

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB2537

House of Origin	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Landes

3. Committee General Laws

4. Title Administrative Process Act.

5. Summary/Purpose: This bill amends the Administrative Process Act as follows: 1) duration of an emergency regulation may be extended by six months if approved by the Governor, 2) changes venue for informal fact finding proceedings and formal hearings to city or county where administrative agency maintains its principal office or as parties may otherwise agree, 3) authorizes agencies using fast track rulemaking process to provide for a public comment period of 30 days (rather than 60) after the publication of the regulation in the Virginia Register 4) reduces the Dept. of Planning & Budget's (DPB) time to provide economic impact analysis of proposed regulatory change made through the fast track process from 45 days to 30 days, 5) clarifies that the agencies must get prior approval to submit a fast-track regulation without having previously published a Notice of Intended Regulatory Action, and 6) authorizes an additional 30 days for DPB to complete economic impact analysis under certain circumstances.

6. No Fiscal Impact: see Item #8:

7. Budget amendment necessary: No

8. Fiscal implications: The proposal to change the default venue for informal fact finding proceedings and formal hearings to cities or counties where administrative agencies maintain their principal office or as parties may otherwise agree will likely reduce costs for boards and agencies that promulgate regulations and/or manage regulatory programs, and may moderately increase costs for individuals going before the boards. Currently, board members, staff, and witnesses must often travel to where the individual going before the board is located. Since there are typically several people located at or near the principal office who participate in these proceedings and hearings, there will be typically fewer dollars spent in total on travel if the individual going before the board does the traveling rather than the multiple participants in the proceedings and hearings who are located near the principal office.

Currently DPB performs two separate functions within 45 calendar days when an agency submits proposed regulatory change through the fast track rulemaking process; first DPB evaluates whether the submitted package qualifies for the fast track process; second, if the submitted package qualifies for fast track, DPB conducts its economic impact analysis of the proposed regulatory amendments. This bill reduces DPB's time to provide economic impact

analysis of proposed regulatory change made through the fast track process from 45 days to 30 days, but also clarifies that the agency must have its submission approved as fast track prior to submission as fast track. Thus, DPB will have 30 days to conduct the second function mentioned above, i.e., its economic impact analysis of fast track submissions. If DPB were required to perform both functions within 30 days rather than 45 days, additional staff would likely need to be hired. Since this is not the case, no additional staff are required.

9. Specific agency or political subdivisions affected: DPB and all agencies that promulgate regulations and/or manage regulatory programs.

10. Technical amendment necessary: Line number 484: Here the text states that emergency regulations cannot be extended for more than 12 months; whereas earlier text on Line 480 and the bill summary make clear that 6 months is intended. Thus the number “12” on Line 484 should be amended to the number “6.”

11. Other comments: This bill is identical to SB1139.

Date: 02/05/07 / LSG

Document: G:\FIS\2007\HB2537H1.Doc

cc: Secretary of Finance