

### Fiscal Estimate - 2015 Session

Original     
  Updated     
  Corrected     
  Supplemental

LRB Number **15-1046/5**      Introduction Number **AB-0251**

**Description**  
 Various changes regarding administrative rules and rule-making procedures; time limits for emergency rules; and making an appropriation

**Fiscal Effect**

**State:**

No State Fiscal Effect  
 Indeterminate  
 Increase Existing Appropriations     
  Increase Existing Revenues  
 Decrease Existing Appropriations     
  Decrease Existing Revenues  
 Create New Appropriations     
  Increase Costs - May be possible to absorb within agency's budget  
   
  Yes       No  
 Decrease Costs

**Local:**

No Local Government Costs  
 Indeterminate

1.  Increase Costs      3.  Increase Revenue  
 Permissive  Mandatory     
  Permissive  Mandatory  
 2.  Decrease Costs      4.  Decrease Revenue  
 Permissive  Mandatory     
  Permissive  Mandatory

5. Types of Local Government Units Affected

Towns       Village       Cities  
 Counties       Others  
 School Districts       WTCS Districts

**Fund Sources Affected**      **Affected Ch. 20 Appropriations**

GPR   
  FED   
  PRO   
  PRS   
  SEG   
  SEGS 20.505 (1) (ks)

Agency/Prepared By	Authorized Signature	Date
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## Fiscal Estimate Narratives

DOA 10/27/2015

LRB Number	<b>15-1046/5</b>	Introduction Number	<b>AB-0251</b>	Estimate Type	<b>Original</b>
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### Assumptions Used in Arriving at Fiscal Estimate

2015 AB 251 makes several changes to administrative rule provisions that would impact the Department.

2015 AB 251 provides that scope statements be submitted to the Department's Office of Business Development (OBD) for a determination as to an agency's authority to promulgate the rule, and the OBD must report their determination to the Governor. Currently, scope statements are submitted by agencies to the Governor.

Proposed rules in final draft form must also be submitted to the OBD for a determination as to whether the proposed rule may have an impact on small businesses. If the OBD determines that the proposed final rule may have an impact on small businesses, the proposed rule must be submitted to the Small Business Regulatory Review Board (SBRRB). Currently, proposed rules that may have an impact on small businesses are submitted by agencies to the SBRRB, and drafts of final proposed rules are submitted by agencies to the Governor.

2015 AB 251 directs the OBD to provide consultation and assistance to agencies and the SBRRB regarding the promulgation of rules, and establishes time limits within which reviews of scope statement and final proposed rules by the OBD must be completed.

2015 AB 251 also provides that the OBD may direct an agency to promulgate a statement of policy or an interpretation of statute as an emergency rule, or may prohibit an agency from implementing or enforcing the statement of policy or interpretation until an administrative rule is promulgated. Currently, the Joint Committee for Review of Administrative Rules (JCRAR) may so direct agencies.

2015 AB 251 provides that the Department of Revenue or either co-chairperson of the JCRAR may request an independent economic impact analysis of a proposed administrative rule. 2015 AB 251 creates an appropriation within the Department of Administration to provide for the payment these analyses, and provides authority to the Department to assess applicable agencies for their cost.

The Department estimates that 150 scope statements and 100 final proposed rules would be submitted to the OBD annually for review. The Department estimates that a 1.0 FTE Attorney position would be needed to provide for the workload associated with the evaluation of these scope statements and final proposed rules, and also for the provision of consultation/ assistance to agencies and the SBRRB regarding the promulgation of administrative rules. The annual costs associated with the workload are \$80,700, reflecting annual costs for the FTE. The Department estimates \$3,000 in one-time costs associated with IT equipment and system development. The number of independent economic analyses and that would be conducted under 2015 AB 251, and the associated costs and revenue, is not determinable at this time.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2015 Session

Detailed Estimate of Annual Fiscal Effect

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<b>Description</b> Various changes regarding administrative rules and rule-making procedures; time limits for emergency rules; and making an appropriation		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>  \$3,000 for IT equipment and system development.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$68,700	\$
(FTE Position Changes)	(1.0 FTE)	
State Operations - Other Costs	12,000	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$80,700</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	80,700	
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$80,700	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>
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