

137-055-6022

Distribution and Disbursement

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

(1) Except as provided in OAR 137-055-6021, 137-055-6023, 137-055-6024, and section (2) of this rule, the Oregon Department of Justice (the Department) will distribute and, as appropriate, disburse support payments received on behalf of a family with a child or children in foster care, or while a family is receiving TANF cash payments in Oregon, in the following sequence:

(a) To the state, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Current support;

(B) Permanently assigned arrears principal; and

(C) Permanently assigned arrears interest.

(b) To the family, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Unassigned pre-assistance arrears principal;

(B) Unassigned pre-assistance arrears interest;

(C) Conditionally assigned arrears principal;

(D) Conditionally assigned arrears interest;

(E) Never assigned arrears principal;

(F) Never assigned arrears interest;

(G) Unassigned during assistance arrears principal; and

(H) Unassigned during assistance arrears interest.

(c) To Oregon Tribes, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(d) To other jurisdictions or non-Oregon Tribes, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(e) To the Department, according to the following sequence:

(A) Fees; and

(B) Futures, to be held and processed as provided in OAR 137-055-6260.

(2) The Department will distribute and, as appropriate, disburse support payments received from federal tax refund intercepts in the following sequence:

(a) To the state, not to exceed the amount of unreimbursed assistance, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(b) To Oregon Tribes, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(c) To other jurisdictions or non-Oregon Tribes, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(d) To the state, not to exceed the amount of unreimbursed assistance, in priority of child support first, and spousal support second, in the following sequence:

(A) Conditionally assigned arrears principal; and

(B) Conditionally assigned arrears interest.

(e) To the family, to the extent conditionally assigned arrears exceed the amount of unreimbursed assistance, in priority of child support first, and spousal support second, in the following sequence:

(A) Conditionally assigned arrears principal; and

(B) Conditionally assigned arrears interest.

(f) To the family, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Unassigned pre-assistance arrears principal;

(B) Unassigned pre-assistance arrears interest;

(C) Never assigned arrears principal;

(D) Never assigned arrears interest;

(E) Unassigned during assistance arrears principal; and

(F) Unassigned during assistance arrears interest.

(3) Whenever support payments are assigned to the state, the payments will be either:

(a) Disbursed to the Oregon Department of Human Services if Title IV-E funds were expended to provide foster care assistance to the family;

(b) Disbursed to the Oregon Health Authority if current cash medical support or arrears are assigned based on medical assistance to the child; or

(c) Retained by the Department if Title IV-A funds were expended to provide TANF cash assistance to the family, except that:

(A) From payments collected toward current child support, the Department will pass through to the obligee no more than \$50 for each dependent child on the case for which the collection was received, up to a maximum of \$200 per month, not to exceed the current child support due in the case for that month.

(B) Current child support collected from each obligor may only be passed through for the child(ren) of that obligor on the case for which the collection was made, even if the maximum pass-through has not been met because the obligee has other cases for which current support was not collected and a pass-through payment was not made.

(C) The Department will claim the federal share of the retained collections as an offset against the drawdowns of the federal grant.

(4) Whenever support payments are assigned to a Tribe, the Tribe's share of the payments will be disbursed to the Tribe as provided in 42 USC 657.

(5) Except as provided in OAR 137-055-6021, 137-055-6023, 137-055-6024, and section (2) of this rule, the Department will distribute and, as appropriate, disburse support payments received for a family that formerly received or never received TANF cash payments in Oregon, in the following sequence:

(a) Current support owed to the family, in priority of child support first, cash medical support second, and spousal support third.

(b) Arrears owed to the family, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Never assigned arrears principal;

(B) Never assigned arrears interest;

(C) Unassigned pre-assistance arrears principal;

(D) Unassigned pre-assistance arrears interest;

(E) Conditionally assigned arrears principal; and

(F) Conditionally assigned arrears interest.

(c) To the state, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(d) To Oregon Tribes, in priority of child support first, cash medical support second, and spousal support third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(e) To the family, in priority of child support first, and spousal support second, in the following sequence:

(A) Unassigned during assistance arrears principal; and

(B) Unassigned during assistance arrears interest.

(f) To arrears owed to other jurisdictions or non-Oregon Tribes, in priority of child support family arrears first, cash medical support arrears second, and spousal support arrears third, in the following sequence:

(A) Permanently assigned arrears principal; and

(B) Permanently assigned arrears interest.

(g) To the Department, according to the following sequence:

(A) Fees; and

(B) Futures, to be held and processed as provided in OAR 137-055-6260.(6) Any payment allocated to a single case will be distributed and disbursed in the sequence provided in this rule. If there are multiple like accounts within the obligation type, the payment will be prorated.

(7) When providing services as a responding jurisdiction, the Department will forward unassigned current support and arrears that is distributed to the family to the initiating jurisdiction that is providing services to the family.

Stat. Auth.: ORS 25.020 & 180.345

Stats. Implemented: ORS 25.020, 25.150 & 25.165

Effective: June 1, 2024