

House Bill 2212

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Attorney General Hardy Myers for Department of Justice)

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 **as introduced**.

Requires person that enters into contract with independent contractor to report creation of contract to Division of Child Support.

A BILL FOR AN ACT

1
2 Relating to child support; creating new provisions; and amending ORS 25.790.

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

4 **SECTION 1.** ORS 25.790 is amended to read:

5 25.790. (1)(a) An employer shall report to the Division of Child Support of the Department of
6 Justice the hiring or rehiring of an individual who resides or works in the state and to whom the
7 employer anticipates paying earnings if the employer:

8 (A) Has employees working only in this state; or

9 (B) Is a multistate employer and has designated to the United States Secretary of Health and
10 Human Services that Oregon is the employer's reporting state.

11 (b) The employer shall submit the report by mail or other means in accordance with rules
12 adopted by the Department of Justice.

13 (2)(a) An employer shall make the report required by subsection (1) of this section with respect
14 to an employee:

15 (A) Not later than 20 days after the date the employer hires or rehires the employee; or

16 (B) In the case of an employer transmitting reports magnetically or electronically, by trans-
17 missions each month not less than 12 days nor more than 16 days apart.

18 (b) An employer may submit a cumulative report for all individuals hired or rehired during the
19 previous reporting period.

20 (3) The report required under subsection (1) of this section may be made on a W-4 form or, at
21 the option of the employer, an equivalent form approved by the division [*of Child Support of the*
22 *Department of Justice*], but must contain the employer's name, address and federal tax identification
23 number and the employee's name, address and Social Security number.

24 (4) **A person that enters into a contract with an independent contractor who resides or
25 works in the state shall report to the division the creation of the contract if the person:**

26 (a) **Is required to file a Form 1099-MISC under the Internal Revenue Code for services
27 performed by the independent contractor; and**

28 (b) **Enters into the contract in the course of the person's trade or business.**

29 (5) **A person shall make the report required under subsection (4) of this section not later
30 than 20 days after the date the person enters into the contract with the independent con-
31 tractor. The person shall submit the report by mail or other means in accordance with rules**

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 **adopted by the department.**

2 [(4)] (6) As used in this section:

3 (a) "Employee" means an individual who must file a federal withholding form W-4 under the
4 Internal Revenue Code.

5 (b) **"Independent contractor" means an independent contractor as described in ORS**
6 **670.600 who is an individual, sole shareholder of a corporation or sole member of a limited**
7 **liability company.**

8 [(b)] (c) "Rehire" means to re-employ any individual who was laid off, separated, furloughed,
9 granted a leave without pay or terminated from employment for more than 45 days.

10 **SECTION 2. The amendments to ORS 25.790 by section 1 of this 2005 Act apply only to**
11 **contracts entered into on or after the effective date of this 2005 Act.**

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