

Department of Planning and Budget 2023 Fiscal Impact Statement

1. **Bill Number:** HB1366

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:** Head, C.

3. **Committee:** General Laws

4. **Title:** Executive branch agencies; posting of regulations; economic impact analysis.

5. **Summary:** Requires that all regulatory actions undertaken by an executive branch agency that are subject to the provisions of § 2.2-4103 of the Virginia Register Act be posted on the Regulatory Town Hall at each stage of the regulatory process. Additionally, all such actions must include an economic impact analysis (EIA) and any other information requested pursuant to instructions issued by the Department of Planning and Budget (DPB).

6. **Budget Amendment Necessary:** Yes, Item 272.

7. **Fiscal Impact Estimates:** Preliminary; See Item 8.

8. **Fiscal Implications:** DPB anticipates a fiscal impact if implementation of this legislation increases the agency's existing regulatory review responsibilities. The Code of Virginia does not currently require DPB to prepare an EIA for actions that are exempt from the APA, thus the bill would require DPB to prepare additional EIAs for APA-exempt actions. Over the last five years there have been on average 104 such actions per year. Presently, DPB prepares on average 89 EIAs per year. Consequently, it is anticipated that three additional economic analysts, with a total annual cost of \$276,000 general fund, would need to be hired to produce the additional reports.

Section 2.2-4007.04, Code of Virginia, requires the agency proposing the regulatory action to provide DPB with various specified information. Preparing and providing this information would require staff time, but should be absorbable within existing resources of the impacted agencies.

Governor Youngkin's Executive Order 19 already requires all regulatory actions undertaken by an executive branch agency to be posted on the Virginia Regulatory Town Hall at each stage of the regulatory process, including those that are exempt from the Administrative Process Act. Therefore, codifying this requirement would not have a fiscal impact.

9. **Specific Agency or Political Subdivisions Affected:** All executive branch agencies with regulations could potentially have an exempt action. Thus, all executive branch agencies with

regulations could be affected. DPB is affected in that the substitute bill requires the agency to prepare additional EIAs.

10. Technical Amendment Necessary: None.

11. Other Comments: None.