

## Department of Planning and Budget 2023 Fiscal Impact Statement

**1. Bill Number:** HB1934

**House of Origin**     Introduced     Substitute     Engrossed

**Second House**     In Committee     Substitute     Enrolled

**2. Patron:** Fowler, H.

**3. Committee:** Committee Referral Pending

**4. Title:** Administrative Process Act; estimating, reporting, and reviewing high-cost regulations.

**5. Summary:** Requires that, in addition to submitting an economic impact analysis (EIA) in accordance with this section, if the agency estimates that the proposed regulation will (i) have an adverse impact on economic growth or (ii) increase regulatory costs by more than \$500,000 within five years of such regulation's implementation, the agency shall advise the Joint Commission on Administrative Rules (JCAR), the House Committee on Appropriations, and the Senate Committee on Finance and Appropriations no later than 30 days prior to the next regular legislative session. JCAR shall review such regulation and issue a statement containing the Commission's findings in accordance with § 30-73.3. No such regulation shall be effective if such regulation conflicts with any joint resolution expressing the sense of the General Assembly with respect thereto.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** See Item 8.

**8. Fiscal Implications:** Programming work on the Virginia Regulatory Town Hall would be needed for reporting. The costs of programming, estimation, reporting, and review can be absorbed within existing resources.

**9. Specific Agency or Political Subdivisions Affected:** The bill affects the Department of Planning and Budget (DPB), JCAR, and potentially any agency that has regulations and is not exempt from the Administrative Process Act.

**10. Technical Amendment Necessary:** § 2.2-4007.04, which this bill would amend, uses “the agency” to refer to the state entity that is promulgating the regulation, and “the Department” to refer to DPB. Lines 71 and 72 state that “the agency” shall submit an EIA and estimate the cost of the regulation. Because only DPB submits an EIA, a clarification is needed as to whether “the agency” refers to the agency proposing the regulation or to DPB.

**11. Other Comments:** Neither the bill nor § 2.2-4007.04 define the term “adverse impact.”