


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 12-0364

Date: January 20, 2012

Prime Sponsor(s): Rep. Acree
Sen. Jahn

Bill Status: House Economic & Business Development
Fiscal Analyst: Kerry White (303-866-3469)

TITLE: CONCERNING ADDITIONAL METHODS FOR PROVIDING INPUT TO EXECUTIVE BRANCH AGENCIES ABOUT PROPOSED RULES, AND, IN CONNECTION THEREWITH, DIRECTING AGENCIES TO ESTABLISH REPRESENTATIVE GROUPS TO EVALUATE AND COMMENT ON PROPOSED RULES, REQUIRING AGENCIES TO NOTIFY THE GENERAL ASSEMBLY OF ANY RULE-MAKING THAT RESULTS IN INCREASES IN FEES OR FINES, AND REQUIRING AGENCIES TO SUBMIT DEPARTMENTAL REGULATORY AGENDAS TO THE GENERAL ASSEMBLY.

Fiscal Impact Summary	FY 2012-2013	FY 2013-2014
State Revenue		
State Expenditures	at least \$11,491	at least \$11,491
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2012-2013: None required.		
Local Government Impact: None.		

Summary of Legislation

This bill modifies procedures for rule-making within the executive branch. Specifically, it directs state agencies to:

- establish a representative group of persons to solicit and obtain input about proposed rules;
- notify the General Assembly within ten days of proposing a rule or approving an emergency or temporary rule that increases fees or fines;
- submit a copy of the department's regulatory agenda, including specified information, to the Legislative Council on or before November 1 of each year for distribution to members of each agency's applicable legislative committee of reference; and
- present regulatory agenda information at the annual meeting with each agency's applicable committee of reference.

State Expenditures

Beginning in FY 2012-13, this bill increases state expenditures by at least \$11,491 per year, as discussed below.

Under the bill, workload within state agencies of the executive branch is increased. Specifically, the bill requires each state agency to solicit and obtain input from representative stakeholders prior to adopting rules and to meet additional reporting requirements imposed by the General Assembly. This analysis assumes each state agency will require between 40 and 80 hours of staff time per year to prepare a regulatory agenda and that this cost can be met within existing appropriations.

Rule-making. For many state agencies, the costs to comply with the bill's requirements for obtaining stakeholder input are marginal either because of existing processes or because of a low volume of rule-making activity. For these agencies, this analysis assumes any additional workload (interacting with stakeholders, making copies of documents, and notifying the General Assembly of rules that propose to increase fees or fines) can be accomplished within existing appropriations. To the extent that state agencies experience unanticipated costs, the fiscal note assumes effected departments will request additional resources through the annual budget process.

Colorado Department of Transportation (CDOT). Given the complexity and technical nature of rules promulgated by the CDOT, the department will not be able to respond to stakeholder input at the same time as other interested persons that attend public meetings. Rather than extend or increase public meetings, the CDOT will hold separate stakeholder meetings at an estimated annual cost of \$11,491 per year. These moneys will be expended from the State Highway Fund, which is continuously appropriated to the department. As such, no increase in appropriations is required under the bill.

Departments Contacted

All Departments