

# FISCAL NOTE

**STATE OF ALASKA**  
**2014 LEGISLATIVE SESSION**

Bill Version CSHB 140  
Fiscal Note Number \_\_\_\_\_  
( ) Publish Date \_\_\_\_\_

Identifier (file name) HB140CS-OOG-OMB-3-10-2014 Dept. Affected Various  
Title Regulation Impact Transparency Act Appropriation Various  
Allocation Various  
Sponsor Representative Reinbold, P. Wilson, Hughes  
Requester House Finance OMB Component Number \_\_\_\_\_

## Expenditures/Revenues (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

	FY15 Appropriation Requested	Included in Governor's FY15 Request	Out-Year Cost Estimates				
OPERATING EXPENDITURES	FY15	FY15	FY16	FY17	FY18	FY19	FY20
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants, Benefits							
Miscellaneous							
<b>TOTAL OPERATING</b>	***	<b>0.0</b>	***	***	***	***	***

FUND SOURCE <span style="float: right;">(Thousands of Dollars)</span>							
1002	Federal Receipts						
1003	GF Match						
1004	GF						
1005	GF/Prgm (DGF)						
1007	I/A Rcpts (Other)						
1156	Rcpt Svcs (DGF)						
		***	<b>0.0</b>	***	***	***	***

POSITIONS							
Full-time							
Part-time							
Temporary							

CHANGE IN REVENUES							
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**Estimated SUPPLEMENTAL (FY14) operating costs** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY15) costs** 0.0 (separate capital appropriation required)  
(discuss reasons and fund source(s) in analysis section)

### ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Unknown  
If yes, by what date are the regulations to be adopted, amended, or repealed? \_\_\_\_\_ Discuss details in analysis section.

### Why this fiscal note differs from previous version (if initial version, please note as such)

Updated for 2014 Legislative Session. The CS allows state agencies to provide the annual estimated cost based on good faith effort and on information available to them at the time, and to provide the cost estimate in aggregate.

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## FISCAL NOTE ANALYSIS

STATE OF ALASKA  
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BILL NO. CSHB 140

### Analysis

CSHB 140 amends AS 44.62.190. Notice of Proposed Action.

The bill proposes changes to the statute that governs the requirements pertaining to the adoption, amendment, or repeal of a state regulation. As part of the information included with certain notices of proposed regulations, state agencies would need to include, if applicable, an identification of the law, order, decision, or other action of the federal government or a federal court that requires the proposed action. This language is not expected to cause a fiscal impact for state agencies.

The bill would further require that a state agency provide the estimated annual cost, based on a good faith effort to estimate the costs in the aggregate for each of the following categories using the information available to the state agency, to:

- a) private persons to comply with the proposed action;
- b) other state agencies to comply with the proposed action; and
- c) municipalities to comply with the proposed action.

This legislation will have varying impacts on state agencies. Agencies with a low volume of regulation work may have little cost impact. Agencies that regularly see a high volume of proposals (regulations) will be impacted to a greater degree by the legislation. For example, The Board of Fish and the Board of Game typically see more than 400 proposals annually that could result in new regulations, or a change to existing regulations, or the repeal of regulations. The Regulatory Commission of Alaska could also be significantly impacted by this legislation based on the amount of regulations that impact them annually.

Allowing the cost impact to be provided in the aggregate may lessen the burden on state agencies. However, for agencies to provide a good faith estimate, they would still need to consider the estimated annual impact to private persons, other state agencies, and municipalities. The cost estimate would be based on information available to the agency, but the bill does not indicate what state agency efforts would meet a standard of "good faith . . . using the information available to the state agency."

If CSHB 140(JUD) were enacted, fiscal notes prepared for any future legislation that directed agencies to adopt or change regulations would need to account for the cost of estimating the future regulations' cost impact to private persons, other state agencies, and municipalities. Depending on the legislation, this may require agencies to dedicate additional staff resources to ascertaining economic impacts or to contract for services that specialize in ascertaining economic impacts for these entities. The amount of those contracts might vary with the size and sophistication of the state agency involved, and also might vary according to what efforts would meet a standard of "good faith . . . using the information available to the state agency."

The cost for state agencies to implement the requirements in the legislation is indeterminate.