

Fiscal Estimate - 2009 Session

Original Updated Corrected Supplemental

LRB Number 09-4312/1	Introduction Number AB-0767	
Description Changes to the membership of the Small Business Regulatory Review Board, notification to the Small Business Regulatory Review Board of bills with an economic impact on small businesses, and the role of the Office of the Small Business Advocate in the Department of Commerce		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Create New Appropriations	<input type="checkbox"/> Increase Existing Revenues <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Decrease Costs	
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts	
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	Authorized Signature	Date
DHS/ Donna Moore (608) 266-8156	Andy Forsaith (608) 266-7684	3/19/2010

Fiscal Estimate Narratives

DHS 3/19/2010

LRB Number	09-4312/1	Introduction Number	AB-0767	Estimate Type	Original
Description Changes to the membership of the Small Business Regulatory Review Board, notification to the Small Business Regulatory Review Board of bills with an economic impact on small businesses, and the role of the Office of the Small Business Advocate in the Department of Commerce					

Assumptions Used in Arriving at Fiscal Estimate

This bill makes changes to the membership of the Small Business Regulatory Review Board, changes considerations to be made for small businesses by agencies engaging in administrative rule making, changes responsibilities of small business regulatory coordinators in each agency, and changes the structure and functions of the small business ombudsman clearinghouse in the Department of Commerce.

1. This bill eliminates from the Board the representatives of all departments and increases the number of representatives of small businesses on the board to seven. This bill change would have no fiscal effect to the Department of Health Services (DHS) as appearances at Board meetings are intermittent based on agenda items.
2. This bill requires an agency to forward a copy of a proposed administrative rule or an emergency rule to the Board if the rule may have an economic impact on small businesses, and not just a significant economic impact. This bill change would have no fiscal effect on DHS.
3. This bill directs the Board to determine whether the proposed rule or emergency rule will have a significant economic impact on a substantial number of small businesses. If the Board determines that the proposed rule or emergency rule will have a significant economic impact on a substantial number of small businesses, the Board may submit suggested changes in the proposed rule to minimize the economic impact of the proposed rule or emergency rule, or may recommend that the proposed rule, but not the emergency rule, be withdrawn. DHS may be required to provide extensive documentation, attend meetings and participate in interviews with Board personnel to resolve any issues involving a particular rule's impact. It is estimated that the increased workload related to these bill activities would be approximately \$141,500 AF (\$140,500 GPR and \$1,000 PR). The source of the program revenue are license and certification fees that fund programs affected by the bill.
4. This bill requires each agency, to the extent possible, to: 1) provide assistance to small businesses to help small businesses comply with rules promulgated by the agency; 2) establish reduced fines and alternative enforcement mechanisms for minor violations of administrative rules by small businesses; and 3) consider the use of a written warning or alternative penalty against a small business found to be in violation of a rule if the small business made a good faith effort to comply with the rule and the rule does not pose a threat to public health, safety or welfare, or to the environment or the workplace. This bill change would have no fiscal effect to DHS since the department currently provides technical assistance to providers in complying with rule requirements and continues to explore alternative enforcement mechanisms where appropriate and effective.
5. This bill changes the name of the ombudsman clearinghouse to the Office of the Small Business Advocate (Office) and requires each agency to designate one employee to serve as the agency's small business regulatory coordinator and clarifies that the small business regulatory coordinator of each agency must work with the Office to facilitate communication between small businesses and state agencies. This bill change would have no fiscal effect on DHS since the department has already designated such a coordinator.
6. The Office must, upon the written request of a small business against which an agency has initiated an enforcement action, review and investigate the circumstances of the enforcement action and make recommendations regarding alternative enforcement to the enforcing agency. This bill change may require that DHS division staff and/or Office of Legal Counsel (OLC) staff time be used to defend its enforcement actions and the reasons. It is estimated that increased workload related to these bill activities would be approximately \$20,600 AF (\$12,800 GPR and \$7,800 PR in license and certification fees).

In summary, the total cost to DHS related to these bill changes is \$162,000 AF (\$153,300 GPR and \$8,700 PR).

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2009 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$162,000	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$162,000	\$
B. State Costs by Source of Funds			
	GPR	153,300	
	FED		
	PRO/PRS (multiple rules)	8,700	
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S		
	TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$162,000	\$
	NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		Authorized Signature	Date
DHS/ Donna Moore (608) 266-8156		Andy Forsaith (608) 266-7684	3/19/2010