



## Fiscal Estimate Narratives

COMM 1/26/2004

LRB Number	03-3630/2	Introduction Number	AB-655	Estimate Type	Original
<b>Subject</b> Omnibus regulatory reform					

### Assumptions Used in Arriving at Fiscal Estimate

The provisions in this bill that are likely to affect the Department of Commerce include:

- a) The requirement that an agency prepare an economic impact report for a proposed rule if a municipality, an association that represents a farm, labor, business or professional group, or five or more persons, who may be economically affected by a proposed rule, asks the agency to prepare that report.
- b) The provision that directs an agency to solicit information and advice from the Department of Commerce in preparing its economic impact statement.

The Department of Commerce utilizes more than 80 administrative codes in implementing its programs and services. On average, the Department updates these codes on a three-year cycle. Thus, the Department updates approximately 25 codes per year. The majority of these codes are developed and updated in close consultation with statutory and/or advisory councils. As a consequence, the Department anticipates that the number of requests for economic impact reports will be minimal, and that the additional workload, if any, can be absorbed within existing staff and budgetary resources. Nonetheless, the Department will monitor the impact of this provision, and if the demand for economic impact reports exceeds the capability of existing staff and budgetary resources to address the workload, the Department will assess the workload issue and address it, accordingly.

With respect to the provision directing agencies to solicit information and advice from the Department of Commerce in preparing its economic impact statement, it is not possible to estimate the increase in workload. It will depend on such factors as the number of reports other agencies are requested to prepare, the capacity of the agency to address the impact within its existing informational, staff and budgetary resources, and the scope and complexity of the inquiry directed to Commerce. Based on past experience with similar provisions, there may be a one-time increase in inquiries as agencies adjust to the requirement for economic impact reports. The number of inquiries, if significant, may decrease as agencies adjust to the requirement. Because the increased workload, if any, cannot be projected, the Department will monitor the impact of this provision, assess the workload issue, and address it, accordingly, based on actual experience in administering the provision.

#### Local Impact:

As noted above, the Department works closely with statutory and advisory groups that often include local government representatives, based on the issue. Thus, it is likely that local fiscal concerns and issues will be addressed in the development of the rules.

### Long-Range Fiscal Implications