

2001 DRAFTING REQUEST

Bill

Received: **01/07/2002**

Received By: **nelsorp1**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-2081**

By/Representing: **Koskinen**

This file may be shown to any legislator: **NO**

Drafter: **nelsorp1**

May Contact:

Addl. Drafters:

Subject: **Administrative Law**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Koskinen -

Topic:

Economic impact of administrative rules

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	nelsorp1 01/08/2002	hhagen 01/09/2002	pgreensl 01/09/2002	_____	lrb_docadmin 01/09/2002		State
/2	nelsorp1 01/28/2002	hhagen 01/28/2002	jfrantze 01/28/2002	_____	lrb_docadmin 01/28/2002		State

FE Sent For:

<END>

2001 DRAFTING REQUEST

Bill

Received: **01/07/2002**

Received By: **nelsorp1**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-2081**

By/Representing: **Koskinen**

This file may be shown to any legislator: **NO**

Drafter: **nelsorp1**

May Contact:

Addl. Drafters:

Subject: **Administrative Law**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Koskinen -

Topic:

Economic impact of administrative rules

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/1	nelsorp1 01/08/2002	hhagen 01/09/2002	pgreensl 01/09/2002	_____	lrb_docadmin 01/09/2002		State

FE Sent For: *12/28/02* *1/28* *1/28* *1/28*
<END>

2001 DRAFTING REQUEST

Bill

Received: **01/07/2002**

Received By: **nelsorp1**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget 6-2081**

By/Representing: **Koskinen**

This file may be shown to any legislator: **NO**

Drafter: **nelsorp1**

May Contact:

Addl. Drafters:

Subject: **Administrative Law**

Extra Copies: *PJD*

Submit via email: **NO**

Pre Topic:

DOA:.....Koskinen -

Topic:

Economic impact of administrative rules

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	nelsorp1	1. hmb 1/9/02	<i>Y9</i>	<i>1/9</i>			
			<i>PS</i>	<i>PS/R</i>			

FE Sent For:

<END>

Miller, Steve

From: Koskinen, John
Sent: Monday, January 07, 2002 10:58 AM
To: Miller, Steve
Cc: Uecker, Deborah
Subject: Drafting Request--Budget Adj Bill--Mandate Relief

Please draft the following for inclusion in the budget adjustment bill.

Economic Full Disclosure of Mandates

Require all administrative rules ~~and proposed legislation~~ ^{PJD} to have an economic impact statement on the costs of a proposed mandate.

Administrative rules may not take effect without a published economic impact statement.

Economic impact statement must include costs or benefits of complying with rule or legislation on local governments and private firms.

Appeals for Mandate Exemption

Allow county and municipal governments to appeal for an exemption from state mandates. (This should be comparable to school districts appeal to Superintendent of Public Instruction for the same purpose.) There can be no appeals on mandates affecting health and safety. The levy limit mandate cannot be appealed.

DOR would be the clearinghouse for appeals.

DOR refers appeal to administrative agency responsible for the mandate. The administrative agency rules on the request for exemption.

John Koskinen
266-2081



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-4587/1
RPN:hmh

DOA:.....Koskinen – Economic impact of administrative rules

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

1 ^{Do not gen.} AN ACT ...; relating to: requiring the department of administration to prepare
2 economic impact statements regarding certain proposed ~~administrative~~ rules.
administrative

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, whenever an agency proposes an administrative rule that may have an effect on small businesses, the agency must consider methods of reducing the impact on small businesses, including the establishment of less stringent requirements for small businesses. The agency is also required under current law to provide an opportunity for small businesses to participate in the rule-making process and to notify the secretary of commerce and the small business ombudsman clearinghouse if the agency proposes a rule that will impact small businesses. In addition, if the agency determines that the proposed rule may have a significant economic impact on a substantial number of small businesses, the agency must include a regulatory flexibility analysis at the time the agency submits its final draft of the proposed rule to the legislature. ^{Also} Under current law, if an agency proposes an administrative rule that directly or substantially affects the development, construction, cost, or availability of housing, DOA is required to prepare a report before the proposed rule is submitted to the legislative council staff. That report must contain information about the effect of the proposed rule on housing.

This bill requires ^{DCA} ~~the department of administration~~ to prepare an economic impact assessment of any proposed rule prepared by an agency that may have an economic impact on a private person, such as a business or corporation, or on a political subdivision of the state, such as a city or county. The economic impact assessment shall evaluate the costs and benefits of complying with the proposed rule and the potential impact of the proposed rule on the decisions of the private person or political subdivision of the state. The bill requires the agency to submit the economic impact assessment to the legislative council staff with the proposed rule and to the legislature when the proposed rule is in final form, with a report explaining any changes that were made in the proposed rule as a result of the economic impact assessment.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

check for extra space

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 ^x SECTION 1. 227.118 of the statutes is created to read:

2 **227.118 Economic impact of administrative rules.** (1) ^{AD} When an agency
3 proposes a rule that may have an economic impact on a private person or a political
4 subdivision of the state, the department of administration shall prepare an economic
5 impact assessment of the proposed rule before the rule is submitted to the legislative
6 council staff under s. 227.15. The economic impact assessment shall evaluate the
7 costs and benefits of complying with the proposed rule and the potential impact of
8 the proposed rule on the policy decisions of private persons and political subdivisions
9 of the state. The economic impact assessment shall describe alternatives to the
10 proposed rule that will reduce any negative impact on private persons and political
11 subdivisions of the state. The preparation of an economic impact assessment under
12 this section does not eliminate the responsibility to comply with other sections of this
13 chapter, including ss. 227.114 and 227.115.

1 (2) The agency shall submit a copy of any economic impact assessment
2 *agency that prepared the proposed rule and to the*
3 prepared under sub. (1) to the legislative council staff at the same time that the
4 agency submits the proposed rule to the legislative council staff under s. 227.15.

4 **SECTION 2.** 227.19 (3) (intro.) of the statutes is amended to read: ✓

5 227.19 (3) FORM OF REPORT. (intro.) The report required under sub. (2) shall be ✓
6 in writing and shall include the proposed rule in the form specified in s. 227.14 (1),
7 the material specified in s. 227.14 (2) to (4), a copy of the economic impact assessment
8 received under s. 227.118 (2), a copy of any recommendations of the legislative
9 council staff and an analysis. The analysis shall include:

10 History: 1985 a. 182; 1987 a. 253; 1987 a. 403 s. 25G; 1989 a. 175.

10 **SECTION 3.** 227.19 (3) (f) of the statutes is created to read: X

11 227.19 (3) (f) If an economic impact assessment regarding the proposed rule
12 was submitted with the report, an explanation of what changes, if any, that were
13 made in the proposed rule in response to that assessment.

14

15

(END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-4587/A

RPN:hmh:pg

2
stays

DOA:.....Koskinen - Economic impact of administrative rules

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

- Do not gen*
- 1 AN ACT ...; relating to: requiring the department of administration to prepare
 - 2 economic impact statements regarding certain proposed administrative rules.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, whenever an agency proposes an administrative rule that may have an effect on small businesses, the agency must consider methods of reducing the impact on small businesses, including the establishment of less stringent requirements for small businesses. The agency is also required under current law to provide an opportunity for small businesses to participate in the rule-making process and to notify the secretary of commerce and the small business ombudsman clearinghouse if the agency proposes a rule that will impact small businesses. In addition, if the agency determines that the proposed rule may have a significant economic impact on a substantial number of small businesses, the agency must include a regulatory flexibility analysis at the time the agency submits its final draft of the proposed rule to the legislature. Also under current law, if an agency proposes an administrative rule that directly or substantially affects the development, construction, cost, or availability of housing, DOA is required to prepare a report before the proposed rule is submitted to the legislative council staff. That report must contain information about the effect of the proposed rule on housing.

DOA

This bill requires DOA to prepare an economic impact assessment of any proposed rule prepared by an agency that may have an economic impact on a private person, such as a business or corporation, or on a political subdivision of the state, such as a city or county. The economic impact assessment shall evaluate the costs and benefits of complying with the proposed rule and the potential impact of the proposed rule on the decisions of the private person or political subdivision of the state. The bill requires ~~the agency~~ to submit the economic impact assessment to the legislative council staff ~~with the proposed rule~~, and to the legislature when the proposed rule is in final form, with a report explaining any changes that were made in the proposed rule as a result of the economic impact assessment.

agency

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

- 1 **SECTION 1.** 227.118 of the statutes is created to read:
- 2 **227.118 Economic impact of administrative rules.** (1) When an agency
- 3 proposes a rule that may have an economic impact on a private person or a political
- 4 subdivision of the state, the department of administration shall prepare an economic
- 5 impact assessment of the proposed rule before the rule is submitted to the legislative
- 6 council staff under s. 227.15. The economic impact assessment shall evaluate the
- 7 costs and benefits of complying with the proposed rule and the potential impact of
- 8 the proposed rule on the policy decisions of private persons and political subdivisions
- 9 of the state. The economic impact assessment shall describe alternatives to the
- 10 proposed rule that will reduce any negative impact on private persons and political
- 11 subdivisions of the state. The preparation of an economic impact assessment under
- 12 this section does not eliminate the responsibility to comply with other sections of this
- 13 chapter, including ss. 227.114 and 227.115.
- 14 (2) The ~~agency~~ *department of administration* shall submit a copy of any economic impact assessment
- 15 prepared under sub. (1) to the agency that prepared the proposed rule and to the

1 legislative council staff at the same time that the agency submits the proposed rule
2 to the legislative council staff under s. 227.15.

3 **SECTION 2.** 227.19 (3) (intro.) of the statutes is amended to read:

4 227.19 (3) FORM OF REPORT. (intro.) The report required under sub. (2) shall be
5 in writing and shall include the proposed rule in the form specified in s. 227.14 (1),
6 the material specified in s. 227.14 (2) to (4), a copy of the economic impact assessment
7 received under s. 227.118 (2), a copy of any recommendations of the legislative
8 council staff and an analysis. The analysis shall include:

9 **SECTION 3.** 227.19 (3) (f) of the statutes is created to read:

10 227.19 (3) (f) If an economic impact assessment regarding the proposed rule
11 was submitted with the report, an explanation of what changes, if any, that were
12 made in the proposed rule in response to that assessment.

13 (END)



State of Wisconsin
2001 - 2002 LEGISLATURE

LRB-4587/2

RPN:hmh:jf

DOA:.....Koskinen – Economic impact of administrative rules

FOR 2001-03 BUDGET — NOT READY FOR INTRODUCTION

- 1 **AN ACT ...; relating to:** requiring the department of administration to prepare
2 economic impact statements regarding certain proposed administrative rules.

Analysis by the Legislative Reference Bureau

STATE GOVERNMENT

OTHER STATE GOVERNMENT

Under current law, whenever an agency proposes an administrative rule that may have an effect on small businesses, the agency must consider methods of reducing the impact on small businesses, including the establishment of less stringent requirements for small businesses. The agency is also required under current law to provide an opportunity for small businesses to participate in the rule-making process and to notify the secretary of commerce and the small business ombudsman clearinghouse if the agency proposes a rule that will impact small businesses. In addition, if the agency determines that the proposed rule may have a significant economic impact on a substantial number of small businesses, the agency must include a regulatory flexibility analysis at the time the agency submits its final draft of the proposed rule to the legislature. Also under current law, if an agency proposes an administrative rule that directly or substantially affects the development, construction, cost, or availability of housing, DOA is required to prepare a report before the proposed rule is submitted to the legislative council staff. That report must contain information about the effect of the proposed rule on housing.

This bill requires DOA to prepare an economic impact assessment of any proposed rule prepared by an agency that may have an economic impact on a private person, such as a business or corporation, or on a political subdivision of the state, such as a city or county. The economic impact assessment shall evaluate the costs and benefits of complying with the proposed rule and the potential impact of the proposed rule on the decisions of the private person or political subdivision of the state. The bill requires DOA to submit the economic impact assessment to the agency, the legislative council staff, and to the legislature when the proposed rule is in final form, with a report explaining any changes that were made in the proposed rule as a result of the economic impact assessment.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 227.118 of the statutes is created to read:

2 **227.118 Economic impact of administrative rules.** (1) When an agency
3 proposes a rule that may have an economic impact on a private person or a political
4 subdivision of the state, the department of administration shall prepare an economic
5 impact assessment of the proposed rule before the rule is submitted to the legislative
6 council staff under s. 227.15. The economic impact assessment shall evaluate the
7 costs and benefits of complying with the proposed rule and the potential impact of
8 the proposed rule on the policy decisions of private persons and political subdivisions
9 of the state. The economic impact assessment shall describe alternatives to the
10 proposed rule that will reduce any negative impact on private persons and political
11 subdivisions of the state. The preparation of an economic impact assessment under
12 this section does not eliminate the responsibility to comply with other sections of this
13 chapter, including ss. 227.114 and 227.115.

14 (2) The department of administration shall submit a copy of any economic
15 impact assessment prepared under sub. (1) to the agency that prepared the proposed

1 rule and to the legislative council staff at the same time that the agency submits the
2 proposed rule to the legislative council staff under s. 227.15.

3 **SECTION 2.** 227.19 (3) (intro.) of the statutes is amended to read:

4 227.19 (3) FORM OF REPORT. (intro.) The report required under sub. (2) shall be
5 in writing and shall include the proposed rule in the form specified in s. 227.14 (1),
6 the material specified in s. 227.14 (2) to (4), a copy of the economic impact assessment
7 received under s. 227.118 (2), a copy of any recommendations of the legislative
8 council staff and an analysis. The analysis shall include:

9 **SECTION 3.** 227.19 (3) (f) of the statutes is created to read:

10 227.19 (3) (f) If an economic impact assessment regarding the proposed rule
11 was submitted with the report, an explanation of what changes, if any, that were
12 made in the proposed rule in response to that assessment.

13 (END)