

FISCAL NOTE

No. 12
 Bill Version: SB 24
 (S) Publish Date: 2/23/99

**STATE OF ALASKA
 1999 LEGISLATIVE SESSION**

BILL NO. _____

Revision Date/Time (Note if correction): _____
 Title: Regulations: Adoption & Judicial Review
 Sponsor: Senator Donley
 Requestor: Senate JUD

Department Affected: Labor
 BRU: Employment Security
 Component: Unemployment Insurance
COMPONENT SERIAL NO. 2276

EXPENDITURES/REVENUES: (Thousands of Dollars)

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

OPERATING	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS & CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0

CAPITAL						
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CHANGE IN REVENUE						
FUND SOURCE #						

FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipt						
1006 GF/MHTIA						
Other (Specify Type)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year (FY99) impact: \$ None

ANALYSIS: (Attach a separate page if necessary)

The Bill would amend the regulation adoption process in AS 44.62. See attached.

Prepared by: Rebecca Gamez, Director Phone: 465-2711
 Division: Employment Security Division Date/Time: 1/27/99 11:52 AM

Approved by Commissioner: Ed Flanagan, Commissioner
 Agency: Department of Labor Date: 1/27/99

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Attachment
Fiscal Note for SB 24

SB 24
#12

Alaska Department of Labor
Employment Security Division

The Bill would amend the regulation adoption process in AS 44.62 in two primary areas:

Sections 5-6 of the Bill would require a mandatory cost-benefit analysis for each regulation and would allow adoption of the regulation only if benefits exceed costs. A summary of the cost-benefit analysis would be included with each notice.

Section 8 of the Bill would require a supplemental notice before adoption if the agency has made any "significant" change to the regulation after the original notice. The agency would be required to justify any failure to provide supplemental notice, presumably on the basis of whether the re-drafted changes were "significant."

Mandatory cost-benefit analysis

ESD regulations in most cases do not impose additional reporting or other burdens on the public. They interpret eligibility requirements in the statute or define statutory terms. Cost-benefit analysis would be minimal. The personal services cost for this function is based on one regulations project per year, with one staff person completing the analysis in one week. Estimated cost approximately \$1,500.

Supplemental notice

Almost all ESD regulations projects have some "significant" re-drafting before adoption. Personal services cost is based on one project per year, with one supplemental notice per project, and an estimated two staff-weeks to complete the supplemental notice and evaluate the public response. Estimated cost approximately \$2,800.

Anticipated costs to be absorbed within existing budgeted funds. Zero fiscal note to be submitted.