

ONE HUNDRED THIRD LEGISLATURE - FIRST SESSION - 2013
COMMITTEE STATEMENT
LB637

Hearing Date: Wednesday February 20, 2013
Committee On: Government, Military and Veterans Affairs
Introducer: Wallman
One Liner: Require an economic analysis of rules and regulations proposed by the Department of Environmental Quality

Roll Call Vote - Final Committee Action:
Advanced to General File

Vote Results:

Aye:	7	Senators Avery, Bloomfield, Karpisek, Murante, Price, Scheer, Wallman
Nay:		
Absent:		
Present Not Voting:	1	Senator Lautenbaugh

Proponents:

Senator Norm Wallman
Patrick Ptacek
Loran Schmit
Jessica Kolterman

Representing:

Introducer
Association of Nebraska Ethanol Producers
Association of Nebraska Ethanol Producers
Nebraska Farm Bureau Federation

Opponents:

Mike Linder

Representing:

Nebraska Department of Environmental Quality

Neutral:

Representing:

Summary of purpose and/or changes:

LB 637 amends the Administrative Procedures Act to require additional duties for the Department of Environmental Quality when proposing rules and regulations.

If DEQ intends to adopt a rule or regulation that will impose requirements different than federal regulations or increase costs on regulated persons or entities, DEQ will prepare a statement that describes the annual economic impact of the rule. The bill outlines what will be included in the statement, such as: an estimate of the number of persons effected by the rule; an estimate of the total annual economic impact to comply with the rule; a statement justifying any requirement or cost that is imposed on regulated persons or entities; and a regulatory flexibility analysis that considers less intrusive methods.

If DEQ makes a determination not to implement one of the alternative methods considered, DEQ will include a statement explaining its reason for the determination.

In determining the annual economic impact of a rule, DEQ will consider the annual economic impact on all regulated persons or entities beginning with the first 12-month period after the rule is fully implemented.

DEQ will also deliver copies of the statement to the Governor's Policy Research Office not later than 60 days prior to the date of publication. The bill requires the Policy Research Office to review the proposed rule if the economic impact is

greater than \$5000 and may review it if it imposes requirements on regulated persons or entities.

The Policy Research Office will prepare a fiscal impact statement concerning the effect that compliance with the rule will have on the state and the persons effected. The fiscal impact statement is a public record and will contain the total estimated economic impact of the proposed rule or regulation.

DEQ will give written notice to the Policy Research Office of the proposed date of preliminary adoption of the proposed rule or regulation not less than 60 days before that date.

The bill also requires DEQ to make a proposed rule or regulation available to the public not later than 60 days prior to the date of publication. The Administrative Procedures Act currently requires publication in a newspaper of general circulation 30 days prior to the public hearing.

Bill Avery, Chairperson