

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-2593/2	Introduction Number SB-295
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Description
 the expiration of administrative rules

Fiscal Effect

State:

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

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<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	
		<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <u>0</u> <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 801	

Agency/Prepared By DHS/ Christina Isenring (608) 266-8155	Authorized Signature Andy Forsaith (608) 266-7684	Date 7/6/2017
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Fiscal Estimate Narratives

DHS 7/6/2017

LRB Number	17-2593/2	Introduction Number	SB-295	Estimate Type	Original
Description the expiration of administrative rules					

Assumptions Used in Arriving at Fiscal Estimate

This bill provides for the expiration of each chapter of the Wisconsin Administrative Code after seven years, unless the chapter is readopted by the agency through the re-adoption process established under this bill.

Under current law, an agency may promulgate administrative rules when it is granted rule-making authority under the statutes. Once promulgated, administrative rules remain in effect indefinitely unless repealed or amended by the agency or suspended by the Joint Committee for Review of Administrative Rules (JCRAR).

This bill provides that each chapter of the code expires seven years after a rule that creates, or repeals and recreates, the chapter takes effect or after the chapter is readopted. This bill requires JCRAR to, in consultation of the affected agency and within one year after the effective date of the bill, establish a schedule for the expiration of all administrative code chapters. Under the bill, in the year before a code chapter is set to expire, an agency may send a re-adoption notice to the chief clerk of each house of the legislature and JCRAR that it intends to re-adopt the expiring chapter. If any member of either standing committee of JCRAR objects to the re-adoption of the code chapter during the review period, the chapter shall expire on its expiration date unless the agency promulgates a rule to re-adopt the chapter.

DHS promulgates, as administrative rules, each statement of general policy and each interpretation of a statute the department specifically adopts to govern its enforcement or administration of that statute. DHS has a designated Administrative Rules coordinator to assist program staff in promulgating administrative rules as required under ch. 227, Stats. In addition, DHS supports an Administrative Rules Unit in the Office of Legal Counsel. In order to uphold an orderly process for promulgating administrative rules, DHS forecasts rulemaking each biennium. This ensures DHS maintains effective and current administrative rules. Standard rulemaking can take 12 to 24 months to complete.

Under this bill each chapter of the administrative code expires seven years after a rule that creates, or repeals and recreates, the chapter takes effect or after the chapter is readopted. DHS is currently responsible for 96 rule chapters in administrative code. JCRAR is required to establish a schedule for the expiration of all existing code chapters that are in effect on the effective date of a bill. According to this established schedule, DHS may submit a notice to the chief clerk of each house of the legislature and to the joint committee for review of administrative rules that it intends to readopt the expiring chapter. The schedule for the expiration of rules shall begin on January 1, 2020, and end January 1, 2027. Given this seven year period, DHS may review, propose for re-adoption, and/or begin promulgation of 14 administrative rule chapters per year, in addition to the current agency rule making workload.

Maintaining compliance with this bill and meeting the legislative intent of current administrative rules will require additional agency staff. The Department will require 1.0 FTE GPR Program & Policy Analyst Advanced, with a cost of \$79,800 GPR per year and a one-time cost of \$2,500 GPR for office set up. In addition, the Department requires 1.0 FTE GPR Attorney, with a cost of \$131,600 GPR per year and a one-time office cost of \$2,500 GPR for office set up. In total, one time will equal \$5,000 GPR and annual ongoing costs will equal \$211,400 GPR for 2.0 FTE GPR.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2017 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): One-time office set-up cost of \$5,000 GPR			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes		\$187,399	\$
(FTE Position Changes)		(2.0 FTE)	
State Operations - Other Costs		24,000	
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category		\$211,399	\$
B. State Costs by Source of Funds			
GPR		211,399	
FED			
PRO/PRS			
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, ets.)			
		Increased Rev	Decreased Rev
GPR Taxes		\$	\$
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues		\$	\$
NET ANNUALIZED FISCAL IMPACT			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$211,399	\$
NET CHANGE IN REVENUE		\$	\$
Agency/Prepared By		Authorized Signature	
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		Date	
		7/6/2017	