

PROPOSED LEGISLATION

Requires any department or agency to file a report upon filing any rule or regulation with the secretary of state, which includes the following:

1. A written justification for the proposed rule or regulation to be promulgated.
 - Among other things, the justification must include a brief summary of the proposed changes, description of the objective of the proposed action, demonstrate the necessity for the proposed action, and identify and explain any expected benefits.
2. An impact analysis
 - The impact analysis must identify persons, organizations, industries, businesses or local government entities most directly affected by the proposed action and summarize any comments submitted by such entities or persons.
3. Explanation of any fee imposed pursuant to the proposed action
 - Must explain the purpose and identify whom is to pay any new fee imposed by the proposed action as well as any change to an existing fee. Must also explain alternative sources of funding considered, if any, and justification as to why the proposed action is preferable.
4. Explanation of any expenditure other than a fee that may be required pursuant to the proposed action
 - Required to identify and provide a brief description and cost estimation of any expenditure, other than a fee, that may be required by any person, organization, industry, business or local government entity.
5. Identification of agency contact for questions concerning the proposed action
 - Provides the name, title and contact information including office address, telephone number and email address of the agency representative or representatives possessing knowledge and understanding of the proposed action and available to answer questions concerning the rule or regulation.
6. Any additional information requested by the Senate or House Government Operations Committees.

Requires the Office of the Comptroller of the Treasury to prepare a statement of financial impact upon the filing of any new rule or regulation that:

1. Identifies the type and number of private and local government entities affected by the proposed action;
2. Identifies any new fee or change in existing fee and amount of such;
3. Estimates any increase or decrease in expenditures by a private entity or local government
4. Estimates the financial impact to the affected private and local government entities respectively;
5. An estimation of any change in revenue of a local government as a result of the proposed action;
6. Separate estimates of the net total change in revenues and expenditures of any affected private entities and local governments over the three-year period immediately following the enactment of the proposed action; and
7. A statement as to whether any change in revenue or expenditure by a private entity or local government is a one-time or recurring incident.

(more)



BENEFIT TO MUNICIPALITIES

It is common practice for state agencies to adopt or amend rules and regulations applicable to the operations of local governments. Often, local governments incur costs in complying with these new rules or regulations. Legislation is always accompanied by a fiscal note detailing its estimated fiscal impact; however, the myriad of rules and regulations issued by state departments and agencies are not subject to such analysis.

This legislation would provide local governments with some assurances that regulations proposed by state agencies have some justified benefit as well as require an analysis of the fiscal impact of proposed rules and regulations on local governments.