MEASURE NUMBER: HB 2093 STATUS: A-Engrossed SUBJECT: Establishment and collection of fees from agencies filing administrative rules GOVERNMENT UNIT AFFECTED: Secretary of State, agencies filing administrative rules PREPARED BY: Erica Kleiner REVIEWED BY: Daron Hill DATE: May 12, 2009

<u>2009-2011</u> <u>2011-2013</u>

EXPENDITURES:

See analysis

EFFECTIVE DATE: On passage

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: The measure directs the Secretary of State (SOS) to establish and collect fees from agencies filing administrative rules. The fees are to total an amount that is necessary to pay for the costs incurred by the Secretary to publish the compilation, bulletin, and rules and other information relating to rules. The Secretary is to deposit all of these fees in the Secretary of State Miscellaneous Receipts Account. The measure allows the Secretary to publish the compilation and bulletin in print or by placing them on the Internet. The measure becomes effective upon passage.

In the past state agencies ordered and paid for printed versions of the Oregon Administrative Rules (OAR's), which paid for the costs incurred by the Secretary to compile and publish the rules. However, when the Secretary began to publish these rules online, orders for the printed versions decreased along with the revenue the Secretary received to fund this process. In response to the transition to the online publication of the OAR's, the Secretary had the Attorney General review the statute to determine if the Secretary had the authority to charge for the production of the administrative rules. Currently the Secretary doesn't have this express authority and this measure attempts to clarify that statutory language.

The assessment for the cost of filing and publishing administrative rules is currently built into the State of Oregon 2009-11 Price List and is incorporated into the 2009-11 Governor's Recommended Budget for affected agencies. However, the fiscal impact of this bill on affected agencies for the 2011-13 biennium is indeterminate due to the fact that agencies cannot determine with accuracy how much they will be assessed to "generate revenues adequate to pay costs incurred" by the Secretary to publish the compilation, bulletin, and associated rules. The Legislative Fiscal Office (LFO) notes that as the costs incurred by the Secretary to provide these publications change, so will the assessments charged to agencies. LFO also notes that the fiscal impact of this measure on state agencies, although indeterminate, will vary by agency as some agencies file rules and or rule amendments more frequently than others.

The measure allows the Secretary to publish the compilation and bulletin by placing them on the Internet. Twenty agencies currently subscribe to the bulletin. These subscriptions will expire on January 1, 2010 at which time the Secretary reports that it would place the bulletin on the Internet. This would result in an approximate savings of \$26,000 which would be spread among the twenty subscribing agencies. The

Secretary reports that there is a continued need to print the compilation; no savings are anticipated for the five agencies that subscribe.