

Department of Planning and Budget 2007 Fiscal Impact Statement

1. Bill Number HB2537

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ 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 6 months beyond initial 1 yr if approved by 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 and cuts Dept. of Planning & Budget's (DPB) time to provide economic impact analysis from 45 days to 21 days for such regulations, and 4) authorizes an additional 30 days for DPB to complete economic impact analysis under certain circumstances.

6. Fiscal Impact Estimates are Final

6a. Expenditure Impact: SEE ITEM 8

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2006-07	0	0	
2007-08	\$152,600	2	GF
2008-09	\$148,600	2	GF
2009-10	\$148,600	2	GF
2010-11	\$148,600	2	GF
2011-12	\$148,600	2	GF
2012-13	\$148,600	2	GF

7. Budget amendment necessary: Yes, Item 263, Chapter 10, 2006 Acts of Assembly, Special Session 1

- 8. Fiscal implications – Operating:** In order to meet the proposed requirement to complete certain economic impact analyses within 21 days rather than the current 45 days, DPB would need to hire one additional economic analyst and one additional policy analyst.

DPB Expenditures for Two Additional Analysts (one economic, one policy)

<i>Fiscal Year</i>	<i>2007-08</i>	<i>Following Years</i>
Salary	\$120,000	\$120,000
Benefits	\$27,600	\$27,600
Supplies	\$1,000	\$1,000
Computer	\$4,000	n.a.
Total	\$152,600	\$148,600

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.

- 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 479: Here the text states that emergency regulations cannot be extended for more than 12 months; whereas earlier text on Line 475 and the bill summary make clear that 6 months is intended. Thus the number “12” on Line 479 should be amended to the number “6.”

- 11. Other comments:** SB1139 is identical to this bill (HB2537).

Date: 01/17/07 / LSG

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cc: Secretary of Finance