



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 72

PRINTERS NO. 48

PRIME SPONSOR: Keefer

COST / (SAVINGS)

FUND	FY 2020/21	FY 2021/22
General Fund	\$0	See fiscal impact

SUMMARY: House Bill 72, printer's number 48, amends the Regulatory Review Act to provide for regulations deemed withdrawn; further providing for procedures for subsequent review of disapproved final-form or final-omitted regulations by the commission; and providing for concurrent resolution required for economically significant regulations.

The act shall take effect in 60 days after enactment.

ANALYSIS: This bill amends the Regulatory Review Act to require concurrent resolutions by the General Assembly for economically significant regulations. The legislation defines the term "economically significant regulation" as a regulation that, if promulgated and implemented, may reasonably be expected to result in direct or indirect cost to the Commonwealth, to its political subdivisions, and to the private sector in excess of \$1,000,000 on an annual basis.

In addition, this bill amends the Regulatory Review Act by eliminating the existing provision that a Commonwealth agency may, in lieu of its own statement, submit a fiscal note prepared by the Office of the Budget insofar as the proposed regulation relates to costs of the Commonwealth. The bill also requires that estimates of the direct and indirect costs to the Commonwealth, to its political subdivisions, and to the private sector be prepared by the Independent Fiscal Office for inclusion in the regulatory analysis form the agency must send to the Independent Regulatory Review Commission. A public hearing is also required to be conducted by the committees during the public comment period to receive comments regarding a proposed economically significant regulation. An agency shall appear at the public hearing if requested by the chair of the committee.

Under current law, the Regulatory Review Act provides that, except for emergency-certified regulations, an agency may not promulgate a regulation until completion of review mandated by the Regulatory Review Act. House Bill 72 stipulates that if the regulation is an economically significant regulation, a concurrent resolution adopted by the General Assembly is required to approve the regulation. The Senate and the House of Representatives shall each have 30 calendar days or 10 legislative days, whichever is longer, from the date on which the agency requested the concurrent resolution to adopt the resolution. If the General Assembly does not adopt the

concurrent resolution in the time prescribed, the final-form regulation or final-omitted regulation shall be deemed not approved, and such regulation shall not take effect. This provision does not apply to emergency-certified regulations.

FISCAL IMPACT: The Independent Fiscal Office (IFO) states that the enactment of this legislation would increase costs to the Commonwealth by approximately \$250,000 for two additional staff positions necessary to prepare the required estimates of direct and indirect costs of proposed regulations to the Commonwealth, its political subdivisions, and to the private sector.

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House Appropriations Committee (R)

DATE: May 3, 2021

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.