

## Fiscal Estimate - 2025 Session

☒ Original      ☐ Updated      ☐ Corrected      ☐ Supplemental

<b>LRB Number</b> 25-0565/1		<b>Introduction Number</b> AB-0274	
<b>Description</b> the expiration of administrative rules			
<b>Fiscal Effect</b>			
<b>State:</b>			
<input type="checkbox"/> No State Fiscal Effect			
<input checked="" type="checkbox"/> Indeterminate			
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Increase Existing Revenues	
<input type="checkbox"/> Decrease Existing Appropriations		<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Create New Appropriations		<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget	
		<input type="checkbox"/> Yes <input type="checkbox"/> No	
		<input type="checkbox"/> Decrease Costs	
<b>Local:</b>			
<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	
<b>Fund Sources Affected</b>			
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS			
<b>Affected Ch. 20 Appropriations</b>			
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	
DPI/ Carl Bryan (608) 266-3275		Erin Fath (608) 266-2804	
		<b>Date</b>	
		6/2/2025	

## Fiscal Estimate Narratives

DPI 6/2/2025

LRB Number	25-0565/1	Introduction Number	AB-0274	Estimate Type	Original
<b>Description</b> the expiration of administrative rules					

### Assumptions Used in Arriving at Fiscal Estimate

SB-0277 introduces a sunset provision under which each chapter of the Wisconsin Administrative Code would expire seven years after its enactment or last readoption, unless it is affirmatively renewed by the responsible agency through a statutory readoption process. This includes an initial legislative review by the Joint Committee for Review of Administrative Rules (JCRAR) and the appropriate standing committees. If no objections are raised, the rule chapter is automatically readopted. If any member objects, the agency must re-promulgate the rule through the standard rulemaking process. JCRAR may extend the expiration date by up to one year to accommodate this re-promulgation. The bill also requires agencies to revise rule language to eliminate outdated or offensive terminology.

SB-0277 would fundamentally alter the administrative rulemaking landscape by changing the default status of rules from indefinite validity to automatic expiration. This built-in expiration mechanism imposes a recurring administrative burden on DPI and all state agencies to justify, reauthorize, and—when necessary—re-promulgate existing rules on a fixed schedule.

For DPI, which maintains a large and complex body of rules pertaining to public education in Wisconsin, the operational implications are significant. Many of DPI's rule chapters address foundational components of education policy, such as teacher licensing and certification standards, graduation requirements, school district standards, commencement of the school term, and the many compliance processes directly tied to law. Each of these areas would now be subject to periodic review and potential legislative objection, requiring DPI to establish an internal, cyclical system for tracking expiration dates, preparing notices of intent to readopt, conducting reviews of existing rules, and—when necessary—undertaking full rulemaking proceedings for objected readoptions. This would demand additional staff time, legal review, coordination with legislative bodies, and external review processes associated with rulemaking.

While some rule chapter reauthorizations may proceed without significant procedural difficulty, others could prompt more detailed reviews or become subject to legislative objection. In such cases, DPI may be required to allocate additional time and resources to support the continuation of rules that are already integral to the agency's operations. This would present a particular challenge given that DPI currently has only one staff member dedicated to managing administrative rulemaking responsibilities. Implementing and managing the reauthorization process required by the bill would place considerable pressure on the department's limited administrative capacity, potentially resulting in delays to both the readoption of existing rules and the timely implementation of new or updated regulations. Overall, the ongoing cost of complying with the bill's requirements is expected to range from moderate to substantial, depending on the number, scope, and complexity of the rules requiring formal re-promulgation.

In addition to operational costs, there is a risk of regulatory uncertainty. If reauthorization is delayed or obstructed, schools and districts could be left without clear guidance, impairing compliance and complicating long-term planning for local education agencies. DPI's ability to maintain continuity in its regulatory frameworks may be compromised, leading to indirect fiscal impacts in the form of increased inquiries, legal interpretation needs, and reduced efficiency in implementing educational policies.

Overall, SB-0277 would introduce a recurring administrative and fiscal burden on DPI by requiring periodic review and reauthorization of all administrative rule chapters. The department would need to allocate ongoing staff and legal resources to manage these new obligations, with costs potentially increasing significantly in years when large numbers of chapters approach expiration. The bill may also generate indirect fiscal and operational impacts stemming from increased regulatory uncertainty and delayed implementation of key education policies. While the policy goal of ensuring regulatory relevance is clear, the practical effect would be a long-term increase in workload and procedural risk for DPI.

## Long-Range Fiscal Implications

SB-0277 would create a recurring administrative burden for the DPI by requiring periodic review, reauthorization, and potential re-promulgation of all chapters of its administrative code every seven years. This change would necessitate increased staff time, legal review, and coordination with legislative bodies to manage the readoption process, which DPI currently has limited capacity to handle. In years when multiple rule chapters expire simultaneously or face legislative objections, the department could face significantly higher operational costs and potential delays in implementing both existing and new regulations. These demands would likely require DPI to allocate additional resources or staff to effectively meet the bill's ongoing procedural requirements.

Beyond direct operational expenses, the bill may also introduce regulatory uncertainty that could disrupt long-term planning and compliance for schools and districts reliant on consistent guidance. Delays or challenges in rule readoption could lead to increased inquiries, legal interpretation needs, and inefficiencies in policy implementation, all of which carry indirect fiscal consequences. Overall, SB-0277 is expected to result in moderate to substantial long-term costs for DPI, both from the recurring workload of managing rule expirations and from the broader impacts of potential interruptions to regulatory continuity.