

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: _____
 Bill Version: _____
 () Publish Date: _____
 Dept. Affected: Health & Social Services

Revision Date/Time (Note if correction): _____

Title REVIEW OF REGULATIONS BY LEGISLATIVE AFFAIRS RDU Departmental Support Services

Sponsor HOLM Component Commissioner's Office

Requester HOUSE (JUD) Component No. 317

Expenditures/Revenues (Thousands of Dollars)

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

OPERATING EXPENDITURES	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010
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 EXPENDITURES						
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CHANGE IN REVENUES (0)						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1037 GF/Mental Health						
Other(Specify Type-do not abbreviate)						
Other(Specify Type-do not abbreviate)						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

Estimate of any current year (FY2004) cost: _____

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

POSITIONS

Full-time						
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

Enactment of this legislation will likely result in significant costs to the Department of Health and Social Services. However those costs are indeterminate given the department's inability to predict with any certainty the timeliness or consequences of the Legislative Affairs Agency's reviews of the department's regulations.

Under current law incumbent legislators and the Legislative Affairs Agency receive copies of notices of regulatory changes as part of the normal public comment process. Individual legislators, legislative committees including the Administrative Regulation Review Committee, and Legislative Affairs all have the ability to comment on the proposed regulations.

Prepared by: Sherry Hill, Special Assistant Phone 465-1618
 Division Office of the Commissioner Date/Time 02/23/2004
 Approved by: Joel S. Gilbertson, Commissioner Date 02/23/2004
 Agency Department of Health and Social Services

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ANALYSIS CONTINUATION

The proposed legislation would require the Department of Law to provide a copy of proposed regulations to the Legislative Affairs Agency prior to opening the normal public comment period. The bill prohibits the agency from adopting the regulations pending receipt of the Legislative Affairs Agency review.

At this point in time a majority of the department's new regulations are necessary to achieve cost-savings in order for the department to live within its budget. Many of these cost-savings have been explicitly mandated by the legislature as discrete transactions in the department's budget. It is likely that the reviews conducted by the Legislative Affairs Agency will result in delays in implementing cost-containment activities. Delays may result from 1) Lack of timeliness of reviews; 2) Additional redrafting of regulations to address perceived deficiencies; or 3) Legal challenges arising from an unfavorable review.

If the department is unable to achieve its cost containment goals through the timely adoption of regulations, the department would have two choices: 1) To request a supplemental appropriation; or 2) Undertake alternative cost containment activities which may not have been envisioned in the budget passed by the legislature and signed by the Governor.