74<sup>th</sup> OREGON LEGISLATIVE ASSEMBLY – 2007 Regular Session MEASURE:

STAFF MEASURE SUMMARY

Joint Committee on Ways and Means

Carrier – House: Rep. Krummel
Carrier – Senate: Sen. Whitsett

Revenue: No revenue impact Fiscal: No fiscal impact

**Action:** Do Pass **Vote:** 21-0-0

House – Yeas: D. Edwards, Galizio, Garrard, Hanna, Jenson, Morgan, Nathanson, Nolan, Shields

Nays:Exc:

Senate - Yeas: Bates, Carter, Devlin, Gordly, Johnson, Morse, Nelson, Schrader, Verger, Westlund, Whitsett, Winters

Nays:Exc:

**Prepared By:** Adrienne Sexton, Legislative Fiscal Office

**Meeting Date:** 6/8/07

**WHAT THE MEASURE DOES:** Modifies the statutory requirement for issuing fiscal impact statements and revenue impact statements by the Legislative Fiscal Officer and Legislative Revenue Officer. Instead of issuing statements on every measure introduced that has an effect on local governmental units, public safety, or the Public Employees Retirement System, statements will be required on those measures when they are reported out of committee.

## **ISSUES DISCUSSED:**

- Interest of legislators in having impact statements for committee work sessions
- · Volume of measures introduced compared with the number of measures reported out of committee
- Concurrence of the Legislative Revenue Officer with the proposal in relation to revenue impact statements
- Relationship of Legislative Fiscal Office resources available to analyze and issue fiscal impact statements to the session and interim workload cycle
- Whether impact statements would not be issued at any other point in the legislative process
- Ability of bill sponsor or committee chair to work with agencies or jurisdictions affected by proposed legislation to deal with a measure's provisions that would have a fiscal impact

## **EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** At the meeting held November 16, 2006, the Joint Legislative Audit Committee (JLAC) considered a report issued by the Legislative Fiscal Office (LFO) on a review of the Oregon fiscal impact statement process. LFO proposed the review to examine the statutes, chamber rules, and technology changes that had occurred since a 1977 legislative act and subsequent enactments established the fiscal and revenue impact statement requirements. One of JLAC's recommendations was to change the underlying statutes for fiscal and revenue statements on bills with impact on local government, public safety, and the Public Employees Retirement System to require those statements only on bills reported out of committee. Current statute requires the statements to be issued on every bill introduced.

Due to the volume of introduced measures (2,891 in 2007 and 3,136 in 2005), LFO prioritizes work on fiscal impact statements based on where each measure is in the legislative process: 1) reported out of committee; 2) scheduled for committee work session; 3) scheduled for possible work session in committee; and 4) scheduled for committee public hearing only. Current Senate and House rules (2007 session) require fiscal and revenue impact statements to be part of the committee report delivered to the desks for all measures reported out of committee.

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