

Fiscal Estimate - 2017 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 17-1207/1	Introduction Number AB-0317
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Description
 review by state agencies of administrative rules and enactments; an expedited process for repealing rules an agency no longer has the authority to promulgate; retrospective economic impact analyses for rules; and reporting by the Legislative Reference Bureau on rules in need of revision

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
		<input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input checked="" type="checkbox"/> SEG <input type="checkbox"/> SEGS	20.395(4)(aq)

Agency/Prepared By DOT/ Paul Nilsen (608) 261-0126	Authorized Signature Amy Bayer (608) 264-8423	Date 5/30/2017
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Fiscal Estimate Narratives

DOT 5/30/2017

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Assumptions Used in Arriving at Fiscal Estimate

1. Repeal of unauthorized rules. The bill eliminates some of the steps ordinarily required for promulgation of a rule, and some of the required analyses. The department of transportation ("DOT") assumes this process could reduce the cost to effect rule changes for which a change or repeal of law has eliminated DOT authority to promulgate.

2. Review of rules and enactments.

A. Review of existing rules. The bill requires DOT to review its rules every 2 years and report to the legislature on rules that meet certain conditions. DOT currently has 135 chapters of code. Assuming that review of each chapter to determine whether any of the conditions apply and reporting of the findings requires 10 hours each, this will require 1,350 hours of work biennially, or 0.32 FTE annually. DOT assumes this work requirement will remain more or less constant.

Assuming 5% of its rule chapters meet the conditions that require petition for repeal, the review could require petition for repeal of as many as 6 rules each biennia. DOT estimates 200 hours for each simple rulemaking, and somewhat less time for each petition for repeal of each unauthorized rule, so petitions could require as much as 1,200 hours each biennia, or 0.29 FTE annually. DOT assumes this work requirement will decrease somewhat over successive biennia.

B. Review of acts. The legislature has averaged 366 acts during each of the past 4 biennia. Assuming that many of the acts clearly have no effect on DOT authority and will require little review and that some few acts will require extensive review, DOT assumes the required review will take 1 hour for each act. This will require 366 hours every biennia, or 0.09 FTE annually.

Assuming that 5% of the acts affect existing rules in one of the five specified ways, 18 acts biennially might require DOT action to commence rulemaking or petition for repeal. DOT estimates 200 hours for each simple rulemaking, and somewhat less time for each petition for repeal of each unauthorized rule. Assuming 18 acts require 200 hours each to complete rulemaking or repeal of unauthorized rules, the bill will require 3,600 hours of rulemaking work biennially, or 0.87 FTE annually.

DOT assumes the analyses required to review existing rules and acts to determine whether any of the 5 conditions apply will require the work of an attorney or similarly highly-skilled analyst. Attorney pay range is \$24.15-\$46.25 per hour; the estimated annual cost of the review of acts and rules is \$20,595-\$39,450 annually. Wherever rulemaking or a petition for repeal is required, DOT anticipates that work would be done by employees in a variety of pay classifications.

3. Retrospective economic impact analysis. The right to request this review is permissive and DOT cannot know for how many rules the Joint Committee for Review of Administrative Rules might direct an analysis, and whether that review might encompass an entire rule chapter or smaller subunits. In general, for ordinary promulgation of an administrative rule DOT assumes that the required identification of affected parties, consultation and coordination, together with the preparation of an economic impact analysis will require 40 hours for each subject.

Long-Range Fiscal Implications

This bill will require 1.57 FTE annually.

Fiscal Estimate Worksheet - 2017 Session

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): None.		
II. Annualized Costs:	Annualized Fiscal Impact on funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$39,450	\$
(FTE Position Changes)		
State Operations - Other Costs		
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$39,450	\$
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S (Transportation fund)	39,450	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$39,450	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By	Authorized Signature	Date
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