

# FISCAL NOTE

May 24, 2021

<b>Bill No:</b>	SB 126	<b>Printer's No:</b>	98	<b>Sponsor:</b>	Brooks
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## COST / (SAVINGS)

Fund (s)	2020-21	2021-22
General Fund	See Fiscal Impact	See Fiscal Impact

**SUMMARY:** SB 126 amends the Regulatory Review Act for review of economically significant regulations.

**ANALYSIS:** SB 126 amends the Regulatory Review Act to add a section on review of existing or proposed regulations that are economically significant. This is defined as regulations that would reasonably be expected to cost the Commonwealth, political subdivisions or the private sector \$1 million on an annual basis.

The Independent Regulatory Review Commission (IRRC) (on its own, at the request of a member of the General Assembly or the request of Senate or House of Representatives committee) may review any existing regulation which has been in effect for at least three years and make recommendations to the applicable agency, Governor or General Assembly if they find the regulation is not in the public interest.

After an economically significant regulation has been in effect for three years, an agency shall report to IRRC. The report shall include:

- the implementation status of the regulation;
- the nature of complaints or comments received from the public;
- whether the regulation has had the intended effect;
- the estimated direct and indirect costs to the regulated community and whether the anticipated fiscal impact was underestimated or overestimated;
- what the agency has done to implement the regulation in the most efficient manner to reduce costs to government and the private sector;
- whether subsequent changes in law require the regulation to be repealed or amended;
- whether there is a continued need for the regulation and whether the agency is considering promulgating changes to the regulation.

A copy of the report will also be sent to the Legislative Reference Bureau and committees of the General Assembly. IRRC shall collect comment from the public on the regulation and report. After a public comment period of 30 days, IRRC shall report to the agency and committees whether the regulation remains in the public interest.

This act shall take effect immediately.

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**FISCAL IMPACT:** Agencies may incur personnel and administrative costs as a result of being required to research economically significant regulations and issue reports. Fee revenue could also be in jeopardy as regulations relating to fee structures could be deemed economically significant and thus could possibly be amended or rescinded.