

**TITLE 405. OKLAHOMA DEPARTMENT OF LIBRARIES
CHAPTER 10. PUBLIC LIBRARY SYSTEMS
SUBCHAPTER 5. LIBRARY SYSTEM REPORTING AND DEVELOPMENT**

Rule Impact Statement

1. Brief description of the purpose of the proposed rule

The purpose of the proposed change to OAC 405:10-5-2 Annual Audit and Inventory is to raise the dollar amount of the cost of equipment, from \$100 to \$1,000, which must be included in the inventory of a Library System. The cost of equipment has risen, and \$1000 is a more appropriate capitalization limit for the purposes of inventory.

2. Classes of persons affected by the proposed rule changes

The rule applies only to Library Systems, of which there are eight in Oklahoma. Accounting departments in Library Systems and auditors reviewing the financial records of Library Systems will be affected by the proposed rule changes. Staff who purchase equipment, maintain inventory, and/or ensure detailed records are maintained for equipment will also be affected. We have not received any information on cost impacts from any entities.

3. Description of the classes of persons who will benefit from the proposed rules

We anticipate all who are affected by the proposed rule changes to benefit by reducing the specific equipment that must be inventoried which reduces time by staff and auditors.

4. Probable economic impact of the proposed rule upon affected classes of persons or political subdivisions

With the exception of reduced staff and auditor time, we do not anticipate any probable economic impact of the proposed rules on Library Systems.

5. Probable costs and benefits to the agency and to any agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule, and any anticipated effect on state revenues, including a projected net loss or gain if it can be projected by the agency

There are no anticipated costs to the agency or any agency to implement and enforce the proposed rule. No revenue will be required for the implementation and enforcement of the proposed rule. There will be no impact on state revenues as a result of the implementation and enforcement of the proposed rule.

6. Determination of whether implementation of the proposed rule will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule.

The proposed rule will not have an economic impact on any political subdivisions. Eight Library Systems currently cooperate with the department in implementing the rule and will continue to do so.

7. Determination of whether implementation of the proposed rule will have an adverse economic effect on small business

No adverse economic effect on small business is expected if proposed rule changes are implemented.

8. Explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rule

There are no compliance costs associated with the implementation of the proposed rule changes. There were no less costly, nonregulatory, or less intrusive ways to achieve the purpose of updating the rules to reflect the Library Systems' current business practices.

9. Determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment

There is no anticipated effect on the public health, safety and environment. The proposed rule changes are not designed to reduce significant risks to the public health, safety and environment.

10. The rule impact statement was prepared on Monday, December 30, 2019.