

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 747** HLS 20RS 983
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: May 4, 2020	5:58 AM	Author: RISER
Dept./Agy.: Statewide		Analyst: Alan M. Boxberger
Subject: Reporting impact on businesses in administrative rules		

ADMINISTRATIVE PROCEDURE OR SEE FISC NOTE GF EX Page 1 of 1
 Provides for notice regarding the impact of administrative rules on businesses

Present law provides for procedures for the proposal and adoption of administrative rules; provides for notification; provides that one required element of the notice is a statement concerning the economic impact of the proposed rule on small business; provides for required elements of the small business impact statement; provides for definitions; and requires that the office of state register to electronically transmit the summaries of the economic and fiscal impact statements to the commercial division of the Department of State. Proposed law removes the "small" limitation on the businesses that shall be considered in the statement and removed the "economic" limitation on the impacts, requiring that the statement evaluate any impact on any business; requires that the statements be approved by the legislative fiscal office; changes the existing required elements of the small business impact statement and adds additional requirements; provides for definitions; and removes the requirement for economic transmittal of summaries of the economic and fiscal impact statements to the commercial division of the Department of State.

EXPENDITURES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2020-21	2021-22	2022-23	2023-24	2024-25	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in a workload increase for state departments and agencies related to the preparation of administrative rules and rule changes. Proposed law requires a business impact statement to be included with each rule submittal, expanding the existing process to include all businesses (not just small ones) and to incorporate any impact on business operations (not economic impacts alone). This analysis will be more involved than under present law, and the Notice of Intent will require inclusion of additional information. The level of additional analysis that will be required will vary between administrative rule submissions and may be nominal or significant depending on the complexity of the agency, the rule and impacted industries. For the most part, the additional workload requirement should largely be absorbable by existing resources and not result in additional expenditures. However, some departments that submit a high volume of administrative rules could potentially require additional resources or may be required to slow submissions, which could potentially impact the departments' flexibility to make timely changes to administrative rules.

Proposed law will result in a workload increase for the Legislative Fiscal Office related to the analysis and review of fiscal and economic impact statements. The provision requiring that the business impact statement shall expand beyond economic impacts is likely to require additional scrutiny and analysis. The additional workload should be absorbable by existing budgetary and staff resources and should not result in additional expenditures.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

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| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} | | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} |

Evan Brasseaux
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