

Fiscal Estimate - 2003 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 03-3630/2	Introduction Number AB-655
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Subject
 Omnibus regulatory reform

Fiscal Effect

State:

No State Fiscal Effect
 Indeterminate

<input type="checkbox"/> Increase Existing Appropriations	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Decrease Existing Appropriations	<input type="checkbox"/> Decrease Existing Revenues	<input type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Decrease Costs

Local:

No Local Government Costs
 Indeterminate

1. <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory	3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
2. <input type="checkbox"/> Decrease Costs <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	

Agency/Prepared By DOA/ Dick Wagner (608) 266-0653	Authorized Signature Martha Kerner (608) 266-1359	Date 12/18/2003
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Fiscal Estimate Narratives
DOA 12/19/2003

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

Assumptions Used in Arriving at Fiscal Estimate

The bill imposes several new obligations on the Department of Administration.

First, the bill would require DOA to conduct a four part review of proposed administrative rules or existing guidelines and policies in certain instances. This includes if an economic impact report is prepared or if a petition is filed by affected persons. The four parts include the statutory basis for the rule/policy, consistency or non-duplication of other rules or federal regulations, consistency with the Governor's positions, and the accuracy of data behind the rule/policy. The department also would be required to verify that the documentation in the economic impact statement supports the conclusions.

While the number of administrative rules averages 200 per year there is no data on the number of policies that might elicit a petition of economic impact. The regulatory process could be slowed down by the added reviews and verifications and DOA's work could duplicate work done in other agencies. The staff resources devoted to research and analysis could be significant but cannot be determined at this time.

Next, the bill permits the PSC to approve a utility request to retain a portion of the funds it pays to the Utility Public Benefits Fund administered by DOA. Presently, aside from customer fees worth \$40.5 million and some donations, \$67.2 million is deposited annually by utilities into the fund with \$21.3 million of that for low income weatherization plus bill payment assistance and \$45.8 million for energy efficiency. While the entire amount could be requested, that part of the \$45.8 million for energy efficiency is most likely what may be requested for retention. At this time it cannot be determined how many utilities might request or how many requests might be approved. Should all utilities so request the Public Benefits program could be significantly reduced and likewise the 7.0 FTE associated with the program reduced also. There may be costs to terminate existing contracts with providers.

Also, the bill provides that DOA will maintain a program to certify air quality contractors. The department would have to receive applications, compare the application to standards developed in cooperation with DNR, check for statement of intent to comply with state and federal laws, and maintain a directory of certified contractors. Some work by engineering or professional staff would be involved. The actual number of contractors who might apply is unknown.

Certain requirements are imposed regarding hearing examiners and substitution options. These may require additional examiners or delay hearings. Certain hearings are grouped and scheduled together in areas of the state. If one or more hearings have a substitution after others have been scheduled, more than one examiner would have to be sent or the hearing delayed by agreement of the parties until the next scheduled time when a different examiner can be sent. No data exists on how many substitutions might be requested.

The bill also requires additional notice requirements by local governments preparing Smart Growth plans. Local governments would also have to provide written findings regarding new or increased fees. No data exist on how much added cost these requirements might impose.

Long-Range Fiscal Implications

Unknown.