

Department of Planning and Budget 2018 Fiscal Impact Statement

1. Bill Number: HB1192

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

2. Patron: Cline, B.

3. Committee: General Laws

4. Title: Administrative Process Act; development and periodic review of regulations; report.

5. Summary: Requires agencies subject to the Administrative Process Act to develop regulations in the least burdensome and intrusive manner possible, and provides guiding principles for the development, adoption, and repeal of regulations. The bill also requires each agency to establish a schedule over a ten-year period to review all regulations for which the agency is primarily responsible. The schedule shall provide for the annual review of at least 10 percent of the agency's regulations by July 1 of each year. Under the bill, the Governor would submit an annual report containing the findings of the regulation reviews by August 1 of each year to the Chairmen of the standing committees of the House of Delegates and the Senate. Review requirements include, but are not limited to, whether or not the regulation attained the specific and measurable goals it was designed to achieve and, in conjunction with the Department of Planning and Budget (DPB), the estimated cost (within ranges) of the regulation to affected entities.

6. Budget Amendment Necessary: Indeterminate – see Item 8.

7. Fiscal Impact Estimates: Indeterminate – see Item 8.

8. Fiscal Implications: The fiscal impact of the proposed legislation is indeterminate and may vary for each state agency. Some agencies report they would need additional staff.

The bill requires annual reviews of regulations that are more extensive and time-consuming (per review) than those currently required. The bill also eliminates the current requirement that all regulations be reviewed every four years and instead requires each agency to establish a schedule over a ten-year period for the review of all regulations for which the agency is primarily responsible, with 10 percent of the agency's regulations reviewed annually by July 1. Agencies are required to incorporate the results of the annual review into a report that contains specific information, and submit the report to DPB by July 1. The Governor is then to submit the master report to the Chairmen of the standing committees of the House of Delegates and the Senate no later than August 1.

Depending on how the bill is implemented, DPB may also need additional staff. To the extent that DPB would be required to assist in estimating the cost of each regulation during

the regulatory reviews required by the bill, a significant increase in staff time would result. The bill also requires DPB to review and consolidate agency review schedules for approval by the Governor, and to consolidate all regulatory review reports into a master report. The timeframes specified for these activities may be difficult to achieve with existing staffing levels.

- 9. Specific Agency or Political Subdivisions Affected:** Department of Planning and Budget and all state agencies with regulatory authority that are subject to the Administrative Process Act.

- 10. Technical Amendment Necessary:** No

- 11. Other Comments:** None.