

**FISCAL IMPACT OF PROPOSED LEGISLATION**

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

**Measure: HB 2325 - 1**

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

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**Measure Description:**

Permits Secretary of State to specify by rule the method, including but not limited to electronic method, by which Secretary of State will send notice related to document for which Secretary of State is filing officer.

**Government Unit(s) Affected:**

Secretary of State (SOS)

**Summary of Fiscal Impact:**

Costs related to the measure are anticipated to be minimal - See analysis.

**Analysis:**

HB 2325 - 1 permits the Secretary of State (SOS) to specify by rule the method used to send notices for certain business filings with the agency. SOS currently sends notices for certain business filings only by mail. This measure allows SOS to send electronic notifications instead of, or in addition to, a written notice for several types of business filings.

The measure also decreases filing fees for certain business filings made by Oregon’s nine federally recognized Indian tribes or by an entity authorized to conduct business by one of the tribes. Filing fees will be reduced from \$275 to \$100. This change recognizes tribal sovereignty by allowing businesses affiliated with recognized tribes to register as foreign entities while paying domestic filing fees.

HB 2325 - 1 is expected to cost a net of \$90,000 Other Funds for the 2019-21 biennium based on the following:

- Modifications to IT systems to enable electronic notifications for businesses: \$75,000
- Modifications to IT systems to accommodate reduced fees for Oregon tribal businesses: \$45,000
- Postage savings from implementation of electronic notifications: \$(30,000)

The - 1 amendment is expected to reduce potential savings generated from implementation of electronic notifications. The - 1 amendment changes the electronic notification policy from an opt-out to an opt-in policy which is projected to lead to slower uptake of the electronic notification service.