

FISCAL NOTE

STATE OF ALASKA
2004 LEGISLATIVE SESSION

Fiscal Note Number: 3
 Bill Version: CSHB 424(JUD)
 (H) Publish Date: 3/8/04

Revision Date/Time (Note if correction): _____ Dept. Affected: Legislature
 Title "An Act relating to review by the BRU Legislative Council
Legislative Affairs Agency of certain state agency...." Component: Council and Subcommittees
 Sponsor Representative Holm
 Requestor Representative Holm Component No. 2028

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	98.0	98.0	98.0	98.0	98.0	98.0
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
TOTAL OPERATING	98.0	98.0	98.0	98.0	98.0	98.0

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ()						
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FUND SOURCE (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	98.0	98.0	98.0	98.0	98.0	98.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
TOTAL	98.0	98.0	98.0	98.0	98.0	98.0

Estimate of any current year (FY2004) cost: _____

Check this box (X) if funding for this bill is included in the Governor's FY 2005 budget proposal:

POSITIONS

Full-time	1	1	1	1	1	1
Part-time						
Temporary						

ANALYSIS: (Attach a separate page if necessary)

CS HB424 (JUD) proposes establishing in statute, a review of proposed regulations, other than regulations of the Boards of Game or Fisheries, that would implement newly enacted legislation, or any proposed regulations a standing legislative committee, the Administrative Regulation Review Committee, or the Legislative Council requested be reviewed as implicating major policy development. This review would be conducted by the LAA-Legal and Research Services Division, within available staff resources and priorities set by Legislative Council. This legislation directs the Legislative Affairs Agency to assign one or more attorneys to conduct a review of the proposed regulations. Legal Services is currently at it's workload capacity and could not, without additional staff, review more than one, possible two, regulations per year.

Prepared by: Karla Schofield, Deputy Director Phone 465-6626
 Division Administrative Services Date/Time 3/8/04 2:01 PM
 Approved by: Pamela Varni, Executive Director Date 3/8/2004
 Agency Legislative Affairs Agency

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ANALYSIS CONTINUATION

A legislative staff regulation reviewer in Colorado, which performs a limited regulation review function, estimates that reviewing one regulation of average complexity could take up to 5 hours. Taking on the additional responsibilities of regulation review with existing division staff is unworkable because the impact of reviewing regulations as the session is gearing up in December, on top of the need to adequately research and draft prefiled bills for the upcoming session, or at the end of session when attorneys are working on rewrites or amendments does not allow time to perform this new function. During the remaining portion of the year, the division is not fully staffed as some employees are seasonal and others are on annual leave. The division performs interim projects on other matters such as examining and preparing a report on all court decisions and opinions of the Attorney General construing Alaska Statutes, contract and litigation work, and interim projects such as title reviews and annual statute revision to incorporate new laws. During the interim the division receives and assigns between 50 and 100 new drafting requests per month.

The language in the legislation states that the Legislative Affairs Agency

1. "...may review each proposed regulation.."
2. "...that the review by LAA-Legal Services does not affect a state agency's authority to complete its proposed action regarding the regulation.."
3. "...suggestions for changes to a proposed regulation by the Legislative Affairs Agency are not binding on a state agency..."
4. "...No action may be brought for the failure of the Legislative Affairs Agency to conduct a legal review under this section..."

This makes it is clear that there are no consequences if the Legislative Affairs Agency does not have the staff to carry out the legislation. The legislation does make it very clear that the Legislature would like to have the ability to review a certain percentage of regulations proposed by state agencies over the course of a year.

As we are unable to determine exactly how many regulations, whether simple or complex, would actually be reviewed under this legislation, we have included funding for one attorney to perform this work. It is anticipated that the Legislature would wish to review, at a minimum, 30% of all proposed regulations. The 98.0 included in this fiscal note to fund the new attorney position represents approximately 30% of the 348.4 cost to review all proposed regulations for the State of Alaska. If the demand by the Legislature for regulation review exceeded the amount of work one attorney could accomplish, the Legislature would have at least two ways of increasing funding for this function, or they could choose to cease reviewing regulations. Method one for increasing funding for this function would be to increase the Legislative Affairs Agency budget request in subsequent fiscal years to include more positions and more funding for Legal Services. Method two would be for the Legislative Council to authorize the expenditure of Legislative Council funds for the Legislative Affaris Agency to retain a law firm to accomplish the review of specific regulations.

Personal Services

Legal Admin Reg Review Attorney IV position (R24) - 98.0