

Senate Bill 628

Sponsored by Senator KNOPP; Representative NEARMAN (Pre-session filed.)

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 state agency to report to Governor and Governor to include in budget report total cost of compliance to public and small businesses of agency's rules. Prohibits agency from adopting, amending or repealing rule if effect is to increase cost above amount reported in budget report.

Authorizes any person to file petition in circuit court to challenge fiscal impact statement of agency or cost of compliance effect on small businesses reported by agency in notice of intended action to adopt, amend or repeal rule. Authorizes specified award, costs and attorneys fees to prevailing petitioner.

A BILL FOR AN ACT

1
2 Relating to economic impact of agency rules.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) **"Cost of compliance" means the economic impact on members of the public and**
6 **businesses calculated in accordance with ORS 183.335 (2)(b)(E).**

7 (b) **"State agency" means any state board, commission, department or division authorized**
8 **by law to adopt rules except those in the legislative or judicial branches.**

9 (2) **A state agency shall include in its request budget under ORS 291.208 and shall report**
10 **to the Legislative Fiscal Officer the total cost of compliance of the agency's rules that are**
11 **expected to be in effect on January 1 of the next calendar year. The Governor shall include**
12 **the cost of compliance reported for each agency in the Governor's budget under ORS 291.216.**

13 (3) **A state agency may not adopt, amend or repeal a rule during the biennium that begins**
14 **on July 1 of the year following the release of the Governor's budget report if the adoption,**
15 **amendment or repeal of the rule will increase the total cost of compliance above the amount**
16 **reported in the Governor's budget report unless:**

17 (a) **The state agency has offset the excess cost by reducing the cost of compliance with**
18 **respect to other specifically identified rules or regulatory requirements; or**

19 (b) **An amount equal to the amount of the excess cost is included in the legislatively ap-**
20 **proved budget as defined in ORS 291.002.**

21 **SECTION 2. (1) Any person may challenge an agency's fiscal impact statement described**
22 **in ORS 183.335 (2)(b)(E) or the statement of cost of compliance effect on small businesses**
23 **described in ORS 183.336 by filing a petition as provided in ORS 183.484.**

24 (2) **If the court finds, based on a preponderance of the evidence, that the actual fiscal**
25 **impact or cost of compliance on the public or small businesses exceeds the fiscal impact or**
26 **cost of compliance reported in ORS 183.335 (2)(b)(E) or 183.336 the court shall award the**
27 **petitioner:**

28 (a) **An amount equal to 50 percent of the difference between the actual fiscal impact or**

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 **cost of compliance and the fiscal impact or cost of compliance reported by the agency; and**

2 **(b) The petitioner's reasonable costs and attorney fees.**

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