

Revised (see Item 11)

**Department of Planning and Budget
2011 Fiscal Impact Statement**

1. Bill Number: HB1939

House of Origin Introduced Substitute Engrossed

Second House In Committee Substitute Enrolled

2. Patron: Pollard, A.

3. Committee: General Laws

4. Title: Timeframe mandates for regulations when mandated by statute

5. Summary: HB1939 mandates that whenever legislation is passed during a session of the General Assembly that requires an agency to promulgate regulations, such agency shall file the Notice of Intended Regulatory Action with the Registrar of Regulations within 60 days of the effective date of the legislation. Further, the agency is required to have such regulations formally and finally approved and published in the Virginia Register of Regulations within 365 days. In the event that an agency concludes that despite its best efforts a regulation cannot be promulgated within the 365-day period, it shall publish notice in the Virginia Register of Regulations as to the reasons for the delay. Upon doing so, the agency will have an additional 180 days to complete the process. The bill also modifies the requirement for the Governor's executive order on regulations to include procedures to ensure that regulations are promulgated within the prescribed 365-day timeframe.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: See Item 8.

8. Fiscal Implications: The mandated timeframes may require some state agencies to host additional board meetings which require additional expenditure on travel and meals. Agencies should be able to absorb these additional expenses within their appropriations. Some agencies also may be required to redirect staff from other projects in order to attempt to meet the mandated deadlines.

9. Specific Agency or Political Subdivisions Affected: The legislation affects all state agencies with regulations which are not exempt from the Administrative Process Act.

10. Technical Amendment Necessary: No

11. Other Comments: Currently, an agency may choose one of four ways to implement a legislative mandate through the promulgation of a regulation. An agency may file an exempt,

emergency, or fast-track regulation, or they may use the standard default rulemaking process. The exempt, emergency, and fast-track regulatory processes are one-stage processes, and typically are concluded within six months or less. This bill would require all legislative mandates for regulation to be implemented using the standard default rulemaking process. Consequently, the existing provisions that take less time would no longer be available.

Date: 1/18/11 DPB, revised 1/25/11