

Agenda Item Summary

BACKGROUND

OAR Chapter 635, Division 001 outlines the procedural rules for the Department of Fish and Wildlife (Department). The current rules do not set out a process for issuing refunds where a customer has been overcharged by the Department or has miscalculated the fee and overpaid. The Department is proposing to amend OAR Chapter 635, Division 001 to provide a consistent method for addressing refunds.

There have been two instances in the past two years where the Department incorrectly calculated fees. For example, it was discovered during an annual audit in 2010 that the Department did not have statutory authority to charge a \$1.00 Access and Habitat surcharge for each non-resident juvenile hunting license and a \$2.00 Restoration and Enhancement surcharge for each non-resident juvenile angling license purchased. This resulted in the Department issuing around 1,500 refunds of one or two dollars. The Department received phone calls from a number of these constituents who would have preferred an opportunity to forego their refund or to donate their refund. The Department also received a large number of the checks back due to outdated mailing addresses in the Department's system.

More recently, it was determined that the Department did not have statutory authority to charge a \$5.00 agent fee for each Juvenile Sportspac. The Department has statutory authority to charge a \$2.00 agent fee for the Juvenile Sportspac resulting in a \$3.00 overcharge to around 17,246 constituents and a \$3.00 overpayment to around 15,484 point of sale agents during 2010 and 2011. Given these instances, the Department had developed internal practices for staff to review license fees at the conclusion of each Legislative session. In addition to these recent examples, customers using the Department's mail order process sometimes miscalculate the amount of money owed for their license documents which results in an overpayment to the Department. The draft rules would allow the Department to issue refunds where there is an overcharge or overpayment of greater than \$5.00. Refunds less than \$5.00 would be available upon request.

The Department is also proposing to amend the rules to provide greater flexibility for exchanging licenses. In October 2008, OAR 635 Division 001 rules were amended to allow customers to purchase resident licenses for someone other than themselves. This flexibility allowed an opportunity for licenses to be purchased for family members as gifts. On January 14, 2009, temporary rules were adopted that provided the individual receiving the license an opportunity to make changes to their license. The changes were specific to exchanging the license to one of the combination licenses offered or to exchange the license for another type of license such as a senior license, Pioneer license or Disabled Veteran

license. Although the temporary rule has expired, there continues to be a need to allow the Department the ability to exchange licenses in these circumstances.

The Department is also proposing to delete outdated language that is no longer utilized for the controlled hunt draw.

PUBLIC INVOLVEMENT

Comments received from customers who were automatically sent refund checks for one or two dollars after the 2010 audit finding.

Positive feedback from customers who were allowed, through a 2009 temporary rule, to exchange licenses that were purchased for them as gifts or by mistake.

ISSUE 1

Amend Division 001 Rules To Allow A Consistent Method For Addressing Refunds, Add Flexibility For Exchanging Licenses And Remove Outdated Language No Longer Utilized.

ANALYSIS

Staff proposes a revision of OAR 635, Division 001. This proposal revises the rules for issuing refunds and exchanging licenses. Adoption of the proposed revisions will allow the Department a consistent method for addressing refunds to customers who were overcharged or who have miscalculated fees and overpaid. It will also add flexibility for exchanging licenses that were purchased as gifts or by mistake.

OPTIONS

- 1. Approve staff proposal
- 2. Modify staff proposal
- 3. Reject staff proposal

**STAFF
RECOMMENDATION**

Option 1

DRAFT MOTION

I move to amend OAR 635-001, as presented by staff.

Upon Filing

EFFECTIVE DATE