

FISCAL IMPACT OF PROPOSED LEGISLATION**Measure: SB 222**

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

Only Impacts on Original or Engrossed Versions are Considered Official

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Measure Description:

Authorizes State Department of Geology and Mineral Industries to accept payments by credit card and to add fee to credit card transactions.

Government Unit(s) Affected:

Department of Geology and Mineral Industries

Summary of Fiscal Impact:

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

Analysis:

SB 222 permits the Department of Geology and Mineral Industries (DOGAMI) to accept payments by credit card. DOGAMI may add a fee to the payments made to offset fees charged by financial institutions for credit card transactions. The measure takes effect January 1, 2024.

DOGAMI does not currently process credit card payments. The 2023-25 Governor's Budget for the agency includes Policy Option Package 101 - ePermitting and IT Modernization. The agency would begin to accept payments by credit card if the ePermitting system is approved. Any potential revenue or expenditure impacts as a result of accepting credit cards or charging a fee to offset the fees charge by financial institutions, will not be known until the 2025-27 biennium, when the ePermitting system is anticipated to go live.

The Oregon State Treasury (OST) administers the statewide Master Agreement for Merchant Card Services. Agencies must work with OST to access merchant card acceptance services, and to implement any sort of surcharge or fee to offset merchant card acceptance costs. A total of 54 state agencies currently accept payments by credit card. Three of these agencies (Department of Environmental Quality, Department of Fish and Wildlife, and Department of Transportation) have statutory authority to collect fees to offset the costs of accepting payment by credit card.