtor in the pos-
14 session, control or custody of a person other than the debtor by delivering to the person all of the
15 following:

- 16 (a) A notice of garnishment;
17 (b) A warrant, or a true copy of a warrant;
18 (c) The items specified in ORS 18.650 (1)(b) to (d); and
19 (d) Any garnishee's search fee payable as provided in ORS 18.790.

20 (2) A notice of garnishment may be issued by any person designated by the state agency or by
21 the county tax collector. A warrant need not be recorded in the County Clerk Lien Record as a
22 condition of issuing a notice of garnishment under the provisions of this section. The provisions of
23 ORS 18.800 do not apply to a notice of garnishment.

24 (3) If any of the items described in subsection (1) of this section are not delivered to the
25 garnishee, a notice of garnishment shall not be effective to garnish any property of the debtor, and
26 the garnishee shall not be required to respond to the garnishment and may proceed to deal with any
27 property of the debtor as though the notice of garnishment had not been issued.

28 (4)(a) Notwithstanding ORS 18.652, but subject to paragraph (c) of this subsection, a notice of
29 garnishment and the other items required by subsection (1) of this section may be delivered in per-
30 son to the garnishee by any employee of the state agency or of the county tax collector who is au-
31 thorized by the agency or the county to deliver the notice of garnishment, may be mailed to the
32 garnishee by first class or certified mail or may be sent to the garnishee by other means if the
33 garnishee has agreed to a different delivery method.

34 (b) An employee who delivers documents under paragraph (a) of this subsection need not be
35 covered by the errors and omissions insurance required in ORS 18.652.

36 (c) A state agency or a county may not seek sanctions against a noncomplying garnishee under
37 ORS 18.775 unless the notice of garnishment and the other items required by subsection (1) of this
38 section are personally delivered to the garnishee under paragraph (a) of this subsection or mailed
39 to the garnishee by certified mail.

40 (5) Notwithstanding any provision of ORS 18.600 to 18.850, a debt calculation form need not be
41 prepared or delivered for any notice of garnishment.

42 (6) Notwithstanding ORS 18.792, the duty of a garnishee to deliver any property of the debtor
43 that may be contained in a safe deposit box that is in the garnishee's possession, control or custody
44 at the time of delivery of the notice of garnishment to the garnishee is conditioned upon the state
45 agency or the county tax collector first paying to the garnishee, in addition to the search fee pro-

1 vided for in ORS 18.790, all reasonable costs incurred by the garnishee in gaining entry to the safe
 2 deposit box. The costs shall be paid to the garnishee by the state agency or the county tax collector
 3 at least five days before the date the state agency or the county tax collector takes possession of
 4 the property in the safe deposit box. If the state agency or the county tax collector fails to pay such
 5 costs to the garnishee within 20 days after the delivery of the garnishee response, the garnishment
 6 shall not be effective to garnish any property of the debtor that may be contained in the safe deposit
 7 box and the garnishee may proceed to deal with the safe deposit box and its contents as though the
 8 notice of garnishment had not been issued. Nothing in this subsection limits the rights of a state
 9 agency or county tax collector to reach the contents of any safe deposit box in any manner other-
 10 wise provided by law.

11 (7) Except as provided in this section and ORS 18.855 and 18.857, all provisions of ORS 18.600
 12 to 18.850 apply to notices of garnishment. The state agency or county tax collector shall modify the
 13 forms provided in ORS 18.600 to 18.850 as necessary to allow use of those forms for notices of
 14 garnishment. The form of the notice of garnishment must clearly indicate that the document is a
 15 notice of garnishment and must reflect the date of all warrants on which the notice of garnishment
 16 is based.

17 (8) The Attorney General may adopt **without a rulemaking proceeding** model forms for notices
 18 of garnishment and other documents issued by state agencies and county tax collectors under this
 19 section and ORS 18.855 and 18.857. There is a presumption, as described in ORS 40.120, that any
 20 state agency or county tax collector that uses a model form adopted by the Attorney General under
 21 this subsection has complied with the requirements of ORS 18.600 to 18.850, and with the provisions
 22 of this section and ORS 18.855 and 18.857, with respect to the form of notices of garnishment.

23 **SECTION 22.** ORS 18.855 is amended to read:

24 18.855. (1) Notwithstanding ORS 18.607, a notice of garnishment issued by a state agency need
 25 not contain the name of a court whose authority is invoked.

26 (2) State agencies shall make such modifications as are necessary in the wage exemption cal-
 27 culation form provided by ORS 18.840 if a notice of garnishment is issued for a debt due for a state
 28 tax that is subject to the provisions of ORS 18.385 [(6)] (8).

29 (3) Notwithstanding ORS 18.625, but subject to ORS 18.618 (2), a notice of garnishment issued
 30 by a state agency acts to garnish all wages earned by the debtor by reason of services to the
 31 garnishee until the full amount of the debt is paid or until the notice of garnishment is released by
 32 the state agency or by court order. A notice of garnishment issued by a state agency must contain
 33 language reasonably designed to notify the garnishee of the provisions of this subsection.

34 (4) Notwithstanding ORS 18.690, a garnishee who receives a notice of garnishment issued by a
 35 state agency need not deliver a copy of the garnishee response to the clerk of the court, but must
 36 deliver the original of the response to the state agency.

37 (5) Notwithstanding ORS 18.700, a challenge to a notice of garnishment issued by a state agency
 38 must be delivered in person or by first class mail to the state agency within the time specified by
 39 ORS 18.700 (2). Upon receiving a challenge, the state agency shall provide notice of the challenge
 40 in the manner provided by ORS 18.702. Upon a sheriff receiving notice under ORS 18.702, the sheriff
 41 shall proceed as provided by ORS 18.760, except that upon determination of the challenge by an
 42 administrative law judge, the sheriff shall proceed as directed by the judge. Within 14 days after
 43 receiving the challenge, the state agency must either concede the challenge or give the person
 44 making the challenge opportunity for hearing. If the person making the challenge requests a hearing,
 45 the agency shall immediately refer the challenge to the Office of Administrative Hearings estab-

1 lished under ORS 183.605. The hearing shall be conducted as soon as possible. Notwithstanding ORS
2 183.315, the hearing shall be conducted as a contested case hearing. An issue that was decided in
3 a previous hearing, or for which the debtor was previously afforded an opportunity for hearing, may
4 not be reconsidered.

5 (6) If a state agency is issuing a notice of garnishment for collection of a state tax, and the state
6 agency has reason to believe that the debtor intends to leave the state or do any other act that
7 would jeopardize collection of the tax, the state agency may issue a special notice of garnishment.
8 Any earnings, as defined in ORS 18.375, garnished under a special notice of garnishment are not
9 subject to a claim of exemption under ORS 18.385. A special notice of garnishment issued under this
10 subsection garnishes only that property of the debtor that is in the garnishee's possession, control
11 or custody at the time the special notice is delivered, including debts not yet due, and all wages
12 owed by the garnishee to the debtor at the time the special notice is delivered. A special notice of
13 garnishment does not act to garnish wages earned by the debtor by reason of services rendered to
14 the garnishee after the delivery of the special notice of garnishment.

15 (7) A special notice of garnishment issued under subsection (6) of this section shall contain a
16 statement indicating that it is a special notice of garnishment under subsection (6) of this section
17 and a statement reflecting the provisions of subsection (6) of this section. Notwithstanding ORS
18 18.854 (1), a wage exemption calculation form shall not be delivered to the garnishee with a special
19 notice of garnishment.

20 (8) Notwithstanding ORS 18.854 (1)(b), the Department of Revenue is not required to deliver a
21 warrant or true copy of a warrant with the notice of garnishment when garnishing property of a
22 debtor.

23 (9) Notwithstanding ORS 18.607 (4):

24 (a) A notice of garnishment issued by the Department of Revenue must include the name of the
25 person issuing the notice on behalf of the department, but need not be signed by that person.

26 (b) A notice of garnishment related to the overpayment of medical assistance as defined in ORS
27 414.025, or public assistance as defined in ORS 411.010, issued by the Department of Human Services
28 or the Oregon Health Authority must include the name of the person issuing the notice on behalf
29 of the department or authority, but need not be signed by that person.

30 **SECTION 23.** ORS 18.888 is amended to read:

31 18.888. (1) After levying on property, a sheriff shall mail or deliver a copy of the writ of exe-
32 cution to each judgment debtor. If the writ is issued pursuant to an in rem judgment against per-
33 sonal property, the sheriff shall mail or deliver a copy of the writ to the person from whom the
34 property was seized. If the writ is issued pursuant to an in rem judgment against real property, the
35 sheriff shall mail or deliver a copy of the writ to the occupants of the property. The sheriff shall
36 mail the copy of the writ to the addresses included in the instructions to the sheriff. If the judgment
37 creditor has not provided an address for a person, the sheriff need not mail a copy of the writ to
38 the person.

39 (2) If the sheriff has levied on intangible property, in addition to the copy of the writ required
40 under subsection (1) of this section, the sheriff shall mail or deliver to the persons described in
41 subsection (1) of this section a copy of the notice of levy filed with the court pursuant to ORS 18.878
42 (1)(d).

43 (3) Unless the writ directs the sheriff to sell or deliver specific real or personal property pur-
44 suant to the terms of the judgment, in addition to the copy of the writ required under subsection (1)
45 of this section the sheriff shall mail or deliver to each judgment debtor:

(a) A copy of the notice of levy or a statement of the date and time of the levy; and

(b) A challenge to execution form as provided by ORS 18.896 **or section 27 of this 2024 Act, as appropriate.**

SECTION 24. ORS 18.892 is amended to read:

18.892. (1) Except as provided in subsection (2) of this section, a judgment debtor may use a challenge to execution form only:

(a) To claim such exemptions under a writ of execution as are permitted by law; and

(b) To assert that the amount specified in the writ of execution as being subject to execution is greater than the amount owed by the judgment debtor under the money award.

(2) A judgment debtor may not use a challenge to execution form to challenge execution on residential property of the debtor as defined by ORS 18.901 if the judgment creditor has obtained an order under ORS 18.904 authorizing the sale or if the judgment directs the sale or delivery of specific property.

(3) Any person other than a judgment debtor who has an interest in any property levied on by a sheriff may assert that interest by delivering a challenge to execution in the manner provided by subsection (4) of this section.

(4) A person may make a challenge to a writ of execution by completing the challenge to execution form provided in ORS 18.896 **or section 27 of this 2024 Act, as appropriate**, or a substantially similar form, and by delivering, in person or by first class mail, the original of the completed form to the court administrator for the court identified in the writ of execution and a copy of the challenge to the judgment creditor. Upon receiving a copy of the challenge, the judgment creditor shall promptly notify the sheriff of the challenge.

(5) A challenge to execution must be delivered in the manner provided by subsection (4) of this section within 30 days after the property is levied on as described in ORS 18.878 or before the property is sold on execution, whichever occurs first.

SECTION 25. ORS 18.896 is amended to read:

18.896. (1) The challenge to execution form described in this section does not expand or restrict the law relating to exempt property. A determination as to whether property is exempt from attachment or execution must be made by reference to other law. The form provided in this section may be modified to provide more information or to update the notice based on subsequent changes in exemption laws.

(2) **Except as provided in section 27 of this 2024 Act**, a challenge to execution form must be in substantially the following form:

_____ COURT
COUNTY OF _____

_____) CHALLENGE TO
Plaintiff,) EXECUTION
_____)
vs.) Case No. _____
_____)
_____)
Defendant.)

1 THIS FORM MAY BE USED BY THE DEBTOR ONLY FOR THE FOLLOWING PURPOSES:

2 (1) To claim such exemptions from execution as are permitted by law.

3 (2) To assert that the amount specified in the writ of execution as being subject to execution is
4 greater than the total amount owed.

5

6 THIS FORM MAY BE USED BY PERSONS OTHER THAN THE DEBTOR ONLY TO CLAIM
7 AN INTEREST IN THE PROPERTY THAT IS TO BE SOLD ON EXECUTION.

8

9 THIS FORM MAY NOT BE USED TO CHALLENGE THE VALIDITY OF THE DEBT.

10

11 I/We claim that the following described property or money is exempt from execution:

12

13

14

15

16

17 I/We believe this property is exempt from execution because (the Notice of Exempt Property at
18 the end of this form describes most types of property that you can claim as exempt from execution):

19

20

21

22

23

24 I am a person other than the Debtor and I have the following interest in the property:

25

26

27

28

29

30 Name _____ Name _____

31 Signature _____ Signature _____

32 Address _____ Address _____

33 _____

34 Telephone Telephone

35 Number _____ Number _____

36 (Required) (Required)

37

38

39 YOU MUST ACT PROMPTLY IF YOU WANT TO GET YOUR MONEY OR PROPERTY BACK.

40 You may seek to reclaim your exempt property by doing the following:

41 (1) Fill out the Challenge to Execution form that you received with this notice.

42 (2) Mail or deliver the Challenge to Execution form to the court administrator at the address
43 shown on the writ of execution.

44 (3) Mail or deliver a copy of the Challenge to Execution form to the judgment creditor at the
45 address shown on the writ of execution.

1 You should be prepared to explain your exemption in court. If you have any questions about the
2 execution or the debt, you should see an attorney.

3
4 YOU MAY USE THE CHALLENGE TO EXECUTION FORM ONLY FOR THE FOLLOWING
5 PURPOSES:

6 (1) To claim such exemptions from execution as are permitted by law.

7 (2) To assert that the amount specified in the writ of execution as being subject to execution is
8 greater than the total amount owed.

9
10 YOU MAY NOT USE THE CHALLENGE TO EXECUTION FORM TO CHALLENGE THE
11 VALIDITY OF THE DEBT.

12
13 IF YOU CLAIM AN EXEMPTION IN BAD FAITH, YOU MAY BE SUBJECT TO PENALTIES
14 IMPOSED BY THE COURT THAT COULD INCLUDE A FINE. Penalties that you could be subject
15 to are listed in ORS 18.899.

16
17 NOTICE OF EXEMPT PROPERTY

18
19 Property belonging to you may have been taken or held in order to satisfy a debt. The debt may
20 be reflected in a judgment or in a warrant or order issued by a state agency. Important legal papers
21 are enclosed.

22 YOU MAY BE ABLE TO GET YOUR PROPERTY BACK, SO READ THIS NOTICE CARE-
23 FULLY.

24 State and federal law specify that certain property may not be taken. Some of the property that
25 you may be able to get back is listed below.

26 *[(1) Wages or a salary as described in ORS 18.375 and 18.385. Whichever of the following*
27 *amounts is greater:]*

28 **(1) Your disposable earnings, as described in ORS 18.375 and 18.385, in an amount that**
29 **does not exceed the greater of:**

30 (a) 75 percent of your take-home wages; or

31 *[(b) \$254 per workweek.]*

32 **(b) \$__ per workweek for wages earned before (date) and \$__ per workweek for wages**
33 **earned after (date). Note: The garnishor is required to insert the applicable years and wage**
34 **exemption amounts published on the Judicial Department website pursuant to ORS 18.385 (3).**

35 (2) Social Security benefits.

36 (3) Supplemental Security Income (SSI).

37 (4) Public assistance (welfare).

38 (5) Unemployment benefits.

39 (6) Disability benefits (other than SSI benefits).

40 (7) Workers' compensation benefits.

41 (8) All Social Security benefits and Supplemental Security Income benefits, and up to \$7,500 in
42 exempt wages, retirement benefits, welfare, unemployment benefits and disability benefits, that are
43 held in a bank account.

44 (9) Spousal support, child support or separate maintenance to the extent reasonably necessary
45 for your support or the support of any of your dependents.

1 (10) A homestead (house, manufactured dwelling or floating home) occupied by you, or occupied
2 by your spouse, parent or child. Up to [~~\$40,000~~] **\$150,000** of the value of the homestead is exempt.
3 If you jointly own the homestead with another person who is also liable on the debt, up to
4 [~~\$50,000~~] **\$300,000** of the value of the homestead is exempt.

5 (11) Proceeds from the sale of a homestead described in item 10, up to the limits described in
6 item 10, if you hold the proceeds for less than one year and intend to use those proceeds to procure
7 another homestead.

8 (12) Household goods, furniture, radios, a television set and utensils with a combined value not
9 to exceed \$3,000.

10 [~~(13)~~] *An automobile, truck, trailer or other vehicle with a value not to exceed \$3,000.*

11 ***(13) A vehicle, including an automobile, truck, trailer, truck and trailer or other motor**
12 **vehicle, with a value not to exceed \$10,000.**

13 *(14) Tools, implements, apparatus, team, harness or library that are necessary to carry on your
14 occupation, with a combined value not to exceed \$5,000.

15 *(15) Books, pictures and musical instruments with a combined value not to exceed \$600.

16 *(16) Wearing apparel, jewelry and other personal items with a combined value not to exceed
17 \$1,800.

18 (17) Domestic animals and poultry for family use with a combined value not to exceed \$1,000
19 and their food for 60 days.

20 (18) Provisions and fuel for your family for 60 days.

21 (19) One rifle or shotgun and one pistol. The combined value of all firearms claimed as exempt
22 may not exceed \$1,000.

23 (20) Public or private pensions.

24 (21) Veterans' benefits and loans.

25 (22) Medical assistance benefits.

26 (23) Health insurance proceeds and disability proceeds of life insurance policies.

27 (24) Cash surrender value of life insurance policies not payable to your estate.

28 (25) Federal annuities.

29 (26) Other annuities to \$250 per month (excess over \$250 per month is subject to the same ex-
30 emption as wages).

31 ***(27) Up to \$2,500 in all of the accounts you hold in a financial institution to the extent**
32 **that such amounts are exempt under ORS 18.785.**

33 [(27)] **(28)** Professionally prescribed health aids for you or any of your dependents.

34 *[(28)] **(29)** Rental assistance to an elderly person allowed pursuant to ORS 458.375.

35 *[(29)] **(30)** Your right to receive, or property traceable to:

36 *(a) An award under any crime victim reparation law.

37 *(b) A payment or payments, not exceeding a total of \$10,000, on account of personal bodily in-
38 jury suffered by you or an individual of whom you are a dependent.

39 *(c) A payment in compensation of loss of future earnings of you or an individual of whom you
40 are or were a dependent, to the extent reasonably necessary for your support and the support of
41 any of your dependents.

42 [(30)] **(31)** Amounts paid to you as an earned income tax credit under federal tax law.

43 [(31)] **(32)** Your right to the assets held in, or right to receive payments under, a medical savings
44 account or health savings account authorized under section 220 or 223 of the Internal Revenue
45 Code.

1 [(32)] (33) Interest in personal property to the value of \$400, but this cannot be used to increase
2 the amount of any other exemption.

3 [(33)] (34) Equitable interests in property.

4 Note: If two or more people in your household owe the claim or judgment, each of them may
5 claim the exemptions marked by an asterisk (*).

6 _____
7
8 **Note: The amounts specified as limitations on exemptions in this form may change as a**
9 **result of changes in the Consumer Price Index for All Urban Consumers, West Region (All**
10 **Items), as published by the Bureau of Labor Statistics of the United States Department of**
11 **Labor or a successor agency. You may view updated garnishment exemption limitations on**
12 **the Oregon Judicial Department website.**

13 _____
14
15 SPECIAL RULES APPLY FOR DEBTS THAT ARE OWED FOR CHILD SUPPORT AND
16 SPOUSAL SUPPORT. Some property that may not otherwise be taken for payment against the debt
17 may be taken to pay for overdue support. For instance, Social Security benefits, workers' compen-
18 sation benefits, unemployment benefits, veterans' benefits and pensions are normally exempt, but
19 only 50 percent of a lump sum payment of these benefits is exempt if the debt is owed for a support
20 obligation.

21 _____
22
23 **SECTION 26.** Section 27 of this 2024 Act is added to and made a part of ORS 18.600 to
24 **18.850.**

25 **SECTION 27.** (1) If a judgment debtor's debt arises out of a child support or spousal
26 support obligation or a money award judgment that includes restitution, a challenge to exe-
27 cution form must be in substantially the form set forth in this section. The challenge to
28 execution form described in this section does not expand or restrict the law relating to ex-
29 empt property. A determination as to whether property is exempt from attachment or exe-
30 cution must be made by reference to other law. The form provided in this section may be
31 modified to provide more information or to update the notice based on subsequent changes
32 in exemption laws.

33 (2) The challenge to execution form under this section must be in substantially the fol-
34 lowing form:

35 _____
36
37 _____ COURT
38 COUNTY OF _____
39
40 _____) CHALLENGE TO
41 Plaintiff,) EXECUTION
42)
43 vs.) Case No. _____
44)
45 _____)

1 Defendant.)

2
3 THIS FORM MAY BE USED BY THE DEBTOR ONLY FOR THE FOLLOWING PUR-
4 POSES:

5 (1) To claim such exemptions from execution as are permitted by law.

6 (2) To assert that the amount specified in the writ of execution as being subject to exe-
7 cution is greater than the total amount owed.

8
9 THIS FORM MAY BE USED BY PERSONS OTHER THAN THE DEBTOR ONLY TO
10 CLAIM AN INTEREST IN THE PROPERTY THAT IS TO BE SOLD ON EXECUTION.

11
12 THIS FORM MAY NOT BE USED TO CHALLENGE THE VALIDITY OF THE DEBT.

13
14 I/We claim that the following described property or money is exempt from execution:

15 _____
16
17 _____

18
19
20 I/We believe this property is exempt from execution because (the Notice of Exempt
21 Property at the end of this form describes most types of property that you can claim as ex-
22 empt from execution):

23 _____
24
25 _____

26
27
28 I am a person other than the Debtor and I have the following interest in the property:

29 _____
30
31 _____

32
33
34 Name _____ Name _____
35 Signature _____ Signature _____
36 Address _____ Address _____
37 _____
38 Telephone Telephone
39 Number _____ Number _____
40 (Required) (Required)

41
42 YOU MUST ACT PROMPTLY IF YOU WANT TO GET YOUR MONEY OR PROPERTY BACK.
43 You may seek to reclaim your exempt property by doing the following:

- 44 (1) Fill out the Challenge to Execution form that you received with this notice.
45 (2) Mail or deliver the Challenge to Execution form to the court administrator at the

1 address shown on the writ of execution.

2 (3) Mail or deliver a copy of the Challenge to Execution form to the judgment creditor
3 at the address shown on the writ of execution.

4 You should be prepared to explain your exemption in court. If you have any questions
5 about the execution or the debt, you should see an attorney.

6
7 YOU MAY USE THE CHALLENGE TO EXECUTION FORM ONLY FOR THE FOLLOW-
8 ING PURPOSES:

9 (1) To claim such exemptions from execution as are permitted by law.

10 (2) To assert that the amount specified in the writ of execution as being subject to exe-
11 cution is greater than the total amount owed.

12
13 YOU MAY NOT USE THE CHALLENGE TO EXECUTION FORM TO CHALLENGE THE
14 VALIDITY OF THE DEBT.

15
16 IF YOU CLAIM AN EXEMPTION IN BAD FAITH, YOU MAY BE SUBJECT TO PENAL-
17 TIES IMPOSED BY THE COURT THAT COULD INCLUDE A FINE. Penalties that you could
18 be subject to are listed in ORS 18.899.

19
20 **NOTICE OF EXEMPT PROPERTY**

21
22 Property belonging to you may have been taken or held in order to satisfy a debt. The
23 debt may be reflected in a judgment or in a warrant or order issued by a state agency. Im-
24 portant legal papers are enclosed.

25 YOU MAY BE ABLE TO GET YOUR PROPERTY BACK, SO READ THIS NOTICE
26 CAREFULLY.

27 State and federal law specify that certain property may not be taken. Some of the prop-
28 erty that you may be able to get back is listed below.

29 (1) Your disposable earnings, as described in ORS 18.375 and 18.385, in an amount that
30 does not exceed the greater of:

31 (a) 75 percent of your take-home wages; or

32 (b) \$254 per workweek.

33 (2) Social Security benefits.

34 (3) Supplemental Security Income (SSI).

35 (4) Public assistance (welfare).

36 (5) Unemployment benefits.

37 (6) Disability benefits (other than SSI benefits).

38 (7) Workers' compensation benefits.

39 (8) All Social Security benefits and Supplemental Security Income benefits, and up to
40 \$7,500 in exempt wages, retirement benefits, welfare, unemployment benefits and disability
41 benefits, that are held in a bank account.

42 (9) Spousal support, child support or separate maintenance to the extent reasonably
43 necessary for your support or the support of any of your dependents.

44 (10) A homestead (house, manufactured dwelling or floating home) occupied by you, or
45 occupied by your spouse, parent or child. Up to \$40,000 of the value of the homestead is ex-

1 **empt. If you jointly own the homestead with another person who is also liable on the debt,**
2 **up to \$50,000 of the value of the homestead is exempt.**

3 **(11) Proceeds from the sale of a homestead described in item 10, up to the limits de-**
4 **scribed in item 10, if you hold the proceeds for less than one year and intend to use those**
5 **proceeds to procure another homestead.**

6 **(12) Household goods, furniture, radios, a television set and utensils with a combined**
7 **value not to exceed \$3,000.**

8 ***(13) A vehicle, including an automobile, truck, trailer, truck and trailer or other motor**
9 **vehicle, with a value not to exceed \$3,000.**

10 ***(14) Tools, implements, apparatus, team, harness or library that are necessary to carry**
11 **on your occupation, with a combined value not to exceed \$5,000.**

12 ***(15) Books, pictures and musical instruments with a combined value not to exceed \$600.**

13 ***(16) Wearing apparel, jewelry and other personal items with a combined value not to**
14 **exceed \$1,800.**

15 **(17) Domestic animals and poultry for family use with a combined value not to exceed**
16 **\$1,000 and their food for 60 days.**

17 **(18) Provisions and fuel for your family for 60 days.**

18 **(19) One rifle or shotgun and one pistol. The combined value of all firearms claimed as**
19 **exempt may not exceed \$1,000.**

20 **(20) Public or private pensions.**

21 **(21) Veterans' benefits and loans.**

22 **(22) Medical assistance benefits.**

23 **(23) Health insurance proceeds and disability proceeds of life insurance policies.**

24 **(24) Cash surrender value of life insurance policies not payable to your estate.**

25 **(25) Federal annuities.**

26 **(26) Other annuities to \$250 per month (excess over \$250 per month is subject to the same**
27 **exemption as wages).**

28 **(27) Professionally prescribed health aids for you or any of your dependents.**

29 ***(28) Rental assistance to an elderly person allowed pursuant to ORS 458.375.**

30 ***(29) Your right to receive, or property traceable to:**

31 ***(a) An award under any crime victim reparation law.**

32 ***(b) A payment or payments, not exceeding a total of \$10,000, on account of personal**
33 **bodily injury suffered by you or an individual of whom you are a dependent.**

34 ***(c) A payment in compensation of loss of future earnings of you or an individual of**
35 **whom you are or were a dependent, to the extent reasonably necessary for your support and**
36 **the support of any of your dependents.**

37 **(30) Amounts paid to you as an earned income tax credit under federal tax law.**

38 **(31) Your right to the assets held in, or right to receive payments under, a medical**
39 **savings account or health savings account authorized under section 220 or 223 of the Internal**
40 **Revenue Code.**

41 **(32) Interest in personal property to the value of \$400, but this cannot be used to increase**
42 **the amount of any other exemption.**

43 **(33) Equitable interests in property.**

44 **Note: If two or more people in your household owe the claim or judgment, each of them**
45 **may claim the exemptions marked by an asterisk (*).**

1
2
3 **SPECIAL RULES APPLY FOR DEBTS THAT ARE OWED FOR CHILD SUPPORT AND**
4 **SPOUSAL SUPPORT. Some property that may not otherwise be taken for payment against**
5 **the debt may be taken to pay for overdue support. For instance, Social Security benefits,**
6 **workers' compensation benefits, unemployment benefits, veterans' benefits and pensions are**
7 **normally exempt, but only 50 percent of a lump sum payment of these benefits is exempt if**
8 **the debt is owed for a support obligation.**
9

10
11 **SECTION 28.** ORCP 84 D is amended to read:

12 D Writ of attachment.

13 D(1) Issuance; contents; to whom directed; issuance of several writs. If directed by an order
14 authorizing provisional process under Rule 83, the clerk shall issue a writ of attachment. The writ
15 shall be directed to the sheriff of any county in which property of the defendant may be, and shall
16 require the sheriff to attach and safely keep all the property of the defendant within the county not
17 exempt from execution, or so much thereof as may be sufficient to satisfy the plaintiff's demand, the
18 amount of which shall be stated in conformity with the complaint, together with costs and expenses.
19 Several writs may be issued at the same time to the sheriffs of different counties.

20 D(2) Manner of executing writ. The sheriff to whom the writ is directed and delivered shall note
21 upon the writ the date of such delivery, and shall execute the writ without delay, as follows:

22 D(2)(a) Personal property not in possession of third party. Tangible personal property not in the
23 possession of a third person shall be attached by taking it into the sheriff's custody. If any property
24 attached is perishable, or livestock, where the cost of keeping is great, the sheriff shall sell the same
25 in the manner in which property is sold on execution. The proceeds thereof and other property at-
26 tached shall be retained by the sheriff to answer any judgment that may be recovered in the action,
27 unless sooner subjected to execution upon another judgment. Plaintiff's lien shall attach when the
28 property is taken into the sheriff's custody.

29 D(2)(b) Other personal property. Tangible and intangible personal property in the possession,
30 control or custody of or debts or other monetary obligations owing by a third person shall be at-
31 tached by writs of garnishment issued by the clerk of a court or by an attorney as provided in ORS
32 18.600 to 18.850.

33 D(3) Notice to defendant. After taking property into custody under subsection (2)(a) of this sec-
34 tion, the sheriff shall promptly mail or deliver to the defendant, at the last-known address of the
35 defendant, a copy of the writ of attachment, a copy of the claim of lien filed pursuant to section C
36 of this rule, if any, a notice of exemptions form provided by ORS 18.845 **or section 19 of this 2024**
37 **Act, as appropriate**, and a challenge to garnishment form provided by ORS 18.850. The sheriff may
38 meet the requirements of this subsection by mailing the documents to the last-known address of the
39 defendant as provided by the plaintiff. The sheriff may withhold execution of the writ until the
40 plaintiff provides such address or a statement that the plaintiff has no knowledge of the defendant's
41 address. The sheriff shall have no duty under this subsection if the plaintiff provides a statement
42 that the plaintiff has no knowledge of the defendant's address.

43 D(4) Return of writ; inventory. When the writ of attachment has been fully executed or dis-
44 charged, the sheriff shall return the same, with the sheriff's proceedings indorsed thereon, to the
45 clerk of the court where the action was commenced, and the sheriff shall make a full inventory of

1 the property attached and return the same with the writ.

2 D(5) Indemnity to sheriff. Whenever a writ of attachment is delivered to the sheriff, if the sheriff
3 has actual notice of any third party claim to the personal property to be levied on or is in doubt
4 as to ownership of the property, or of encumbrances thereon, or damage to the property held that
5 may result by reason of its perishable character, such sheriff may require the plaintiff to file with
6 the sheriff a surety bond, indemnifying the sheriff and the sheriff's bondsmen against any loss or
7 damage by reason of the illegality of any holding or sale on execution, or by reason of damage to
8 any personal property held under attachment. Unless a lesser amount is acceptable to the sheriff,
9 the bond shall be in double the amount of the estimated value of the property to be seized.

10 **SECTION 29.** ORS 646.639 is amended to read:

11 646.639. (1) As used in this section and ORS 646A.670:

12 (a) "Charged-off debt" means a debt that a creditor treats as a loss or expense and not as an
13 asset.

14 (b) "Consumer" means a natural person who purchases or acquires property, services or credit
15 for personal, family or household purposes.

16 (c) "Consumer transaction" means a transaction between a consumer and a person that sells,
17 leases or provides property, services or credit to consumers.

18 (d) "Credit" means a right that a creditor grants to a consumer to defer payment of a debt, to
19 incur a debt and defer payment of the debt, or to purchase or acquire property or services and defer
20 payment for the property or services.

21 (e) "Creditor" means a person that, in the ordinary course of the person's business, engages in
22 consumer transactions that result in a consumer owing a debt to the person.

23 (f) "Debt" means an obligation or alleged obligation that arises out of a consumer transaction.

24 (g)(A) "Debt buyer" means a person that regularly engages in the business of purchasing
25 charged-off debt for the purpose of collecting the charged-off debt or hiring another person to collect
26 or bring legal action to collect the charged-off debt.

27 (B) "Debt buyer" does not include a person that acquires charged-off debt as an incidental part
28 of acquiring a portfolio of debt that is predominantly not charged-off debt.

29 (h) "Debt collector" means a person that by direct or indirect action, conduct or practice col-
30 lects or attempts to collect a debt owed, or alleged to be owed, to a creditor or debt buyer.

31 (i) "Debtor" means a consumer who owes or allegedly owes a debt, including a consumer who
32 owes an amount that differs from the amount that a debt collector attempts to collect or that a debt
33 buyer purchased or attempts to collect.

34 (j) "Legal action" means a lawsuit, mediation, arbitration or any other proceeding in any court,
35 including a small claims court.

36 (k) "Original creditor" means the last entity that extended credit to a consumer to purchase
37 goods or services, to lease goods or as a loan of moneys.

38 (L) "Person" means an individual, corporation, trust, partnership, incorporated or
39 unincorporated association or any other legal entity.

40 (2) A debt collector engages in an unlawful collection practice if the debt collector, while col-
41 lecting or attempting to collect a debt, does any of the following:

42 (a) Uses or threatens to use force or violence to cause physical harm to a debtor or to the
43 debtor's family or property.

44 (b) Threatens arrest or criminal prosecution.

45 (c) Threatens to seize, attach or sell a debtor's property if doing so requires a court order and

1 the debt collector does not disclose that seizing, attaching or selling the debtor's property requires
2 prior court proceedings.

3 (d) Uses profane, obscene or abusive language in communicating with a debtor or the debtor's
4 family.

5 (e) Communicates with a debtor or any member of the debtor's family repeatedly or continuously
6 or at times known to be inconvenient to the debtor or any member of the debtor's family and with
7 intent to harass or annoy the debtor or any member of the debtor's family.

8 (f) Communicates or threatens to communicate with a debtor's employer concerning the nature
9 or existence of the debt.

10 (g) Communicates without a debtor's permission or threatens to communicate with the debtor
11 at the debtor's place of employment if the place of employment is other than the debtor's residence,
12 except that the debt collector may:

13 (A) Write to the debtor at the debtor's place of employment if a home address is not reasonably
14 available and if the envelope does not reveal that the communication is from a debt collector other
15 than the person that provided the goods, services or credit from which the debt arose.

16 (B) Telephone a debtor's place of employment without informing any other person of the nature
17 of the call or identifying the caller as a debt collector but only if the debt collector in good faith
18 has made an unsuccessful attempt to telephone the debtor at the debtor's residence during the day
19 or during the evening between the hours of 6 p.m. and 9 p.m. The debt collector may not contact
20 the debtor at the debtor's place of employment more frequently than once each business week and
21 may not telephone the debtor at the debtor's place of employment if the debtor notifies the debt
22 collector not to telephone at the debtor's place of employment or if the debt collector knows or has
23 reason to know that the debtor's employer prohibits the debtor from receiving such communication.
24 For the purposes of this subparagraph, any language in any agreement, contract or instrument that
25 creates or is evidence of the debt and that purports to authorize telephone calls at the debtor's place
26 of employment does not give permission to the debt collector to call the debtor at the debtor's place
27 of employment.

28 (h) Communicates with a debtor in writing without clearly identifying the name of the debt
29 collector, the name of the person, if any, for whom the debt collector is attempting to collect the
30 debt and the debt collector's business address, on all initial communications. In subsequent commu-
31 nications involving multiple accounts, the debt collector may eliminate the name of the person, if
32 any, for whom the debt collector is attempting to collect the debt and substitute the term
33 "various" in place of the person's name.

34 (i) Communicates with a debtor orally without disclosing to the debtor, within 30 seconds after
35 beginning the communication, the name of the individual who is initiating the communication and
36 the true purpose of the communication.

37 (j) Conceals the true purpose of the communication so as to cause any expense to a debtor in
38 the form of long distance telephone calls, telegram fees, additional charges for wireless communi-
39 cation or other charges the debtor might incur by using a medium of communication.

40 (k) Attempts or threatens to enforce a right or remedy while knowing or having reason to know
41 that the right or remedy does not exist, or threatens to take any action that the debt collector in
42 the regular course of business does not take.

43 (L) Uses any form of communication that simulates legal or judicial process or that appears to
44 be authorized, issued or approved by a governmental agency, governmental official or an attorney
45 at law if the corresponding governmental agency, governmental official or attorney at law has not

1 in fact authorized or approved the communication.

2 (m) Represents that an existing debt may be increased by the addition of attorney fees, investi-
3 gation fees or any other fees or charges if the fees or charges may not legally be added to the ex-
4 isting debt.

5 (n) Collects or attempts to collect, **by any means, including through legal action**, interest or
6 other charges or fees that exceed the actual debt unless the agreement, contract or instrument that
7 creates the debt expressly authorizes, or a law expressly allows, the interest or other charges or
8 fees. **A debt collector may not be held liable in any action brought under this paragraph if**
9 **the debt collector shows by a preponderance of evidence that the violation was not inten-**
10 **tional and resulted from a bona fide error notwithstanding the maintenance of procedures**
11 **reasonably adapted to avoid any such error. The fact that the debt collector obtains a judg-**
12 **ment for less than the amount sought in the complaint, or fails to obtain a judgment at all,**
13 **does not by itself constitute evidence of a violation of this paragraph.**

14 (o) Threatens to assign or sell a debtor's account and misrepresents or implies that the debtor
15 would lose any defense to the debt or would be subjected to harsh, vindictive or abusive collection
16 tactics.

17 (p) Uses the seal or letterhead of a public official or a public agency, as those terms are defined
18 in ORS 171.725.

19 (q) Collects or attempts to collect any debt that the debt collector knows, or after exercising
20 reasonable diligence would know, arises from medical expenses that qualify for reimbursement under
21 the Oregon Health Plan or under Medicaid, except that:

22 (A) The debt collector does not engage in an unlawful collection practice if the debt collector
23 can produce an affidavit or certificate from the original creditor that shows that the original cred-
24 itor complied with Oregon Health Authority rules barring payments for services that Medicaid fee-
25 for-service plans or contracted health care plans cover; and

26 (B) For purposes of this paragraph, a prepaid managed care health services organization, a co-
27 ordinated care organization or a public body, as defined in ORS 174.109, or an agent or assignee of
28 the organization or public body, is not a debt collector if the organization or public body seeks to
29 collect a debt that arises under ORS 416.540.

30 (r) Files a legal action to collect or files a legal action to attempt to collect a debt if the debt
31 collector knows, or after exercising reasonable diligence would know, that an applicable statute of
32 limitations bars the collection or the collection attempt.

33 *[(s) Knowingly collects any amount, including any interest fee, charge or expense incidental to the*
34 *principal obligation, unless the amount is expressly authorized by the agreement creating the debt or*
35 *permitted by law.]*

36 (s) **Collects or attempts to collect or threatens to collect a debt by any means, including**
37 **through legal action, if the debt collector knows, or through the exercise of reasonable care**
38 **should know, that the debt does not exist or is not owed by the debtor. A debt collector may**
39 **not be held liable in any action brought under this paragraph if the debt collector shows by**
40 **a preponderance of evidence that the violation was not intentional and resulted from a bona**
41 **fide error notwithstanding the maintenance of procedures reasonably adapted to avoid any**
42 **such error. The fact that the debt collector obtains a judgment for less than the amount**
43 **sought in the complaint or fails to obtain a judgment at all does not by itself establish a vi-**
44 **olation of this paragraph.**

45 (t) Collects or attempts to collect a debt if the debt collector is a debt buyer, or is acting on a

1 debt buyer's behalf, and collects or attempts to collect purchased debt before providing to a debtor,
2 within 30 days after the date of the debtor's request, all of the documents listed in subsection (4)(b)
3 of this section.

4 (u) Collects or attempts to collect a debt without complying with the requirements of ORS
5 646A.677.

6 (3) A debt collector engages in an unlawful collection practice if the debt collector, by use of
7 any direct or indirect action, conduct or practice, enforces or attempts to enforce an obligation
8 made void and unenforceable by the provisions of ORS 759.720 (3) to (5).

9 (4) A debt buyer or debt collector acting on behalf of a debt buyer engages in an unlawful col-
10 lection practice if the debt buyer or debt collector:

11 (a) Files legal action against a debtor or files legal action to attempt to collect a debt if the debt
12 buyer or debt collector knows or after exercising reasonable diligence would know that an applica-
13 ble statute of limitations bars the legal action to collect or the legal action to attempt to collect the
14 debt;

15 (b) Brings a legal action against a debtor or otherwise brings a legal action to attempt to collect
16 a debt without possessing business records that satisfy the requirements of ORS 40.460 (6), or of ORS
17 24.115, if the record is a foreign judgment, that establish the nature and the amount of the debt and
18 that include:

19 (A) The original creditor's name, written as the original creditor used the name in dealings with
20 the debtor;

21 (B) The name and address of the debtor;

22 (C) The name, address and telephone number of the person that owns the debt and a statement
23 as to whether the person is a debt buyer;

24 (D) The last four digits of the original creditor's account number for the debt, if the original
25 creditor's account number for the debt had four or more digits;

26 (E) A detailed and itemized statement of:

27 (i) The amount the debtor last paid on the debt, if the debtor made a payment, and the date of
28 the payment;

29 (ii) The amount and date of the debtor's last payment on the debt before the debtor defaulted
30 or before the debt became charged-off debt;

31 (iii) The balance due on the debt on the date on which the debt became charged-off debt;

32 (iv) The amount and rate of interest, any fees and any charges that the original creditor im-
33 posed, if the debt buyer or debt collector knows the amount, rate, fee or charge;

34 (v) The amount and rate of interest, any fees and any charges that the debt buyer or any pre-
35 vious owner of the debt imposed, if the debt buyer or debt collector knows the amount, rate, fee or
36 charge;

37 (vi) The attorney fees the debt buyer or debt collector seeks, if the debt buyer or debt collector
38 expects to recover attorney fees; and

39 (vii) Any other fee, cost or charge the debt buyer seeks to recover;

40 (F) Evidence that the debt buyer and only the debt buyer owns the debt;

41 (G) The date on which the debt buyer purchased the debt; and

42 (H) A copy of the agreement between the original creditor and the debtor that is either:

43 (i) The contract or other writing the debtor signed that created and is evidence of the original
44 debt; or

45 (ii) A copy of the most recent monthly statement that shows a purchase transaction or balance

1 transfer or the debtor's last payment, if the debtor made a payment, if the debt is a credit card debt
2 or other debt for which a contract or other writing that is evidence of the debt does not exist;

3 (c) Fails to provide to a debtor, after the debt buyer or debt collector receives payment in cash
4 or the debtor requests the receipt, a receipt that:

5 (A) Shows the name of the creditor or creditors for whom the debt buyer or debt collector re-
6 ceived the payment and, if the creditor is not the original creditor, the account number that the
7 original creditor assigned; and

8 (B) States clearly whether the debt buyer or debt collector accepts the payment as payment in
9 full or as a full and final compromise of the debt and, if not, the balance remaining on the debt after
10 the payment;

11 (d) Collects or attempts to collect a debt before providing, in response to a debtor's request, the
12 documents required under paragraph (b) of this subsection. A debt buyer or a debt collector that
13 acts on the debt buyer's behalf does not engage in an unlawful collection practice under this para-
14 graph if the debt buyer or debt collector collects or attempts to collect a debt after providing the
15 required documents to the debtor; or

16 (e) Uses any direct or indirect action, conduct or practice to violate a provision of this section
17 or ORS 646A.670.

18 (5) A debt collector is not acting on a debt buyer's behalf, and is not subject to the duties to
19 which a debt buyer is subject under this section and ORS 646A.670, if the debt collector collects or
20 attempts to collect a debt on behalf of an owner that retains a direct interest in the debt or if the
21 debt is not a debt that a debt buyer purchased.

22 **SECTION 30.** ORS 646.641 is amended to read:

23 646.641. (1) Any person injured as a result of willful use or employment by another person of
24 an unlawful collection practice may bring an action in an appropriate court to enjoin the practice
25 or to recover actual damages or [\$200] **\$1,000**, whichever is greater. The court or the jury may
26 award punitive damages, and the court may provide such equitable relief as it deems necessary or
27 proper.

28 (2) In any action brought by a person under this section, the court may award reasonable at-
29 torney fees [*to the prevailing party*] **and costs at trial and on appeal to a prevailing plaintiff. The**
30 **court may award reasonable attorney fees and costs at trial and on appeal to a prevailing**
31 **defendant only if the court finds that the plaintiff had no objectively reasonable basis for**
32 **bringing the action or asserting the ground for appeal.**

33 (3) Actions brought under this section shall be commenced within [*one year*] **three years** from
34 the date of the injury.

35 **SECTION 31.** ORS 18.784 and 646.643 are repealed.

36 **SECTION 32.** (1) Sections 19 and 27 of this 2024 Act and the amendments to ORS 18.345,
37 18.348, 18.385, 18.395, 18.402, 18.412, 18.600, 18.618, 18.658, 18.785, 18.787, 18.788, 18.790, 18.835,
38 18.838, 18.840, 18.845, 18.847, 18.854, 18.855, 18.888, 18.892 and 18.896 and ORCP 84 D by sections
39 1 to 17, 20 to 25 and 28 of this 2024 Act and the repeal of ORS 18.784 by section 31 of this 2024
40 Act:

41 (a) **Become operative on January 1, 2025; and**

42 (b) **Apply to writs of garnishment and writs of execution issued on or after January 1,**
43 **2025, and to notices of wage garnishment that are in effect on or after January 1, 2025.**

44 (2) **An agency of state government, as defined in ORS 174.111, may take any action before**
45 **the operative date specified in subsection (1) of this section to enable the agency to exercise,**

1 on and after the operative date specified in subsection (1) of this section, all of the duties,
2 functions and powers conferred on the agency by sections 19 and 27 of this 2024 Act and the
3 amendments to ORS 18.345, 18.348, 18.385, 18.395, 18.402, 18.412, 18.600, 18.618, 18.658, 18.785,
4 18.787, 18.788, 18.790, 18.835, 18.838, 18.840, 18.845, 18.847, 18.854, 18.855, 18.888, 18.892 and 18.896
5 and ORCP 84 D by sections 1 to 17, 20 to 25 and 28 of this 2024 Act and the repeal of ORS
6 18.784 by section 31 of this 2024 Act.

7 **SECTION 33.** The amendments to ORS 646.639 and 646.641 by sections 29 and 30 of this
8 2024 Act apply to attempts to collect a debt that occur on or after the effective date of this
9 2024 Act.

10 **SECTION 34.** This 2024 Act being necessary for the immediate preservation of the public
11 peace, health and safety, an emergency is declared to exist, and this 2024 Act takes effect
12 on its passage.
13
