

February 12, 2025

TO: House Committee on Rules

FR: Paloma Sparks, Oregon Business & Industry

RE: Support of HB 3382 – Rulemaking Transparency

Chair Bowman, members of the committee.

My name is Paloma Sparks, and I am executive vice president and general counsel for OBI, a statewide association representing businesses from a wide variety of industries from each of Oregon's 36 counties. In addition to being a statewide chamber of commerce, OBI is the state affiliate for the National Association of Manufacturers and the National Retail Federation. Our 1,600 member companies, more than 80% of which are small businesses, employ more than 250,000 Oregonians. Our mission is to create a healthy and prosperous economy in Oregon.

To advance this mission, OBI maintains an ongoing focus on improving Oregon's business climate, which requires improvement in the state's economic competitiveness. Over the past two years, OBI has been conducting outreach, researching Oregon's standing nationally and developing a proactive legislative agenda. Oregon businesses routinely point to Oregon's regulatory system as a key barrier to their willingness to invest in our state.

Currently, the Secretary of State Archives stores all state rules and rulemaking notices. In the default setting, an individual would have to know the rule chapter number to find the right information. Even if one searches by agency name, that person has to know the unique way in which agency names are organized under the SOS database. This is not the fault of anyone, we have essentially tried to repurpose a system that was designed for rule writers and have attempted to make it into something the public can use. It works, but not well. It simply isn't set up to have the capacity.

The idea of a rulemaking transparency website or Oregon Regulatory Information System (ORIS) became intriguing to OBI after we first began working on this in 2022. Then, as we began working on this in earnest in late 2023, we looked at the <u>Virginia Regulatory Town</u> <u>Hall</u> and a website that could be a model for what Oregon could create.

HB 3382 is a key first step in addressing many pieces that are missing from Oregon's current approach to rulemaking. First, while we can tell you that over 500 rulemaking

notices were posted over a period of six months, there is no easy way for the general public or lawmakers to see that in a straightforward way. In fact, the only way to do that is to do a search on the rulemaking page for State Archives, run each month separately and then count the notices. As a foundational matter, Oregon can't make real improvements in our regulatory processes until we have transparency and can identify the problems that need to be solved. HB 3382 would update the Secretary of States Oregon Administrative Rules page to be a true public-facing resource.

Some agencies do a great job explaining why a rule is needed, what it requires and the agency's expectations. In contrast, other agencies reference the rule text without offering any additional explanation to the public. HB 3382 would make several improvements to implementation such as requiring FAQ documents to be posted and updated, including contact information for individuals at the agency who can assist or provide direction for implementation. Additionally, this would require that the agencies make available all internal guidance, management guidance, tips, explanations and other resources that agencies use to guide enforcement. Since these materials can shape enforcement positions, justice and fairness requires that they be easily accessible to the public.

Thank you for hearing this bill and we look forward to working with you on this.