

# FISCAL NOTE

April 30, 2021

<b>Bill No:</b>	HB 288	<b>Printer's No:</b>	PN 254	<b>Sponsor:</b>	O'Neal
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### COST / (SAVINGS)

<b>Fund (s)</b>	<b>2020-21</b>	<b>2021-22</b>
General Fund	See Fiscal Impact	See Fiscal Impact

**SUMMARY:** HB 288 would require agencies to designate a regulatory compliance officer.

**ANALYSIS:** HB 288 creates a freestanding act entitled the State Agency Regulatory Compliance Officer Act. This would require all agencies under the Regulatory Review Act to designate a regulatory compliance officer. It would be this officer's responsibility to educate the regulated community on new or amended statutes; be a point of contact for the agency and the regulated community; work with regulated communities to resolve noncompliance issues before imposing penalties; and provide detailed explanation of regulatory requirements and expectations for compliance. Regulatory review officers would also issue opinions on regulations when requested, which could then be used in defense of violations and establish guidelines for self-reporting of violations. Each agency shall also submit annual reports to the General Assembly on compliance with this act and the communities they are regulating. This act would take effect in 60 days.

**FISCAL IMPACT:** Given the likely volume of work associated with timely responses to the regulated community, a regulatory compliance officer would be unable to be an existing employee. A new employee would need to be hired, possibly an attorney, and thus this bill would result in increased personnel costs for agencies (Department of Agriculture and the Public Utility Commission have estimated these costs at \$185 thousand annually). Additionally, HB 288 makes it very likely that fewer enforcement actions will be taken to address violations under DEP's federally delegated programs. As a result, DEP's administration of these federal programs would be at risk which would lead to the loss of federal money to DEP to implement these programs and the state could risk losing federal highway money.