

137-055-5035

Payment by Electronic Funds Transfer

(1) As used in this rule:

(a) "Electronic Funds Transfer" (EFT) means the movement of funds by nonpaper means, usually through a payment system including, but not limited to, an automated clearinghouse or the Federal Reserve's Fedwire system.

(b) "Employer" means any entity or individual who:

(A) Does business in Oregon or has a registered agent in Oregon; and

(B) Engages an individual to perform work or services for which compensation is given in periodic payments or otherwise.

(c) "Income withholding order" means an order to withhold income issued under ORS 25.372 to 25.424.

(2) An employer required to remit support payments to the Department of Justice (DOJ) must remit payments by EFT if:

(a) An employer with five or more employees has received at least one income withholding order for an employee;

(b) An employer with less than five employees has received an income withholding order for more than one employee; or

(c) An employer is required by Treasury regulations to make federal corporation estimated tax payments or federal payroll tax payments by means of EFT.

(3) DOJ may grant an exemption from the requirement in section (2) to pay by EFT if the employer demonstrates that its payroll or accounting system will not support EFT. The exemption will be granted on a case by case basis. DOJ's decision is final with regard to the exemption, but may be appealed as an other than contested case order under ORS 183.484.

(4) Notwithstanding sections (2) and (3), an employer must remit all support payments to DOJ by EFT in the following circumstances:

(a) The employer has received at least one income withholding order for an employee and has failed to withhold or failed to withhold within the time provided by ORS 25.411 at least twice;

(b) The employer has submitted at least one dishonored payment; or

(c) The employer continues to incorrectly identify withholdings or makes other errors that affect proper distribution of the support, despite contact and information from DOJ on how to correct the error.

(5) All EFT payments must identify the employee for whom the payment is made, the amount of the payment, and the child support case number to which the payment is to be applied.

Stat. Auth: ORS 180.345; 293.525

Stats. Implemented: ORS 25.372 - 25.424, 293.525

Effective: January 1, 2016