

House Bill 3208

Sponsored by Representative NELSON

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Directs President of Senate to designate member of Senate, and Speaker of the House of Representatives to designate member of House, to monitor rulemaking proceedings by state agencies. Requires notices of proposed rulemaking be given to designated members.

A BILL FOR AN ACT

1
2 Relating to legislative oversight of administrative rules; creating new provisions; and amending ORS
3 183.335.

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

5 **SECTION 1. Section 2 of this 2007 Act is added to and made a part of ORS 183.325 to**
6 **183.400.**

7 **SECTION 2. (1) The President of the Senate shall designate one member of the Senate,**
8 **and the Speaker of the House of Representatives shall designate one member of the House,**
9 **to monitor rulemaking proceedings by agencies. The designated members shall review all**
10 **notices sent to them under ORS 183.335 (15), may attend rule hearings conducted by agencies**
11 **and may submit testimony or comments on proposed rules.**

12 **(2) A member of the Legislative Assembly designated under this section shall request**
13 **review of a rule or proposed rule by the Legislative Counsel under ORS 183.720 if the member**
14 **believes that the rule or proposed rule is not within the intent and scope of the enabling**
15 **legislation purporting to authorize the agency's adoption of the rule or that the rule or pro-**
16 **posed rule raises any other constitutional question. The designated members may request**
17 **legislative committees receiving notices under ORS 183.335 (15) to review any proposed rule.**

18 **SECTION 3. ORS 183.335 is amended to read:**

19 183.335. (1) Prior to the adoption, amendment or repeal of any rule, the agency shall give notice
20 of its intended action:

21 (a) In the manner established by rule adopted by the agency under ORS 183.341 (4), which pro-
22 vides a reasonable opportunity for interested persons to be notified of the agency's proposed action;

23 (b) In the bulletin referred to in ORS 183.360 at least 21 days prior to the effective date;

24 (c) At least 28 days before the effective date, to persons who have requested notice pursuant to
25 subsection (8) of this section; and

26 (d) At least 49 days before the effective date, to the persons specified in subsection (15) of this
27 section.

28 (2)(a) The notice required by subsection (1) of this section must include:

29 (A) A caption of not more than 15 words that reasonably identifies the subject matter of the
30 agency's intended action. The agency shall include the caption on each separate notice, statement,
31 certificate or other similar document related to the intended action.

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (B) An objective, simple and understandable statement summarizing the subject matter and
2 purpose of the intended action in sufficient detail to inform a person that the person's interests may
3 be affected, and the time, place and manner in which interested persons may present their views on
4 the intended action.

5 (b) The agency shall include with the notice of intended action given under subsection (1) of this
6 section:

7 (A) A citation of the statutory or other legal authority relied upon and bearing upon the
8 promulgation of the rule;

9 (B) A citation of the statute or other law the rule is intended to implement;

10 (C) A statement of the need for the rule and a statement of how the rule is intended to meet the
11 need;

12 (D) A list of the principal documents, reports or studies, if any, prepared by or relied upon by
13 the agency in considering the need for and in preparing the rule, and a statement of the location
14 at which those documents are available for public inspection. The list may be abbreviated if neces-
15 sary, and if so abbreviated there shall be identified the location of a complete list;

16 (E) A statement of fiscal impact identifying state agencies, units of local government and the
17 public which may be economically affected by the adoption, amendment or repeal of the rule and
18 an estimate of that economic impact on state agencies, units of local government and the public. In
19 considering the economic effect of the proposed action on the public, the agency shall utilize avail-
20 able information to project any significant economic effect of that action on businesses which shall
21 include a cost of compliance effect on small businesses affected. For an agency specified in ORS
22 183.530, the statement of fiscal impact shall also include a housing cost impact statement as de-
23 scribed in ORS 183.534;

24 (F) If an advisory committee is not appointed under the provisions of ORS 183.333, an explana-
25 tion as to why no advisory committee was used to assist the agency in drafting the rule; and

26 (G) A request for public comment on whether other options should be considered for achieving
27 the rule's substantive goals while reducing the negative economic impact of the rule on business.

28 (c) The Secretary of State may omit the information submitted under paragraph (b) of this sub-
29 section from publication in the bulletin referred to in ORS 183.360.

30 (d) When providing notice of an intended action under subsection (1)(c) of this section, the
31 agency shall provide a copy of the rule that the agency proposes to adopt, amend or repeal, or an
32 explanation of how the person may acquire a copy of the rule. The copy of an amended rule shall
33 show all changes to the rule by striking through material to be deleted and underlining all new
34 material, or by any other method that clearly shows all new and deleted material.

35 (e) Notice of an intended action under subsection (1)(a), (c) and (d) of this section may be given
36 by regular mail or by electronic mail.

37 (3)(a) When an agency proposes to adopt, amend or repeal a rule, it shall give interested persons
38 reasonable opportunity to submit data or views. Opportunity for oral hearing shall be granted upon
39 request received from 10 persons or from an association having not less than 10 members before the
40 earliest date that the rule could become effective after the giving of notice pursuant to subsection
41 (1) of this section. An agency holding a hearing upon a request made under this subsection shall give
42 notice of the hearing at least 21 days before the hearing to the person who has requested the
43 hearing, to persons who have requested notice pursuant to subsection (8) of this section and to the
44 persons specified in subsection (15) of this section. The agency shall publish notice of the hearing
45 in the bulletin referred to in ORS 183.360 at least 14 days before the hearing. The agency shall

1 consider fully any written or oral submission.

2 (b) If an agency is required to conduct an oral hearing under paragraph (a) of this subsection,
 3 and the rule for which the hearing is to be conducted applies only to a limited geographical area
 4 within this state, or affects only a limited geographical area within this state, the hearing shall be
 5 conducted within the geographical area at the place most convenient for the majority of the resi-
 6 dents within the geographical area. At least 14 days before a hearing conducted under this para-
 7 graph, the agency shall publish notice of the hearing in the bulletin referred to in ORS 183.360 and
 8 in a newspaper of general circulation published within the geographical area that is affected by the
 9 rule or to which the rule applies. If a newspaper of general circulation is not published within the
 10 geographical area that is affected by the rule or to which the rule applies, the publication shall be
 11 made in the newspaper of general circulation published closest to the geographical area.

12 (c) Notwithstanding paragraph (a) of this subsection, the Department of Corrections and the
 13 State Board of Parole and Post-Prison Supervision may adopt rules limiting participation by inmates
 14 in the proposed adoption, amendment or repeal of any rule to written submissions.

15 (d) If requested by at least five persons before the earliest date that the rule could become ef-
 16 fective after the agency gives notice pursuant to subsection (1) of this section, the agency shall
 17 provide a statement that identifies the objective of the rule and a statement of how the agency will
 18 subsequently determine whether the rule is in fact accomplishing that objective.

19 (e) An agency that receives data or views concerning proposed rules from interested persons
 20 shall maintain a record of the data or views submitted. The record shall contain:

21 (A) All written materials submitted to an agency in response to a notice of intent to adopt,
 22 amend or repeal a rule.

23 (B) A recording or summary of oral submissions received at hearings held for the purpose of
 24 receiving those submissions.

25 (C) Any public comment received in response to the request made under subsection (2)(b)(G) of
 26 this section and the agency's response to that comment.

27 (D) Any statements provided by the agency under paragraph (d) of this subsection.

28 (4) Upon request of an interested person received before the earliest date that the rule could
 29 become effective after the giving of notice pursuant to subsection (1) of this section, the agency shall
 30 postpone the date of its intended action no less than 21 nor more than 90 days in order to allow the
 31 requesting person an opportunity to submit data, views or arguments concerning the proposed
 32 action. Nothing in this subsection shall preclude an agency from adopting a temporary rule pursuant
 33 to subsection (5) of this section.

34 (5) Notwithstanding subsections (1) to (4) of this section, an agency may adopt, amend or sus-
 35 pend a rule without prior notice or hearing or upon any abbreviated notice and hearing that it finds
 36 practicable, if the agency prepares:

37 (a) A statement of its findings that its failure to act promptly will result in serious prejudice to
 38 the public interest or the interest of the parties concerned and the specific reasons for its findings
 39 of prejudice;

40 (b) A citation of the statutory or other legal authority relied upon and bearing upon the
 41 promulgation of the rule;

42 (c) A statement of the need for the rule and a statement of how the rule is intended to meet the
 43 need;

44 (d) A list of the principal documents, reports or studies, if any, prepared by or relied upon by
 45 the agency in considering the need for and in preparing the rule, and a statement of the location

1 at which those documents are available for public inspection; and

2 (e) For an agency specified in ORS 183.530, a housing cost impact statement as defined in ORS
3 183.534.

4 (6)(a) A rule adopted, amended or suspended under subsection (5) of this section is temporary
5 and may be effective for a period of not longer than 180 days. The adoption of a rule under this
6 subsection does not preclude the subsequent adoption of an identical rule under subsections (1) to
7 (4) of this section.

8 (b) A rule temporarily suspended shall regain effectiveness upon expiration of the temporary
9 period of suspension unless the rule is repealed under subsections (1) to (4) of this section.

10 (7) Notwithstanding subsections (1) to (4) of this section, an agency may amend a rule without
11 prior notice or hearing if the amendment is solely for the purpose of:

12 (a) Changing the name of an agency by reason of a name change prescribed by law;

13 (b) Correcting spelling;

14 (c) Correcting grammatical mistakes in a manner that does not alter the scope, application or
15 meaning of the rule; or

16 (d) Correcting statutory references.

17 (8) Any person may request in writing that an agency send to the person copies of its notices
18 of intended action given pursuant to subsection (1) of this section. The person must provide a mail-
19 ing address or electronic mail address. Upon receipt of any request the agency shall acknowledge
20 the request, establish a mailing list and maintain a record of all mailings made pursuant to the re-
21 quest. Agencies may establish procedures for establishing and maintaining the mailing lists current
22 and, by rule, establish fees necessary to defray the costs of mailings and maintenance of the lists.

23 (9) This section does not apply to rules establishing an effective date for a previously effective
24 rule or establishing a period during which a provision of a previously effective rule will apply.

25 (10) This section does not apply to ORS 279.835 to 279.855, 279A.140 to 279A.155, 279A.250 to
26 279A.290, 279A.990, 279B.050 to 279B.085, 279B.200 to 279B.240, 279B.270, 279B.275, 279B.280,
27 279C.360, 279C.365, 279C.370, 279C.375, 279C.380, 279C.385, 279C.500 to 279C.530, 279C.540, 279C.545,
28 279C.550 to 279C.570, 279C.580, 279C.585, 279C.590, 279C.600 to 279C.625, 279C.650 to 279C.670 and
29 279C.800 to 279C.870 relating to public contracts and purchasing.

30 (11)(a) Except as provided in paragraph (c) of this subsection, a rule is not valid unless adopted
31 in substantial compliance with the provisions of this section in effect on the date that the notice
32 required under subsection (1) of this section is delivered to the Secretary of State for the purpose
33 of publication in the bulletin referred to in ORS 183.360.

34 (b) In addition to all other requirements with which rule adoptions must comply, a rule is not
35 valid if the rule has not been submitted to the Legislative Counsel in the manner required by ORS
36 183.715.

37 (c) A rule is not subject to judicial review or other challenge by reason of failing to comply with
38 subsection (2)(a)(A) of this section.

39 (12)(a) Notwithstanding the provisions of subsection (11) of this section, but subject to paragraph
40 (b) of this subsection, an agency may correct its failure to substantially comply with the require-
41 ments of subsections (2) and (5) of this section in adoption of a rule by an amended filing, as long
42 as the noncompliance did not substantially prejudice the interests of persons to be affected by the
43 rule.

44 (b) An agency may use an amended filing to correct a failure to include a fiscal impact state-
45 ment in a notice of intended action, as required by subsection (2)(b)(E) of this section, or to correct

1 an inaccurate fiscal impact statement, only if the agency developed the fiscal impact statement with
 2 the assistance of an advisory committee or fiscal impact advisory committee appointed under ORS
 3 183.333.

4 (13) Unless otherwise provided by statute, the adoption, amendment or repeal of a rule by an
 5 agency need not be based upon or supported by an evidentiary record.

6 (14) When an agency has established a deadline for comment on a proposed rule under the pro-
 7 visions of subsection (3)(a) of this section, the agency may not extend that deadline for another
 8 agency or person unless the extension applies equally to all interested agencies and persons. An
 9 agency shall not consider any submission made by another agency after the final deadline has
 10 passed.

11 (15) The notices required under subsections (1) and (3) of this section must be given by the
 12 agency to the following persons:

13 (a) If the proposed adoption, amendment or repeal results from legislation that was passed
 14 within two years before notice is given under subsection (1) of this section, notice shall be given to
 15 the legislator who introduced the bill that subsequently was enacted into law, and to the chair or
 16 cochairs of all committees that reported the bill out, except for those committees whose sole action
 17 on the bill was referral to another committee.

18 (b) If the proposed adoption, amendment or repeal does not result from legislation that was
 19 passed within two years before notice is given under subsection (1) of this section, notice shall be
 20 given to the chair or cochairs of any interim or session committee with authority over the subject
 21 matter of the rule.

22 (c) If notice cannot be given under paragraph (a) or (b) of this subsection, notice shall be given
 23 to the Speaker of the House of Representatives and to the President of the Senate who are in office
 24 on the date the notice is given.

25 **(d) Notice must be given to the two members of the Legislative Assembly designated**
 26 **under section 2 of this 2007 Act.**

27 (16)(a) Upon the request of a member of the Legislative Assembly or of a person who would be
 28 affected by a proposed adoption, amendment or repeal, the committees receiving notice under sub-
 29 section (15) of this section shall review the proposed adoption, amendment or repeal for compliance
 30 with the legislation from which the proposed adoption, amendment or repeal results.

31 (b) The committees shall submit their comments on the proposed adoption, amendment or repeal
 32 to the agency proposing the adoption, amendment or repeal.

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