

**HB**

**140**

<TARGET><BILL>HB 140</BILL><SUBJECT>HB  
140</SUBJECT><COMM>SJUD28</COMM></TARGET>

# Fiscal Note

State of Alaska  
2013 Legislative Session

Bill Version: CSHB 140(JUD)  
Fiscal Note Number: 1  
(H) Publish Date: 4/9/13

Identifier: HB140-OOG-OMB-03-15-2013  
Title: NOTICE FOR REGULATION ADOPTION  
Sponsor: REINBOLD  
Requester: Judiciary

Department: Various  
Appropriation: Various  
Allocation: Various  
OMB Component Number:

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2014	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2014 Request	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
<b>OPERATING EXPENDITURES</b>	<b>FY 2014</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	0.0	***	***	***	***	***

**Fund Source (Operating Only)**

None							
<b>Total</b>	***	0.0	***	***	***	***	***

**Positions**

Full-time							
Part-time							
Temporary							

**Change in Revenues**

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Estimated SUPPLEMENTAL (FY2013) cost: 0.0

Estimated CAPITAL (FY2014) cost: 0.0

**ASSOCIATED REGULATIONS**

Does the bill direct, or will the bill result in, regulation changes adopted by your agency?  
If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

Initial version of fiscal note.

Prepared By: Arnold Liebelt, Policy Analyst  
Division: Office of Management and Budget  
Approved By: Karen Rehfeld, Director  
Office of Management and Budget

Phone: (907)465-4676  
Date: 03/15/2013 05:00 PM  
Date: 03/15/13

FISCAL NOTE ANALYSIS #1

STATE OF ALASKA  
2013 LEGISLATIVE SESSION

BILL NO. CSHB 140(JUD)

**Analysis**

HB 140 amends AS 44.62.190. Notice of Proposed Action.

Section 2 of 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 to the state.

The bill would further require that a state agency include the estimated annual costs 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.

Without further detail as to this requirement, we cannot quantify with any level of accuracy the cost for implementing this requirement, and thus the cost impact to the state for this section is indeterminate.

As mentioned above, more detail is needed as to whether the estimate required is a general estimate of impacts for a group or set of municipalities or for each individual municipality, etc. Estimating costs to each municipality is not a function that agencies are staffed to perform. If estimates are for each individual entity, the estimated annual cost to provide this information to private persons and to municipalities could be a significant undertaking and would require additional staff and economic consultants.

For these reasons, the fiscal impact to the state cannot be quantified.

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: CSHB 140(FIN)  
Fiscal Note Number: 2  
(H) Publish Date: 3/25/14

Identifier: HB140CS-OOG-OMB-3-10-2014  
Title: NOTICE FOR REGULATION ADOPTION  
Sponsor: REINBOLD  
Requester: House Finance

Department: Various (for Fiscal Notes only)  
Appropriation: Various  
Allocation: Executive Branch  
OMB Component Number: 0

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	0.0	***	***	***	***	***

## Fund Source (Operating Only)

None							
<b>Total</b>	***	0.0	***	***	***	***	***

## Positions

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
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**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 (separate supplemental appropriation required)  
(discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2015) cost:** 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?

## Why this fiscal note differs from previous version:

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.

Prepared By:	Arnold Liebelt, Policy Analyst	Phone:	(907)465-4676
Division:	Office of Management and Budget	Date:	03/10/2014 03:30 PM
Approved By:	Karen Rehfeld, Director	Date:	03/10/14
Agency:	Office of Management and Budget		

## FISCAL NOTE ANALYSIS #2

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. CSHB 140(FIN)

### 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.

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: SCS CSHB 140(JUD)  
 Fiscal Note Number: 3  
 (S) Publish Date: 4/17/14

Identifier: HB140SCSCS(JUD)-OOG-OMB-04-15-2013  
 Title: REGULATIONS: NOTICE, REVIEW, COMMENT  
 Sponsor: REINBOLD  
 Requester: Senate Judiciary

Department: Various (for Fiscal Notes only)  
 Appropriation: Various  
 Allocation: Executive Branch  
 OMB Component Number: 0

**Expenditures/Revenues**

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Personal Services	***		***	***	***	***	***
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	***	0.0	***	***	***	***	***

**Fund Source (Operating Only)**

None							
<b>Total</b>	***	0.0	***	***	***	***	***

**Positions**

Full-time							
Part-time							
Temporary							

<b>Change in Revenues</b>							
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**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2015) cost:** 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? No  
 If yes, by what date are the regulations to be adopted, amended or repealed?

**Why this fiscal note differs from previous version:**

Updated to reflect the changes in the Senate Judiciary Committee Substitute. The CS exempts the Board of Game (BOG) and the Board of Fisheries (BOF), the Regulatory Commission of Alaska (RCA), the Alaska Oil & Gas Conservation Commission (AOGCC).

Prepared By: <u>Arnold Liebelt, Policy Analyst</u>	Phone: <u>(907)465-4676</u>
Division: <u>Office of Management and Budget</u>	Date: <u>04/16/2014 12:00 PM</u>
Approved By: <u>Karen Rehfeld, Director</u>	Date: <u>04/16/2014</u>
Agency: <u>Office of Management and Budget</u>	

FISCAL NOTE ANALYSIS #3

STATE OF ALASKA  
2013 LEGISLATIVE SESSION

BILL NO. SCS CSHB 140(JUD)

**Analysis**

SCSCSHB 140(JUD)

Section 2 of the bill would allow the governor to have the authority to return regulations to the agency before they can be filed and certified under the Administrative Procedure Act for two reasons: 1) the regulations are inconsistent with statute; and 2) to have the agency respond to specific concerns raised by the Administrative Regulation Review Committee. Existing law exempts all boards and commissions. The CS exempts the Board of Game, Board of Fisheries, AOGCC, and the RCA. These exemptions would significantly reduce the overall fiscal impact.

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.

There are 162 municipalities in Alaska. Estimating the annual cost to these municipalities is not a function that agencies are staffed to perform. State employees implement and execute state programs. They are not required nor have the capacity to provide a meaningful estimate of the annual costs to private persons and to municipalities of state action. For a state agency to determine the estimated annual cost and to provide this information to private persons and to municipalities would be a large undertaking and would require additional staff and economic consultants, depending on the size and complexity of the regulations project.

This bill will cause a fiscal impact for all departments, boards, commissions, and other state entities, other than those specifically exempted by the bill. Agencies that are expected to be more impacted include the Department of Natural Resources, Department of Environmental Conservation, and the Department of Commerce, Community and Economic Development. These agencies expect additional positions and resources will be needed in order to comply with the bill.

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: SCS CSHB 140(JUD)  
 Fiscal Note Number: 4  
 (S) Publish Date: 4/17/14

Identifier: HB140SCSCS(JUD)-DNR-CO-4-16-14  
 Title: REGULATIONS: NOTICE, REVIEW, COMMENT  
 Sponsor: REINBOLD  
 Requester: Senate Judiciary

Department: Department of Natural Resources  
 Appropriation: Administration & Support Services  
 Allocation: Commissioner's Office  
 OMB Component Number: 423

## Expenditures/Revenues

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

(Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Personal Services							
Travel							
Services	112.0		70.0	70.0	70.0	70.0	70.0
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>112.0</b>	<b>0.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>

## Fund Source (Operating Only)

1004 Gen Fund	112.0		70.0	70.0	70.0	70.0	70.0
<b>Total</b>	<b>112.0</b>	<b>0.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>	<b>70.0</b>

## Positions

Full-time							
Part-time							
Temporary							

## Change in Revenues

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**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 (separate supplemental appropriation required)  
 (discuss reasons and fund source(s) in analysis section)

**Estimated CAPITAL (FY2015) cost:** 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? No  
 If yes, by what date are the regulations to be adopted, amended or repealed? N/A

## Why this fiscal note differs from previous version:

Initial Version

Prepared By: Esther Tempel, Legislative Liaison  
 Division: Commissioner's Office  
 Approved By: Joe Balash, Commissioner  
 Agency: Department of Natural Resources

Phone: (907)465-4730  
 Date: 04/16/2014 12:00 PM  
 Date: 04/16/14



FISCAL NOTE ANALYSIS #4

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. SCS CSHB 140(JUD)

**Analysis**

This bill amends AS 44.62.190. Notice of Proposed Action.

The bill proposes changes to the Administrative Procedures Act 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 to the Department of Natural Resources (DNR).

Sec. 3 of the bill would require that DNR 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.

Allowing the cost estimate to be provided in the aggregate may lessen the burden on DNR. However, for DNR to provide a good faith estimate, it would still need to consider the estimated annual impact for private persons, other state agencies, and municipalities to comply with the proposed regulations. 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."

DNR anticipates that in most cases the department will be required to hire economists or other financial professionals, or enter into professional services contracts, to gather and analyze this type of information. DNR can estimate costs to itself and other state agencies, but does not have the expertise on staff to provide a good faith estimate for annual cost to private persons or municipalities. Assuming \$7,000 per professional services contract per regulatory action and 16 regulatory actions for the department in FY 2015, and on average, 10 regulatory action per year thereafter, DNR will need \$112,000 in FY 2015, and \$70,000 per year thereafter to facilitate this requirement.

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: SCS CSHB 140(JUD)  
Fiscal Note Number: 5  
(S) Publish Date: 4/17/14

Identifier: HB140SCSCS(JUD)-DEC-CO-04-15-14  
Title: REGULATIONS: NOTICE, REVIEW, COMMENT  
Sponsor: REINBOLD  
Requester: Senate Judiciary Committee

Department: Department of Environmental Conservation  
Appropriation: Administration  
Allocation: Office of the Commissioner  
OMB Component Number: 633

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2015 Request	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>	<b>FY 2015</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>FY 2020</b>
Personal Services	95.2		114.2	114.2	114.2	114.2	114.2
Travel	6.0		6.0	6.0	6.0	6.0	6.0
Services	155.7		156.9	156.9	156.9	156.9	156.9
Commodities	7.5		1.0	1.0	1.0	1.0	1.0
Capital Outlay							
Grants & Benefits							
Miscellaneous							
<b>Total Operating</b>	<b>264.4</b>	<b>0.0</b>	<b>278.1</b>	<b>278.1</b>	<b>278.1</b>	<b>278.1</b>	<b>278.1</b>

## Fund Source (Operating Only)

1004 Gen Fund	264.4		278.1	278.1	278.1	278.1	278.1
<b>Total</b>	<b>264.4</b>	<b>0.0</b>	<b>278.1</b>	<b>278.1</b>	<b>278.1</b>	<b>278.1</b>	<b>278.1</b>

## Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0
Part-time							
Temporary							

## Change in Revenues

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**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2015) cost:** 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? **No**  
If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By: Tom Cherian, Director  
Division: Administration  
Approved By: Lynn Kent, Deputy Commissioner  
Agency: Department of Environmental Conservation

Phone: (907)465-5256  
Date: 04/13/2014 03:00 PM  
Date: 04/15/14

FISCAL NOTE ANALYSIS #5

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. SCS CSHB 140(JUD)

**Analysis**

**Analysis/Assumptions:** This legislation would require the development of estimated annual costs to the state agency to implement a proposed regulation as well as for private persons, state agencies, and municipalities to comply with the proposed regulations. This cost information is to be furnished along with the notice for the regulation. This bill requires the Department to produce a "good faith" estimate, which could be difficult to gauge the legislative intent regarding the level of detail for a cost estimate. The Department has assumed that any proposed regulation package that results in a cost savings to regulated entities would also need to be calculated and included in the public notice.

**Personal Services:**

The Division of Administration would need one new Economist III position in Juneau to analyze data and calculate the estimated costs to implement proposed regulations for all divisions within the Department.

**Travel:**

Estimates quarterly travel to Anchorage for meetings related to pending regulation packages.

**Services:**

Contractual assistance is required each year for the development of cost estimates for the operating divisions for preparing the regulation packages including data collection, analysis, and reporting of findings. The Department estimates that 15 regulation packages will be prepared annually among the four operating divisions.

**Commodities:**

The economist position support costs, including furniture and computers (one-time costs for new positions); ongoing standard office supplies.

# Fiscal Note

State of Alaska  
2014 Legislative Session

Bill Version: SCS CSHB 140(JUD)  
Fiscal Note Number: 6  
(S) Publish Date: 4/17/14

Identifier: HB140SCSCS(JUD)-DCCED-CBPL-04-15-14  
Title: REGULATIONS: NOTICE, REVIEW, COMMENT  
Sponsor: REINBOLD  
Requester: Senate Judiciary

Department: Department of Commerce, Community and  
Economic Development  
Appropriation: Corporations, Business and Professional  
Licensing  
Allocation: Corporations, Business and Professional  
Licensing  
OMB Component Number: 2360

## Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2015 Appropriation Requested	Included in Governor's FY2015 Request	Out-Year Cost Estimates					
			FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
<b>OPERATING EXPENDITURES</b>								
Personal Services	78.7		78.7	78.7	78.7	78.7	78.7	78.7
Travel	229.2		229.2	229.2	229.2	229.2	229.2	229.2
Services	20.2		20.2	20.2	20.2	20.2	20.2	20.2
Commodities	5.0		1.0	1.0	1.0	1.0	1.0	1.0
Capital Outlay								
Grants & Benefits								
Miscellaneous								
<b>Total Operating</b>	<b>333.1</b>	<b>0.0</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>

## Fund Source (Operating Only)

1156 Rcpt Svcs	333.1		329.1	329.1	329.1	329.1	329.1	329.1
<b>Total</b>	<b>333.1</b>	<b>0.0</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>

## Positions

Full-time	1.0		1.0	1.0	1.0	1.0	1.0	1.0
Part-time								
Temporary								

<b>Change in Revenues</b>	<b>333.1</b>		<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>	<b>329.1</b>
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**Estimated SUPPLEMENTAL (FY2014) cost:** 0.0 *(separate supplemental appropriation required)*  
*(discuss reasons and fund source(s) in analysis section)*

**Estimated CAPITAL (FY2015) cost:** 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? No  
If yes, by what date are the regulations to be adopted, amended or repealed?

## Why this fiscal note differs from previous version:

Not applicable, initial version.

Prepared By:	Sara Chambers, Director	Phone:	(904)465-2144
Division:	Corporations, Business, and Professional Licensing	Date:	04/15/2014 10:30 AM
Approved By:	Jeanne Mungle, Director	Date:	04/15/2014
Agency:	Administrative Services		

FISCAL NOTE ANALYSIS #6

STATE OF ALASKA  
2014 LEGISLATIVE SESSION

BILL NO. SCS CSHB 140(JUD)

**Analysis**

SCS CS HB 140 amends AS 44.62.190.

The bill proposes changes to the statute that governs the requirements pertaining to the adoption, amendment, or repeal of a state regulation. The agency shall submit to the governor for review a copy of every regulation or order of repeal adopted by the agency; the bill requires boards and commissions to comply with this provision, which includes responding timely to requests for changes from the governor. The proposed legislation requires the agency, including board and commission members, to accept additional levels of public comment, which shall also be responded to and recorded. The bill also requires substantial additions to the public notice requirements, including publishing full copies of documents incorporated by reference.

The addition of these proposed actions requires startup expenses for administrative support. This fiscal note requests one permanent full time Administrative Assistant II (range 14) to supervise and execute projects in support of the regulations specialist, including coordination of public notices, public comments and responses, cost estimates, copyright research, and regulatory board meeting scheduling. Licensing fees for each program are set per AS 08.01.065 so the revenue collected equals the occupation's regulatory costs. Additional costs incurred to the division as a result of this legislation must, by statute, be borne by licensees through licensing fees.

In addition, contractual increase to accommodate additional regulations attorney review is necessary, based on an estimate of twenty-five regulation projects per year.

Costs for establishing and maintaining the new legislation are based on the following:

Personal Services: \$78.7 for one permanent full time Administrative Assistant II (range 14) to assist regulations specialist and paralegal with requirements associated with regulations projects.

Travel: \$200.2 for board members and \$29.0 for staff to twenty affected boards to schedule one additional meeting per year each in order to meet the requirements of this bill. It is expected that each of the affected boards will need one additional meeting to deliberate the topic, draft and approve regulations before the public comment period, and consider public comment before approving final regulations. This fiscal note reflects the travel costs for board members to travel to these meetings. The department will make every effort to schedule additional meetings via teleconference when feasible.

Services: \$10.2 ongoing legal support services related to regulation implementation; \$10.0 ongoing support services related to new position.

Commodities: \$5.0 start up for new position and \$1.0 in out years.

In addition to the above costs, affected programs would incur direct expenses for the regulations specialist, paralegal, and supervisory management through positive timekeeping. They would also incur indirect expenses for administrative support, such as accounting, payroll, risk management, ADA chargeback, and building leases. Although increased authorization is not needed for these costs, this program's share of the division's total indirect costs will be considered as part of the program's total costs during the biennial review of licensing fees.

# Alaska State Legislature



**Representative Lora Reinbold**  
House District 26

## **Sponsor Statement for CS House Bill 140(FIN)**

*"An Act relating to the information that must be included with certain notices provided for the proposed adoption, amendment, or repeal of a regulation."*

Under current law, state agencies that propose changes to the Alaska Administrative Code, our state regulations, are required to disclose certain information about the regulation, including the reason for the proposed action, costs of implementation of the regulation to the adopting agency and the origin of the proposed regulation.

To provide better information about regulations that may significantly affect private individuals and businesses, other state agencies and local governments, House Bill 140 requires that regulation notices include information about estimated costs beyond those to the agency.

In view of the increasing reach of the Washington D.C. into Alaska's affairs, the bill also requires that when the federal government is the reason for the regulation, the exact federal law, executive order or decision be identified in order for Alaskans to better understand government actions that affect their businesses and lives.

Open government is a great American and Alaskan tradition. I respectfully request your support for House Bill 140.



217 Second Street, Suite 200 • Juneau, Alaska 99801

Tel (907) 586-1325 • Fax (907) 463-5480 • [www.akml.org](http://www.akml.org)

March 25, 2013

Honorable Representative Lora Reinbold  
Alaska State Capitol  
Juneau, Alaska

RE: HB 140

Dear Representative Reinbold,

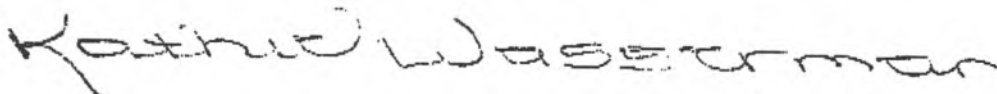
The Alaska Municipal League would like relay to you our support for HB 140.

While most regulations at the state level and more than a few at the federal level impact municipalities, it is always helpful to have some idea of how that impact will affect our bottom line; for planning and budgetary considerations.

I believe that having this information available to Legislators will also help to identify legislation that might be forthcoming in order to save individuals and/or municipalities money. While the cost of implementation to the agency may be minimal, the costs that will be required of individuals and municipalities may impose more damage than the regulation is worth.

We applaud your attempt to encourage all involved to look at broader impacts of regulation changes.

Sincerely,



Kathie Wasserman  
Executive Director

April 5, 2013

The Honorable Lora Reinbold  
Alaska House of Representatives  
Capitol Room 432  
Juneau, AK 99801

Re: House Bill 140

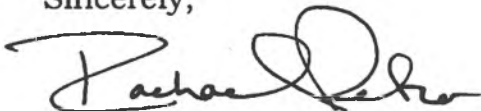
Dear Representative Reinbold,

The Alaska State Chamber of Commerce (Alaska Chamber) is an organization dedicated to improving the business climate in Alaska. The Alaska Chamber represents hundreds of statewide businesses from Ketchikan to Barrow that share a common goal: to make Alaska a viable and competitive place to do business. Today, I write in support of House Bill (HB) 140 – Notice for Regulation Adoption.

The Alaska Chamber supports legislation that updates and clarifies laws as they relate to doing business in Alaska and generally improves our business climate. HB 140 recognizes that administrative code and regulations often can add to the cost of doing business in Alaska. HB 140 requires costs to businesses and other governments be estimated during the adoption process.

Alaska has unique characteristics and challenges when it comes to being competitive in the marketplace – like our Arctic conditions, lack of economies of scale, etc. Promulgation of code and regulations by the State of Alaska should not add to our challenges with being competitive. By requiring cost estimates for businesses and government, HB 140 is an important first step to protect against the State of Alaska reducing Alaska's competitiveness for business investment.

Sincerely,



Rachael Petro  
President/CEO



ALASKA STATE  
CHAMBER  
OF COMMERCE

*The Voice of  
Alaska Business*

**Headquarters**

471 W 36th Ave  
Suite 201  
Anchorage  
AK 99503  
(907) 278-2722

**Regional Office**

3100 Channel Dr.  
Suite 300  
Juneau  
AK 99801  
(907) 586-2323





## Comments on HB140: Notice for Regulation Adoption

### Council of Alaska Producers

March 15, 2013

The Honorable Representative Lora Reinbold  
House of Representatives  
Alaska State Capitol  
Juneau, AK 99801-1182

Dear Representative Reinbold,

The Council of Alaska Producers (CAP) would like to thank you for introducing HB140, the Regulation Impact Transparency Act.

CAP is a non-profit trade association formed in 1992 and serves as a spokesperson for the large metal mines and major metal developmental projects in the state. The Council brings together mining companies with interest in Alaska to represent and inform members on legislative and regulatory issues, to support and advance the mining industry, to provide education to members, the media, and the general public on mining related issues, and to promote economic opportunity and environmentally sound mining practices.

CAP supports a regulatory framework that is rigorous, science based, transparent and predictable and we support HB140 as it provides transparency to proposed regulation changes in the State of Alaska.

It does this by ensuring that details of their provenance, including any federal action that may have resulted in their proposal, are available to the public. It also requires an accounting of the costs to private persons and municipalities that would be required to comply with any proposed regulation change.

By providing additional transparency to the process, this bill will allow all Alaskans to fully understand the impact of regulatory changes to their businesses and their daily lives.

We thank you for your support of the Alaska mining industry and we look forward to providing additional support to this bill as it moves through the legislative process.

Sincerely,

Michael Satre, Executive Director  
PO Box 33499  
Juneau, Alaska 99803  
907-957-2149

# NFIB

The Voice of Small Business®

ALASKA

March 14, 2013

The Honorable Lora Reinbold  
State Capitol Building  
Juneau, Alaska 99801-1182

RE: House Bill 140

Dear Representative Reinbold:

On behalf of the National Federation of Independent Business/Alaska, I wish to respectfully share our support for House Bill 140. The National Federation of Independent Business is the largest small-business advocacy group in Alaska.

Regulations promulgated by the administrative branch continue to add costs to the operation of small businesses in Alaska. All too often, those involved in writing regulations fail to realize the cost their actions have on private individuals and businesses that are not reimbursed by government. We are happy to see legislation recognizing this fact and requiring that it be recognized by administrative agencies as they consider new regulations.

The National Federation of Independent Businesses/Alaska polled its members asking if legislation or regulation that pertain to business require a cost-benefit analysis before implementation. Our members voted 71% in favor of such a requirement. While this is not specifically addressed in the legislation, HB 140 is a substantive step towards recognizing the cost of regulations to the private sector and municipalities.

If we want Alaska to be welcoming to small business, it is important the state begin to recognize the costs it mandates on those small businesses. Until we require those costs be officially recognized, it is difficult to reduce regulatory costs for small businesses.

Sincerely yours,



Dennis L. DeWitt  
Alaska State Director

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Cc: NFIB/AK Leadership Council  
House Judiciary Committee



WASILLA AREA SENIORS INC.

ROOTED IN DIGNITY | SERVING WITH RESPECT

March 20, 2013

The Honorable Representative Lora Reinbold  
House of Representatives  
Alaska State Capitol  
Juneau, AK 99801-1182

Dear Representative Reinbold,

On behalf of Wasilla Area Seniors, Inc., I would like to offer support for House Bill 140, the "Regulation Transparency Act." Regulations which are passed impact our daily lives in many ways and often have unintended consequences and huge costs to organizations and individuals. It is vital that the consequences and financial burden of these regulations be considered carefully prior to implementation.

House Bill 140 will work to ensure that agencies thoughtfully take into consideration the many outer costs that these regulations will initiate. As well as create an awareness of these potential costs that these regulations will pose, both to private individuals and to organizations such as ours.

We feel that this "Regulation Impact Transparency Act" is an important step in creating an open and thoughtful regulation process.

Sincerely,

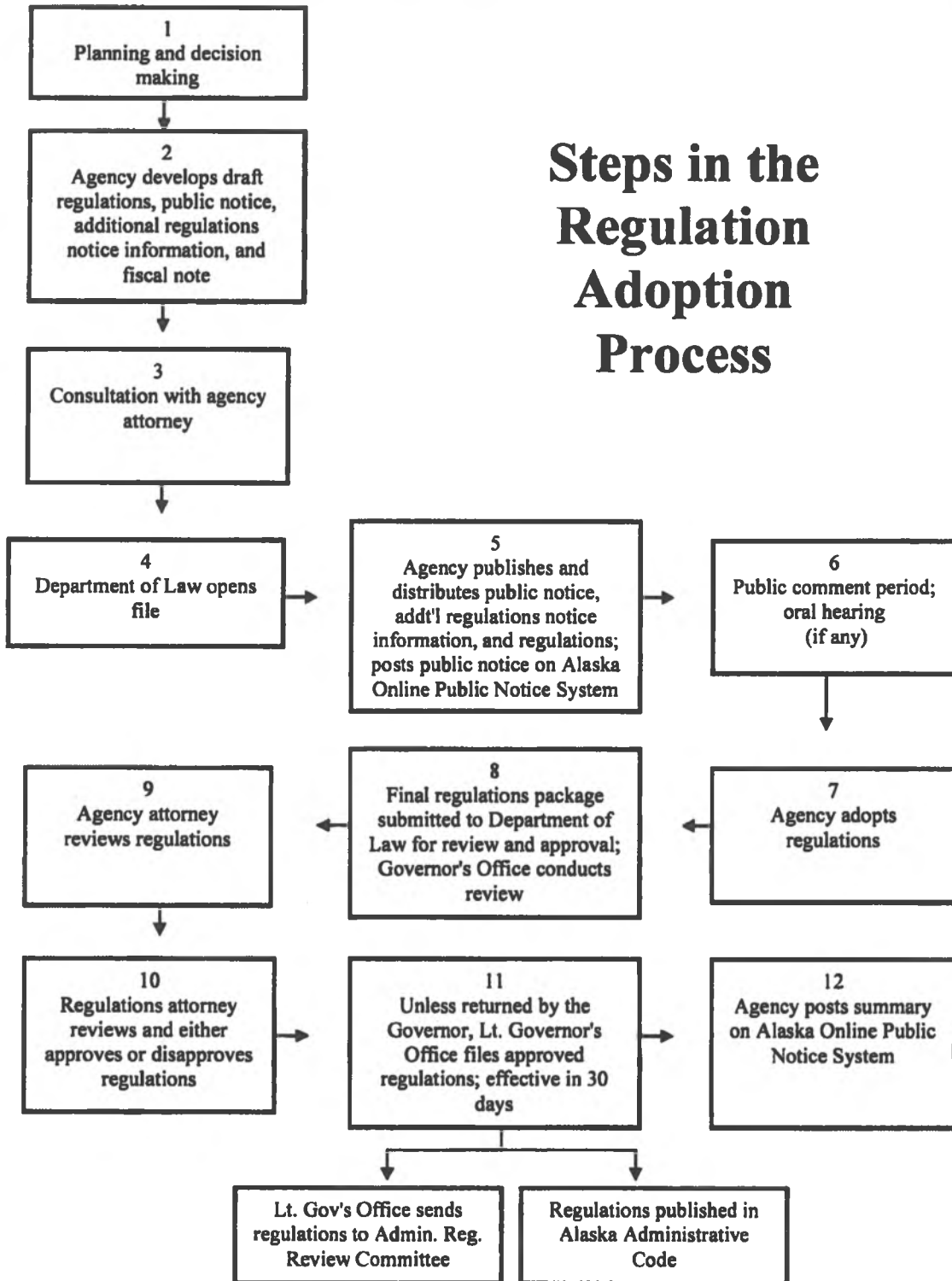
Ingrid Ling  
Executive Director  
Wasilla Area Seniors, Inc.

PHONE 907.376.3104 | FAX 907.373.5170

1301 CENTURY CIRCLE | WASILLA, ALASKA 99654

WASILLASENIORS.COM

# Steps in the Regulation Adoption Process





Sean Parnell  
GOVERNOR

STATE OF ALASKA  
OFFICE OF THE GOVERNOR  
JUNEAU

August 26, 2013

### ADMINISTRATIVE ORDER NO. 266

I, Sean Parnell, Governor of the State of Alaska, under the authority of Article III, Sections 1 and 24 of the Alaska Constitution, and to the maximum extent allowed by law, establish the following Regulatory Efficiency Guidelines (REGS) for State agencies in the executive branch to use in the review, oversight, adoption, amendment, and repeal of regulations and in the recommendation of improvements to the Alaska Statutes.

#### OBJECTIVES

This Order is intended to accomplish the following objectives:

- Minimize the cost, time, and burden to the affected public of complying with State regulations and encouraging State agencies to work with all stakeholders, to meet the objectives of Alaska Statutes;
- Reduce administrative cost and burden;
- Ensure that State regulations are consistent with Alaska Statutes and limited to carrying out the statutory purpose;
- Further the State's interest in preserving our State's rights in adopting regulations to implement federal programs and to receive federal funds.

#### BACKGROUND AND PURPOSE

For many years, State agencies responsible for implementing State statutes and federal mandates have not consistently

- Reviewed, overseen, amended, or repealed existing regulations to streamline program operations and create efficiencies;
- Considered and communicated with the affected public regarding the cost and impacts of proposed new regulations; nor
- Modified proposed regulations in response to concerns raised by the affected public.

The public is best served when State agencies operate under direction such as REGS to ensure that regulations are up-to-date, clearly and plainly written, carry out the statutory purpose, take into account the costs imposed on individual Alaskans and those doing business in the state, particularly small businesses, and allow State agencies to facilitate implementation of a law in the most reasonable and cost-effective manner possible.

## AGENCY DIRECTIVES

1. Existing Regulations - Not later than October 15, 2013, and by September 15 in every succeeding year, each commissioner or agency head shall
  - Review, in consultation with the Department of Law, all existing regulations to ensure consistency with Alaska Statutes and the objectives of this Order and that costs of compliance to the public are minimized;
  - Identify regulations that should be repealed or amended to decrease the burden of fiscal and nonfiscal impacts on the affected public;
  - Discuss with members of the affected public, regulations that create an unnecessary burden; and
  - Advise the Governor and the Office of Management and Budget of the results of the review and recommendations for regulatory actions; any necessary State or federal statutory changes to implement the recommendations; and estimated costs and potential savings if the recommendations are implemented.
  
2. Proposed Regulations - Before proposed regulations are publicly noticed after the effective date of this Order, a State agency proposing the regulations shall
  - Assess the need for the regulations to avoid the adoption of unnecessary regulations;
  - Verify legal authority for the proposed regulations with the Department of Law, and verify that the regulatory language proposed is narrowly tailored to accomplish the statutory purpose;
  - Suggest to the Office of the Governor for consideration any changes to federal and State statutes to simplify and reduce costs of the newly proposed regulations;
  - Share ideas with members of the affected public to develop the proposed regulations through publicly noticed workshops or hearings, calls for written suggestions to improve the process, meetings with advisory boards to the State agency, or other similar means consistent with legal requirements;
  - Consider the use of a negotiated regulation-making process under AS 44.62.710 - 44.62.800;
  - Verify costs of implementation to the State agency and the affected public to ensure that the least costly alternatives are considered or enabled consistent with legal requirements; and
  - Coordinate with other State agencies that have overlapping responsibilities to avoid duplication while facilitating compliance with law.

Each commissioner or agency head shall review the comments from the public on

publicly-noticed regulations and evaluate the fiscal and nonfiscal impacts on the affected public. If the commissioner or agency head has concerns regarding the economic impact on the affected public, the commissioner or agency head shall consider regulatory alternatives to achieve the agency's statutory purpose while minimizing the impact, costs, and burden on the affected public. Consistent with legal requirements, regulations must be amended if it is possible to achieve the statutory purpose while reducing the impact, costs, and burden on the affected public

### GENERAL PROVISIONS

Consistent with law and available appropriations, each affected State agency shall use existing personnel and monetary resources to comply with this Order.

### DEFINITION

In this Order, "affected public" includes

1. Small and other businesses subject to regulation or conducting regulated activity;
2. State government;
3. Local governments;
4. Nonprofit organizations; and
5. Individuals.

This Order takes effect immediately.

DATED at Juneau, Alaska, this 26th day of August, 2013.

/s/Sean Parnell  
Governor

**WWW.GOV.STATE.AK.US**

[Administrative Orders 201-present](#) | [Contact the Governor](#) | [Webmaster](#) | [State of Alaska](#)