

Enrolled
House Bill 3569

Sponsored by Representatives GAMBIA, BOICE; Representatives MANNIX, NELSON, OWENS, Senators SMITH DB, THATCHER

CHAPTER

AN ACT

Relating to rules advisory committees; creating new provisions; and amending ORS 183.333 and 183.407.

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

SECTION 1. ORS 183.333 is amended to read:

183.333. (1)(a) The Legislative Assembly finds and declares that it is the policy of this state that whenever possible the public be involved in the development of public policy by agencies and in the drafting of rules. The Legislative Assembly encourages agencies to seek public input to the maximum extent possible before giving notice of intent to adopt a rule. The agency may appoint an advisory committee or use any other means of obtaining public views that will assist the agency in drafting the rule.

(b) The membership of an advisory committee appointed under this subsection must represent the interests of persons and communities likely to be affected by the rule.

(c) An agency that appoints an advisory committee under this subsection with regard to adoption of rules implementing legislation enacted by the Legislative Assembly shall invite to participate as a nonvoting member of the committee:

(A) For legislation sponsored by a member of the Legislative Assembly, the first chief sponsor of the legislation, or another sponsor of the legislation as designated by the first chief sponsor.

(B) For legislation sponsored by a committee of the Legislative Assembly, the chair of the committee that sponsored the legislation at the time the legislation was introduced, or another member of the committee as designated by the chair.

(2) Any agency in its discretion may develop a list of interested parties and inform those parties of any issue that may be the subject of rulemaking and invite the parties to make comments on the issue.

(3) If an agency appoints an advisory committee for consideration of a rule under subsection (1) of this section, the agency shall seek the committee's recommendations on whether the rule will have a fiscal impact, what the extent of that impact will be and whether the rule will have a significant adverse impact on small businesses. If the committee indicates that the rule will have a significant adverse impact on small businesses, the agency shall seek the committee's recommendations on compliance with ORS 183.540.

(4) An agency shall consider an advisory committee's recommendations provided under subsection (3) of this section in preparing the statement of fiscal impact required by ORS 183.335 (2)(b)(E).

(5) If an agency does not appoint an advisory committee for consideration of a permanent rule under subsection (1) of this section and 10 or more persons likely to be affected by the rule object to the agency's statement of fiscal impact as required by ORS 183.335 (2)(b)(E) or an association with at least 10 members likely to be affected by the rule objects to the statement, the agency shall appoint a fiscal impact advisory committee to provide recommendations on whether the rule will have a fiscal impact and what the extent of that impact will be. The membership of the fiscal impact advisory committee must represent the interests of persons and communities likely to be affected by the rule. An objection under this subsection must be made not later than 14 days after the notice required by ORS 183.335 (1) is given. If the agency determines that the statement does not adequately reflect the rule's fiscal impact, the agency shall extend the period for submission of data or views under ORS 183.335 (3)(a) by at least 20 days. The agency shall include any recommendations from the committee in the record maintained by the agency for the rule.

(6) An agency may appoint the Small Business Rules Advisory Committee established in ORS 183.407 as the advisory committee or fiscal impact advisory committee for purposes of this section.

(7) Subsection (5) of this section does not apply to any rule adopted by an agency to comply with a judgment or a settlement of a judicial proceeding.

(8) If an agency is required by law to appoint an advisory committee or a fiscal impact advisory committee under this section, the agency may not appoint an officer, employee or other agent of the agency to serve as a member of the advisory committee or fiscal impact advisory committee.

SECTION 2. ORS 183.407 is amended to read:

183.407. (1) The Small Business Rules Advisory Committee is established to serve as an advisory committee for agencies adopting new administrative rules and to review the effectiveness of existing administrative rules.

(2) The committee consists of nine members as follows:

(a) Two representatives of small businesses appointed by the Governor;

(b) Two representatives of small businesses appointed by the President of the Senate;

(c) Two representatives of small businesses appointed by the Speaker of the House;

(d) A representative of small businesses appointed by the Office of Small Business Assistance established in ORS 56.203;

(e) A representative of state agencies appointed by the Director of the Oregon Department of Administrative Services; and

(f) A member who is an expert in the rulemaking process appointed by the State Archivist.

(3)(a) Upon request of an agency, the committee shall serve as the advisory committee or fiscal impact advisory committee for reviewing an agency's proposed administrative rules under ORS 183.333.

(b) When an agency uses the committee as the advisory committee under this subsection with regard to adoption of rules implementing legislation enacted by the Legislative Assembly, the committee shall invite to participate as a nonvoting member of the committee:

(A) For legislation sponsored by a member of the Legislative Assembly, the first chief sponsor of the legislation, or another sponsor of the legislation as designated by the first chief sponsor.

(B) For legislation sponsored by a committee of the Legislative Assembly, the chair of the committee that sponsored the legislation at the time the legislation was introduced, or another member of the committee as designated by the chair.

(4) Upon request of an agency, the committee may agree to complete the rules review and reporting required by ORS 183.405 in place of the agency.

(5) Members of the committee shall be appointed to serve for terms of two years, but a member serves at the pleasure of the appointing authority. The appointing authority shall appoint a person to fill any vacancy on the committee for the expired term. A member may be reappointed to the committee.

(6) The members of the committee shall elect a chairperson from among the members of the committee. In the absence of a chairperson, the member appointed by the State Archivist shall serve as acting chairperson.

(7) A majority of the members of the committee constitutes a quorum for the transaction of business.

(8) The committee shall meet upon the call of the chairperson or upon a request of a majority of the members of the committee. The committee may meet by phone or video conference with at least 24 hours' public notice.

(9) The State Archives shall provide administrative support to the committee.

(10) Members of the committee are not entitled to compensation, but may be reimbursed from funds available to the State Archives for actual and necessary travel and other expenses incurred by them in the performance of their official duties in the manner and amounts provided for in ORS 292.495.

SECTION 3. (1) The amendments to ORS 183.333 by section 1 of this 2025 Act apply to advisory committees appointed on or after the effective date of this 2025 Act.

(2) The amendments to ORS 183.407 by section 2 of this 2025 Act apply to requests to use the Small Business Rules Advisory Committee as the advisory committee for reviewing an agency's proposed administrative rules made on or after the effective date of this 2025 Act.

Passed by House May 14, 2025

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Timothy G. Sekerak, Chief Clerk of House

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Julie Fahey, Speaker of House

Passed by Senate June 17, 2025

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Rob Wagner, President of Senate

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

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Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

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Tobias Read, Secretary of State