76TH OREGON LEGISLATIVE ASSEMBLY STAFF MEASURE SUMMARY SENATE FINANCE AND REVENUE COMMITTEE

MEASURE: SB 953 CARRIER:

REVENUE: May have revenue impact, statement not yet issued FISCAL: May have fiscal impact, statement not yet issued *Preliminary*

Action: Vote:

> Yeas: Nays: Exc.:

Prepared By: Mazen Malik, Economist Meeting Dates: 4/15

WHAT THE BILL DOES: Directs legislative assembly, at odd numbers year regular sessions, to consider a bill that lists all state agencies fees adopted by rule and allows only for an increase equivalent to the consumer price index.

ISSUES DISCUSSED:

- State fees by rule.
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EFFECT OF COMMITTEE AMENDMENTS:

BACKGROUND:

AGENCY FEE RESTRICTIONS

291.050 Definitions for ORS 291.050 to 291.060. As used in ORS 291.050 to 291.060:

(1) "Fee" means an amount imposed and collected by a state agency to defray or recover the costs of administering the law involved in providing a service to the public and used by the state agency to carry out or enforce a law under its jurisdiction. "Fee" does not include:

(a) Fines, civil penalties or court judgments.

- (b) Proceeds from the sale of products or charges for rents, leases or other real estate transactions.
- (c) Interest and other charges for bonding and loan transactions.

(d) Charges levied by one state agency on another state agency.

- (e) Copying charges for public records as defined in ORS 192.410.
- (f) Charges for attendance at informational seminars.

(2) "Products" means goods and publications purchased voluntarily that have a commercial value. "Products" does not include licenses or permits issued by state agencies.

(3) "State agency" means every state officer, board, commission, department, institution, branch or agency of the state government that is subject to the provisions of ORS 291.201 to 291.222 and 291.232 to 291.260. "State agency" includes the Legislative Assembly, including legislative committees and service agencies, the Secretary of State, the State Treasurer and the Judicial Department. "State agency" does not include a commodity commission established under ORS 576.051 to 576.455 or the Oregon Beef Council created under ORS 577.210. [1995 c.576 §1; 2003 c.604 §99; 2007 c.827 §1]

Note: 291.050 to 291.060 were enacted into law by the Legislative Assembly but were not added to or made a part of ORS chapter 291 or any series therein by legislative action. See Preface to Oregon Revised Statutes for further explanation.

291.055 Agency fee approval required; exemptions; restoration of temporarily reduced fees. (1) Notwithstanding any other law that grants to a state agency the authority to establish fees, all new state agency fees or fee increases adopted after July 1 of any odd-numbered year:

(a) Are not effective for agencies in the executive department of government unless approved in writing by the Director of the Oregon Department of Administrative Services;

State Capitol Building 900 Court St NE, Room 143 Salem, OR 97301-1347 Phone: 503-986-1266 Fax: 503-986-1770 http://www.leg.state.or.us (b) Are not effective for agencies in the judicial department of government unless approved in writing by the Chief Justice of the Supreme Court;

(c) Are not effective for agencies in the legislative department of government unless approved in writing by the President of the Senate and the Speaker of the House of Representatives;

(d) Shall be reported by the state agency to the Oregon Department of Administrative Services within 10 days of their adoption; and (e) Are rescinded on July 1 of the next following odd-numbered year, or on adjournment sine die of the regular session of the Legislative Assembly meeting in that year, whichever is later, unless otherwise authorized by enabling legislation setting forth the approved fees.

(2) This section does not apply to:

(a) Any tuition or fees charged by the State Board of Higher Education and state institutions of higher education.

(b) Taxes or other payments made or collected from employers for unemployment insurance required by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contributions and assessments calculated by cents per hour for workers' compensation coverage required by ORS 656.506.

(c) Fees or payments required for:

(A) Health care services provided by the Oregon Health and Science University, by the Oregon Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770.

(B) Assessments and premiums paid to the Oregon Medical Insurance Pool established by ORS 735.614 and 735.625.

(C) Copayments and premiums paid to the Oregon medical assistance program.

(D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951 and 743.961.

(d) Fees created or authorized by statute that have no established rate or amount but are calculated for each separate instance for each fee payer and are based on actual cost of services provided.

(e) State agency charges on employees for benefits and services.

(f) Any intergovernmental charges.

(g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the Oregon Forest Land Protection Fund fees established by ORS 477.760.

(h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681.

(i) Any charges established by the State Parks and Recreation Director in accordance with ORS 565.080 (3).

(j) Assessments on premiums charged by the Insurance Division of the Department of Consumer and Business Services pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS 706.530 and 723.114.

(k) Public Utility Commission operating assessments required by ORS 756.310 or charges paid to the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987.

(L) Fees charged by the Housing and Community Services Department for intellectual property pursuant to ORS 456.562.

(m) New or increased fees that are anticipated in the legislative budgeting process for an agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted budget for the agency.

(n) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004.

(o) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government Portal Advisory Board.

(3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unexpected and temporary revenue surpluses may be increased to not more than their prior level without compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency specifies the following:

(A) The reason for the fee decrease; and

(B) The conditions under which the fee will be increased to not more than its prior level.

(b) Fees that are decreased for reasons other than those described in paragraph (a) of this subsection may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160. [1995 c.576 \S 2; 1997 c.37 \S 1; 1997 c.684 \S 3; 2003 c.605 \S 3; 2005 c.727 \S 14,15; 2005 c.744 \S 24d,24e; 2005 c.777 \S 16; 2007 c.531 \S 14,15; 2007 c.827 \S 2,3; 2009 c.829 \S 4; 2009 c.867 \S 40]

Note: See note under 291.050.

291.060 Report of fees to Legislative Assembly. The Oregon Department of Administrative Services shall, no later than January 15 of each odd-numbered year, provide the Legislative Assembly with a report setting forth in detail all fees charged by each state agency, the purpose for the fee or charge, the persons affected by the fee or charge, the statutory authority for the fee or charge, the amounts collected in the past biennium, the amounts expected to be paid during the present biennium and estimated for the next biennium in the Governor's recommended budget, and any changes in the fee or charge authorized during the present biennium or proposed for the next biennium in the Governor's recommended budget. The department shall report to the Emergency Board and the appropriate interim committee when requested to provide information concerning the development of the report. [1995 c.576 §3]