

137-055-6021

Distribution and Disbursement: General Provisions

The terms used in this rule have the meanings set out in OAR 137-055-1020 and 137-055-6010.

(1) The Department of Justice (DOJ) will disburse support payments within two business days after receipt if sufficient information identifying the payee is provided, except:

(a) Support payments received as a result of tax refund intercepts will be distributed and, as appropriate, disbursed within thirty calendar days of receipt or, if applicable, within fifteen calendar days of an administrative review or hearing. If the state is notified by the Secretary of the U.S. Treasury (the Secretary) or the Oregon Department of Revenue (DOR) that an offset on a non-assistance case is from a refund based on a joint return, distribution may be delayed, up to a maximum of six months, until notified by the Secretary or DOR that the obligor's spouse has been paid their share of the refund;

(b) Support payments received from a garnishment will be disbursed as provided in OAR 137-055-4520;

(c) Support payments for future support will be distributed and, as appropriate, disbursed as provided in section (13) of this rule;

(d) Support payments for less than five dollars;

(A) May be delayed until a future payment is received which increases the payment amount due the family to at least five dollars; or

(B) Will be retained by DOJ if case circumstances are such that there is no possibility of a future payment, unless the obligee:

(i) Has direct deposit;

(ii) Receives ReliaCard payments; or

(iii) Requests issuance of a check, if the obligee does not have direct deposit or has an exemption from receiving ReliaCard payments.

(e) When an obligor contests an order to withhold, funds will be disbursed pursuant to OAR 137-055-4160(5).

(2) DOJ will distribute support payments received on behalf of a family who has never received assistance to the family, first toward current support, then toward support arrears, not to exceed the amount of arrears.

(3)(a) DOJ may send support payments designated for the obligee to another person or entity caring for the child(ren) if physical custody has changed from the obligee to the other person or entity; however, prior to doing so, DOJ will require a notarized statement of authorization from the obligee or a court order requiring such disbursement.

(b) DOJ will change the payee to a private collection agent that the obligee has retained for support enforcement services only in accordance with OAR 137-055-6025.

(c) DOJ will redirect payments for the child who qualifies as a child attending school under ORS 107.108 and OAR 137-055-5110 only in accordance with OAR 137-055-5110.

(4) Child support and spousal support have equal priority in the distribution of payments.

(5) Current child support and cash medical support will be distributed and disbursed on a prorated basis. To calculate the prorated distribution for each case, the administrator will determine the amount designated as child support and the amount designated as cash medical support, and divide each by the total support obligation. For example: the total support obligation is \$400, of which \$300 is child support and \$100 is cash medical support; a payment of \$300 is received. In this example, the child support is 75 percent of the total support obligation so \$225 would be distributed and disbursed to child support; cash medical support is 25 percent of the total support obligation so \$75 would be distributed and disbursed to cash medical support.

(6)(a) For Oregon support orders or modifications, a prorated share (unless otherwise ordered) of current support payments received within the month due will be disbursed directly to the child who qualifies as a child attending school under ORS 107.108 and OAR 137-055-5110.

(b) Any arrears resulting from unpaid current support to the child attending school will accrue to the child until the child reaches the age of 21 or is otherwise emancipated, at which time arrears will revert to, and be owed to, the obligee.

(c) Any payment received on arrears will be disbursed in equal shares to the obligee and to the child if the arrears accrued while the child was a child attending school, until the child reaches the age of 21 or is otherwise emancipated.

(7) If the obligor has a current support obligation for multiple children on a single case, those children have different assistance statuses and the order does not indicate a specified amount per child, current support payments will be prorated based upon the number of children and their assistance status. Support payments in excess of current support for these cases will be distributed and, as appropriate, disbursed as provided in OAR 137-055-6022.

(8) DOJ will retain the fee charged by the Secretary for cases referred for Full Collection Services per OAR 137-055-4360 from any amount subsequently collected by the Secretary under this program. DOJ will credit the obligor's case for the full amount of collection and distribute and, as appropriate, disburse the balance as provided in OAR 137-055-6022.

(9) Unless a federal tax refund intercept collection is disbursed to assigned support, DOJ will retain the fee charged by the Secretary. Despite the fee, DOJ will credit the obligor's case for the full amount of the collection. If the collection is disbursed to assigned support, DOJ will pay the fee.

(10) Unless a state tax refund intercept collection is disbursed to assigned support, DOJ will retain the fee charged by the Department of Revenue. Despite the fee, DOJ will credit the obligor's case for the full amount of the collection. If the collection is disbursed to assigned support, DOJ will pay the fee.

(11) Within each arrears type in the sequence of payment distribution and disbursement in OAR 137-055-6022, 137-055-6023 or 137-055-6024, DOJ will apply the support payment to the oldest debt in each arrears type.

(12) Any excess funds remaining after arrears are paid in full will be processed as provided in OAR 137-055-6260 unless the obligor has elected in writing to apply the credit balance toward future support as provided in section (13) of this rule.

(13) DOJ will distribute and, as appropriate, disburse support payments representing future support on a monthly basis when each such payment actually becomes due. No amounts may be applied to future months unless current support and all arrears have been paid in full.

Stat. Auth.: ORS 25.020; 25.610; 180.345

Stats. Implemented: ORS 18.645; 25.020 and 25.610

Effective: January 3, 2012