

Minutes

Accounts Receivable Core Committee (ARCC)



Meeting Date: September 16, 2025

Location: Executive Building, Fremont Conference Room and virtual meeting via Microsoft Teams

Attendees: Joy Andrews (DELC); Heidi Baker (DHS/OHA); John Baker (ODOE); Sheila Banke (DOJ); Bradford Batchelor (PUC); Nikki Bennett (DOR-OAA; Jill Blackford (DOC); Melissa Boaz (DHS/OHA); Angelique Bowers (ODE); Kristine Burrow (OEM); Anthony Calabrese (OPSC); Richard Dredge (DCBS); Jamie Duval (ODE); Marie Elkins (PERS); Svetlana Fadden (DHS/OHA); Krista Fledell (OHSU); Connie Flowers (ODE); Gerold Floyd (DAS-SWARM); James Garrett (WRD); Kim Gladwill-Rowley (LCB); Daniel Goettsch (DOJ); Jennifer Gronemyer (OSMB); Trisha Hage (WRD); Norma Huerta (LCB); Caty Karayel (REA); Trena Landers (OLCC); Matthew Letteri (OCB); Brian Martinez (OLCC); Katya Medvedeva (DAS); Alexandra Moscoso (OJD); Karen Neal (DPSST); Melissa Phillips (OYA); Jean Plaisance (OEM); Jean-Aime Polneau (OLCC); Sean Riesterer (CCB); Emily Rothweiler (DAS); John Schiavo (OMB); Michelle Scholl (ODOT); Roxann Shepard (DOC); Angela Teas (OBDD); Carol Todd (Leg); Anna Unger (DOC); Karla Willmschen (SOS); Jessica Zachary (HECC)

ITEM	TIME STAMP	ACTION, DISCUSSION
Welcome and introductions	0:00:00	
SWARM announcements-Reminders: <ul style="list-style-type: none"> Today is the target date for submission of year end A/R and LFO reporting. The FY26 Q1 ARPM report is due 10/31/25 for agencies subject to the OAM. 	0:00:40	<p>Gerold shared the reminder that September 16th was the target date for agency submission of year-end A/R and LFO reporting. This is just a target date to ensure sufficient time for SWARM reviews and feedback if any corrections are needed, for those corrections to be completed before the October 1 statutory deadline.</p> <p>Also, an early reminder that the Q1 FY26 ARPM reports are due October 31 for agencies subject to the OAM.</p>
End of Legislative session bill review	0:03:45	Gerold shared the end of session A/R bills monitored and which bills passed and those that did not. Given the large number of bills introduced during the session, a relatively small amount that could impact A/R or collections actually passed. The spreadsheet is attached below for agency review.
PCF contract renewal update	0:12:30	Gerold shared that during the late spring and summer, DAS initiated a solicitation for the statewide debt collection contracts. The current contracts will expire in April 2026 but the solicitation was done early to allow time for any agencies that need to transition contractors if their current contractor was not selected to receive a contract under this solicitation. SWARM would like to thank the agency representatives that

For more information, send an email to: SWARM@das.oregon.gov.

		<p>participated in meetings to review the existing contract language and update the solicitation language as needed, as well as those that served as evaluators for the proposals that were received. There were 20 proposals received, 19 of which met the requirements to move to evaluation. After scoring the proposals, there will be 11 vendors available for agency use (for those who are not subject to centralization through DOR). For agencies where DOR does the assignment to a PCF, you may notice over the next 6-8 months some increased activity on your inventory reports as some accounts may need to be recalled and reassigned, this is to be expected during the transition period. In November, SWARM hopes to share the list of final vendors as well as some additional services that are collection related which might be available for agencies to use if they choose, proposers were allowed to submit those additional services as part of their pricing proposals and would be separate from the debt collection services.</p>
ARPM targets- review actual data and evaluate expected activity when establishing next quarter or FY targets.	0:20:00	<p>With the new fiscal year starting, Gerold shared a sample ARPM report and gave some examples of how the targets should be updated each reporting period based on actual data and the anticipated activity for the next quarter/fiscal year. It is important to not just copy last quarters targets and not provide consideration for how close the agency is to that target and the expected future activity. When the FY25 year is complete, the worksheets should be updated to clear the actual data for the year and to move the next quarter and next fiscal year targets to the correct locations (sometimes agencies don't make this move and then the comparison of the target vs actual won't be current). If you have any questions or need help with this process, please contact Gerold.</p>
OAM 35.30.80 Offers in Compromise	0:30:00	<p>Gerold shared information regarding OAM 35.30.80 and how agencies can use the tool of settlement (offer in compromise) in their collection process. By definition, an offer in compromise is when a partial payment is used to fully satisfy a debt, and the offer may come from either the debtor OR from the agency. It is important to remember that agencies are required to make "reasonable effort" to collect the debt, so an offer in compromise is typically NOT something that occurs early in the collection process. Agencies must adopt criteria for determining when an offer in compromise may be made (this is required in ORS 293.240) and that criteria must be approved by the Attorney General's Office (DOJ). OAM 35.30.80 includes a list of criteria that has already been approved and agencies may adopt that list without further approval from DOJ. Some of the criteria for an offer in compromise are the same criteria where an agency may write-off a debt in OAM 35.50.10, the general determination for which should be used is whether or not there is active communication going on with the debtor. If there is no contact (they don't answer phone calls or respond to letters), then typically an agency would use</p>

		<p>write-off, but if there is phone contact with the debtor and they are describing their financial situation then an offer in compromise may be used as a tool to collect a portion of a debt that otherwise might go uncollected entirely.</p> <p>Note that OAM 35.30.80 does not apply to debts for which a procedure for compromise, release, discharge, waiver or cancellation or other forms of settlement for reasons OTHER THAN uncollectibility are applicable to the agency under the law. An offer in compromise may not be made or accepted for a criminal money judgment that includes restitution or a compensatory fine.</p> <p>The determination to propose or accept an offer in compromise is a case by case decision, the agency policy should be a guide on the steps to be taken but the amount or percent to be compromised should be determined based on each debtor's financial situation and information that they provide the agency to show why that is what they can pay. For example, if a debtor offers to pay 10% of their \$5,000 debt but then shows they live in a \$750,000 house and have several expensive cars is an indication that they have the assets or ability to pay more than 10% and maybe no compromise is appropriate.</p> <p>If an offer is made and accepted, the agency must document the criteria determined to qualify the account for compromise and keep that documentation with the account or in the agency system for future reference and/or audit support. OAM 75.35.14.fo is a form that agencies can use for such documentation. The agency must provide the debtor with a written agreement (see paragraph 114) that includes the terms of the agreement and actions to be taken if the agreement is not followed.</p> <p>An offer in compromise may also be combined with a payment plan, however the compromise becomes void if the debtor does not make the payments in accordance with the payment plan and the full balance of the debt remains owed. Once the debtor has completed their payment obligations, the agency should "adjust" the balance of the account to \$0 because there is no further legal obligation to pay the amount agreed to be compromised by the agency.</p> <p>Accounts with an offer in compromise should be monitored for reporting to LFO in Section IIIc.</p>
Roundtable	0:45:35	<p>Joy Andrews asked about what steps an agency should take if an account that has been sent to DOR has now filed bankruptcy. Gerold said that the agency needs to contact DOR to make sure they are aware of the bankruptcy,</p>

		sometimes they are notified before the agency but make sure they know. The agency should NOT automatically “write-off” the account because there are many elements that can determine whether the debt is subject to discharge, the chapter of bankruptcy that was filed, whether there are assets of the bankruptcy. A debtor must also complete all the requirements of the bankruptcy court or the case will be dismissed and all collection activity can resume. If there are questions regarding what next steps the agency should take or whether the debt is a secured debt or not, please contact your agency DOJ attorney.
Adjournment	0:55:25	The meeting was adjourned at 2:55 pm

Next meeting:

Tuesday, November 18, 2025

2:00pm – 3:30pm -DAS Executive Building (155 Cottage St., Salem), Fremont Conference Room AND via Teams ([meeting link](#)). Upcoming meeting dates are available at: [State of Oregon: Accounting and reporting - Statewide Accounts Receivable Management](#), please add these to your calendar if you would like to attend).

2025 Legislative Session SWARM monitored bills
Bills that passed and were signed into law.

Bill Number	Bill Title	Bill Summary	Bill Sponsor	Amendment	Status as of 6/30/25	Comments
Enterprise Related Bills						
HB2463	Relating to small claims.	Increases the time for a defendant to respond to a claim in small claims court.	at the request of House Interim Committee on Judiciary for Oregon State Bar	Adopted -2	Passed House 2/20 (56 ayes, 4 excused). Referred to Senate Judiciary, amended and passed Senate 5/6 (27 ayes, 2 excused). House reconsideration 5/19 passed (52 ayes, 7 excused). Governor signed 5/28. Effective 1/1/26	Increases time from 14 days to 30 for defendant's response. No expected impact on state A/R.
Agency Specific Bills						
Employment						
SB859	Relating to accounting adjustments concerning the paid leave program; prescribing an effective date.	Authorizes the Director of the Employment Department to compromise or adjust certain debts and overpayments relating to the paid family and medical leave program.	Governor Tina Kotek for Employment Department		Passed Senate 2/4 (22 ayes, 7 nays, 1 excused). Passed House 5/5 (44 ayes, 8 nays, 7 excused). Governor signed 5/14. Effective 91 days after sine die.	Adds grant repayments due under ORS 657B.320 related to grants made to employers to authorized transactions that the Director may waive, reduce or compromise. The debt must be reduced to a lien or judgment that has expired, the employer no longer has an active business in Oregon in the last three calendar years and there is little or no likelihood of recovering the debt.
Judicial						
HB3825	Relating to monetary obligations in criminal cases; prescribing an effective date.	Shortens the time period after which judgment remedies for monetary obligations in criminal judgments without restitution expire.	Rep. Chotzen	Adopted -4	Passed House 4/17 (41 ayes, 13 nays, 5 excused).Passed Senate 6/11 (24 ayes, 4 nays, 2 excused. Governor signed 6/24. Effective 91 days after sine die.	The -4 amendment removes changes made to ORS 137.225 in the -3. Adds that any convictions prior to July 1, 2015 for possession of less than one ounce of marijuana, the judgment remedies expire on the effective date of the bill. Due to effective date, could have a small impact on OJD "adjustments" in FY26.
Mental Health Regulatory Agency						
SB789	Relating to the Oregon Board of Psychology; prescribing an effective date.	Authorizes the Oregon Board of Psychology to assess costs associated with disciplinary action to the person against whom the disciplinary action is taken.	Governor Tina Kotek for Mental Health Regulatory Agency		Passed Senate 6/10 (18 ayes, 11 nays, 1 excused). Passed House 6/13 (37 ayes, 4 nays, 19 excused). Governor signed 6/24. Effective 91 days after sine die.	Costs of disciplinary actions less than \$3,000 may not be assessed, costs greater than \$3,000 but not greater than \$6,000 may be assessed at 50% of costs, costs greater than \$6,000 may be assessed at 100%. Applies to costs for actions beginning Jan 2026. Billed are not designated as civil penalties
Department of Agriculture						
SB832	Relating to civil penalties for laws implemented by the State Department of Agriculture.	Makes certain changes related to civil penalties for violations related to disease control.	Governor Tina Kotek for State Department of Agriculture	Adopted -1	Passed Senate 6/10 (26 ayes, 3 nays, 1 excused). Passed House 6/16 (49 ayes, 2 nays, 5 excused). Governor signed 6/24. Effective 1/1/26.	Adds new civil penalties for violations of ORS 596 and 600, not to exceed \$5,000 per violation. Adds new civil penalties for violations of ORS 633, not to exceed \$10,000 per violation.
Oregon Racing Commission						
SB854	Relating to penalties for violation of animal racing law.	Authorizes the Oregon Racing Commission to impose civil penalties for certain violations of animal racing law.	Governor Tina Kotek for Oregon Racing Commission		Passed Senate 3/31 (21 ayes, 7 nays, 2 excused). Passed House 5/12 (38 ayes, 14 nays, 7 excused). Governor signed 5/19. Effective 1/1/26.	Maximum penalty of \$25,000
SB855	Relating to civil penalties related to racing.	Requires the Oregon Racing Commission to adopt rules establishing civil penalties for violation of laws, rules or directives relating to race meets.	Governor Tina Kotek for Oregon Racing Commission		Passed Senate 3/31 (22 ayes, 6 nays, 2 excused). Passed House 5/12 (37 ayes, 15 nays, 7 excused). Governor signed 5/19. Effective 1/1/26.	Increases penalty from \$500 to \$5,000 for violations under ORS 462.405.

2025 Legislative Session SWARM monitored bills
Bills that passed and were signed into law.

Bill Number	Bill Title	Bill Summary	Bill Sponsor	Amendment	Status as of 6/30/25	Comments
State Fire Marshal						
SB863	Relating to cost recovery for fire protection.	Authorizes the State Fire Marshal to seek cost recovery for the actual cost of fire abatement.	Governor Tina Kotek for State Fire Marshal	Adopted -1	Passed Senate 6/16 (22 ayes, 4 nays, 4 excused). Passed House 6/24 (47 ayes, 13 excused). Effective 1/1/26	Allows for recording of costs as a lien
Public Employees Retirement System						
SB851	Relating to administration of Public Employees Retirement System member account data.	Modifies provisions relating to the Public Employees Retirement System.	At the request of Governor Tina Kotek for Public Employees Retirement System		Passed Senate 2/11 (23 ayes, 5 nays, 2 excused). Passed House 4/30 (35 ayes, 17 nays, 8 excused). President and Speakers signed 5/1. Governor signed 5/8. Effective 1/1/26. 2025 Oregon Laws Chapter 49	Allows PERS board to waive amounts less than \$200 for overpayments or improper payments (increase from current amount of \$50).
Board of Massage						
HB3819	Relating to the State Board of Massage Therapists; prescribing an effective date.	Allows the State Board of Massage Therapists to post a placard on the exterior of a massage facility found to have committed specified violations.		Adopted -7	Passed House 4/17 (51 ayes, 2 nays, 7 excused). Passed Senate 6/2 (28 ayes, 1 nay, 1 excused). Governor signed 6/11. Effective 91 days after sine die.	Increases civil penalties from \$1,000 to \$5,000 for violation of ORS 687.011-687.250, 687.895 and 687.991. Establishes a civil penalty of up to \$100 per day for any establishment that removes the placard places by OBMT for violation of ORS 687.021.

Bills that died in committee at Sine Die					
Bill Num	Bill Title	Bill Summary	Bill Sponsor	Amendment Status as of 6/30/25	Comments
SB105	Relating to tax compliance required for public contracts; prescribing an effective date.	Requires public contractors to demonstrate and maintain tax compliance as a condition of the execution of a public contract.	Senate Interim Committee on Finance and Revenue	Referred to Senate Finance and Revenue	
HB2084	Relating to tax compliance required for public contracts; prescribing an effective date.	Requires public contractors to demonstrate and maintain tax compliance as a condition of the execution of a public contract.	House Interim Committee on Revenue for Representative Nancy Nathanson	Proposed-3 Referred to House Revenue, 1/23 PH Informational hearing held 5/29. PH and WS 6/3	On 1/23, League of Oregon Cities testified re: concerns about the frequency and expenses associated with ongoing verification. What happens if contractor becomes non-compliant? Lobbyist for Tax Fairness Oregon supports increased enforcement. Stated that debtors on the DOR list have had state contracts. Rep. Resche asked if a state contractor will have their funds be applied to their back taxes. Bill came from a story published by Hillary Gorud in Oregon on Sean Keys who had \$70 million in state contracts while owing \$1.6 million in taxes. Would like to see a workgroup with agencies, local govt and DOR. Willamette week just reported last week about a contractor who the state is suing for tax fraud. Mark Landaur Special Districts of Oregon, wants to know about emergency contracts related to infrastructure contracts such as a watermain break. DOR was questioned about how to implement in the most cost effective and efficient manner, what does tax compliance mean, how does DOR distinguish delinquency vs fraud, how many people have been paying penalties, would DOR be a part of a workgroup? Deanna shared that DOR has admin rules that define compliance and would be part of a workgroup. The -3 replaces the original and requires contractors with contracts greater than \$25K to submit a certificate of tax compliance from DOR to be eligible for the contract. Modifies language regarding licensing agencies to provide annual lists of licensees to DOR. Adds a provision for Sec. of State to conduct a study on use of the business registry to ensure tax compliance.
SB800	Relating to compliance with tax laws; prescribing an effective date.	Expands provisions requiring tax compliance as a condition of receiving a license to conduct a business, trade or profession or of entering into a contract with a state agency or political subdivision.	Governor Tina Kotek for Department of Revenue	Referred to Senate Finance and Revenue. PH 1/27	Requires licensing agencies to provide list of licensees annually to DOR for tax administration. Licensees are required to submit to the licensing agency a certification of tax compliance issued by DOR during application, renewal, reinstatement or reissuance of a license in specific circumstances. DOR is planning to automate the certification process. League of Oregon Cities concern over impacts to cities and their businesses and the number of businesses available if the bill reduces the number of licensed businesses.

Bills that died in committee at Sine Die					
Bill Num	Bill Title	Bill Summary	Bill Sponsor	Amendment Status as of 6/30/25	Comments
SB663	Relating to fees.	Prohibits state agencies from charging fees.	Sen. Bonham	Referred to Senate Rules	"Fee" as defined in ORS 291.050
SB621	Relating to approval of state agency fees by Legislative Assembly; declaring an emergency.	Provides that new or increased fees adopted by state agencies do not become effective unless approved by the Legislative Assembly by law.	Sen. Bonham	Referred to Senate Rules	Bill would require legislative approval before new or increased fees would be effective.
HB3518	Relating to funding county assessment functions; prescribing an effective date; providing for revenue raising that requires approval by a three-fifths majority.	Increases the county recording fee that is credited to the County Assessment and Taxation Fund and indexes the fee to inflation.	at the request of Association of Oregon Counties	Proposed -2 Referred to Revenue. PH 3/11 PH 6/10. Informational hearing 6/26	Also repeals ORS 311.508 regarding disposition of interest on delinquent property taxes. The proposed amendment modifies the increase from \$9 to \$5 and makes changes to the method used to calculate increases starting July 2026.
Agency Specific Bills					
DCBS					
HB3188	Relating to guarantees against losses in mortgage loans extended to first-time home buyers; declaring an emergency.	Directs the Oregon Housing and Community Services to establish a program to guarantee against losses in mortgage loans that lenders extend to first-time home buyers.	Rep. Bowman	Adopted -3	Referred to Commerce and Consumer Protection, WS 2/4, moved to Housing and Homelessness. PH 2/12, WS 3/24. Referred to Ways and Means The -3 moves the program from DCBS to OHCS and modifies the program from a 20% to 5% of the purchase price of the home.
DHS/OHA					
SB1029	Relating to the recovery of public assistance; prescribing an effective date.	Prohibits the recovery of medical assistance from an individual's estate under circumstances in which a child had been living in the individual's home and providing care to the individual.		Adopted -2	Referred to Human Services, PH 3/4, WS 4/3, WS 4/8 Referred to Ways and Means The -2 amendment rephrases the language of the original bill but the outcome is the same.
Revenue					
HB3745	Relating to statutes of limitations for tax debt; prescribing an effective date.	Provides for the cancellation, after 10 years, of uncollected tax debt, penalties and interest.	Rep. Drazan	Referred to Revenue	Makes all tax debts under ORS 305.157 cancelled after 10 years from data the tax was first due and payable. Applies to debts outstanding on any date on or after 1/1/25.

Bills that died in committee at Sine Die					
Bill Num	Bill Title	Bill Summary	Bill Sponsor	Amendment Status as of 6/30/25	Comments
Housing					
HB2968	Relating to housing; declaring an emergency.	Requires the Housing and Community Services Department to guarantee a housing developer's payment of system development charges that the local government has agreed to defer until after occupancy.	Rep. Gamba, Rep. Javadi, Rep. Hartman, Rep. Lively, Rep. Wright, Sen. Pham	Referred to Housing and Homelessness. PH 3/12, WS 3/24 Referred to Ways and Means	
DCBS and Construction Contractors Board					
SB87	Relating to the authority of agencies that regulate building safety in this state.	Permits the Electrical and Elevator Board to enter into agreements with municipalities to share responsibility for enforcing the Electrical Safety Law.	Sen. Meek	Referred to Senate Labor and Business, subsequent referral to Ways and Means. PH 1/30, 2/4, WS 2/6, recommend do pass, referred to Ways and Means.	Increases maximum civil penalties issued by DCBS for violations of ORS 446,479 or 480. Increases % of civil penalty collected by CCB to be retained by CCB for costs of collecting the penalties from 20% to 50%.

Bills that did not meet the Second Chamber WS deadline (scheduled by 5/9)

Bill Number	Bill Title	Bill Summary	Bill Sponsor	Amendment	Comments
SB533	Relating to restrictions on 340B covered entities.	Creates a civil penalty for drug manufacturers that interfere directly or indirectly with certain entities acquiring 340B drugs, delivering 340B drugs to certain health care providers or dispensing 340B drugs.	Sen. Patterson, Sen. Nosse, Sen. Meek		Referred to Senate Health Care., PH 3/6, WS 4/3 (do pass rec.) Board of Pharmacy civil penalties

Bills that did not meet the First Chamber WS deadline (scheduled by 3/21)

Bill Number	Bill Title	Bill Summary	Bill Sponsor	Amendment	Comments
HB2962	Relating to minimum wage rates; prescribing an effective date.	Provides for calculation of the minimum wage rate beginning July 1, 2026.	Rep. Gamba, Rep. Chaichi, Rep. Walters, Sen. Gorsek,	Referred to House Labor and Workplace Standards	Modifies minimum wage calculation from the Consumer Price Index to \$2 per hour more than the CPI and increase \$2 per hour each year. But may not exceed a formula that is 30% of the fair market rent estimate as prepared by HUD.
SB665	Relating to monetary penalties.	Requires public bodies to transfer moneys deriving from certain fines and civil penalties to the General Fund for general governmental purposes.	Sen. Bonham, Sen Robinson	Referred to Senate Judiciary. PH 2/12	Concerns raised about some penalties have funds directed to programs that support specific industries. Comment that agencies must include the forecasted fines in the budget process and cannot spend more than that amount regardless of amounts fined. Question asked about terminology since the bill refers to "public body" as defined in ORS 174.109 (which includes local government and special government bodies). Bill is opposed by AOC, LOC and Judges association.
SB248	Relating to liens.	Requires the Department of Consumer and Business Services to study liens.	Senate Interim Committee on Judiciary	Referred to Senate Judiciary	
HB2612	Relating to liens.	Requires the Department of Consumer and Business Services to study liens.	House Interim Committee on Judiciary for Representative Jason Kropf	Referred to Senate Judiciary	
HB2188	Relating to repeal of the paid family leave benefits program.	Repeals provisions of the paid family and medical leave insurance program.	Rep. Reschke	Referred to House Labor and Workplace Standards	
HB2620	Relating to probate.	Requires the Judicial Department to study options for simplifying probate proceedings in this state.	House Interim Committee on Judiciary for Representative Jason Kropf	Referred to House Judiciary	
SB804	Relating to moneys collected by the Teacher Standards and Practices Commission.	Authorizes the Teacher Standards and Practices Commission to impose civil penalties or order payment of the costs of disciplinary proceedings.	Governor Tina Kotek for Teacher Standards and Practices Commission	Referred to Senate Judiciary, PH 2/25	
SB18	Relating to penalties for election offenses.	Increases the criminal and civil penalties for subsequent and intentional violations of specified election laws.	Sen. Thatcher	Proposed -1	Referred to Senate Judiciary PH 3/4

[SB484](#)

Relating to small claims.

Increases the limit for the amount of claims that may be filed in small claims court from \$10,000 to \$20,000.

Sen. Brock Smith

Referred to Judiciary.
PH 1/27
