



OREGON STATE TREASURY

April 11, 2017

TO: The Honorable Chuck Riley, Chair
Senate Committee on General Government and Accountability

FROM: Cora R. Parker, Director of Finance
Oregon State Treasury

SUBJECT: SB 88 – Electronic Government Portals

I am writing to provide information in support of SB 88, specifically those provisions changing “convenience fee” to “portal provider fee” relative to electronic government portals.

The term “convenience fee” is used by the payment industry to describe a fee that merchants (including state agencies) can assess customers for the convenience of paying by credit or debit card. Charging of such a fee is heavily regulated by the payment industry and, in the case of state agencies, such a fee is overseen by the state’s Merchant Card Services Provider.

Relative to electronic government portals, the term “convenience fee” is defined as a “fee for using an electronic government portal or governmental services available by means of an electronic government portal...” ORS 182.126(1). The fee is overseen by the State Chief Information Officer and is not related to or regulated by the payment industry.

Given that state agencies are exposed to both fees, confusion easily arises when trying to distinguish between the two uses. That confusion is exacerbated by the fact that electronic government portals often include a payment component. Confusion between the two definitions impacts not only program staff, but also accounting staff and even the state’s Merchant Card Services Provider.

The provisions in the bill changing “convenience fee” to “portal provider fee” will significantly lessen the confusion outlined above, which is why we support adoption of the bill.