

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

| ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates) | | | | |
|---|-------------------|---------|-------------------|---------|
| | FY 2014-15 | | FY 2015-16 | |
| | EXPENDITURES | REVENUE | EXPENDITURES | REVENUE |
| GENERAL FUNDS | | | | |
| CASH FUNDS | | | | |
| FEDERAL FUNDS | | | | |
| OTHER FUNDS | | | | |
| TOTAL FUNDS | See below | | See below | |

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB720 makes changes to the statutory provision that allows members of the Legislature to file complaints relating to a proposed rule and regulation.

Under existing law, this authority is limited to members of the Legislature and occur if the senator feels aggrieved by the proposed rule or regulation or believes violates three conditions; the proposal is in excess of the statutory authority or jurisdiction of the agency, is unconstitutional, or is inconsistent with legislative intent. The complaint is file with the Executive Board of the Legislature who then refers the complaint to the relevant standing committee and primary sponsor of the related bill or amendment if practicable. If either believe there is merit to the complaint, they may request a written response from the agency to be provided within 60 days. The statute lists a series of items the agency must address. Note that nothing in this provision prohibits the adoption or promulgation of the rule or regulation in accordance with the Administrative Procedure Act.

The bill extends this statutory provision in three ways. First, the process is extended to repeal of a rule or regulation as well as a proposed new or amended rule or regulation. Second it expands the provision relating to who may file a complaint by including the governing board of a political subdivision or a member of the public if the complaint is signed by 100 registered voters. And third, the bill extends the conditions for which a complaint can be file to include (1) creates an undue burden in a manner that significantly outweighs its benefit to the public, (2) circumstances have changed since the passage of the statute which the rule or regulation implements, or (3) the rule or regulation or the amendment or repeal overlaps, duplicates, or conflicts with federal, state, or local laws, rules, regulations, or ordinances.

The changes in the bill could potentially create a significant increase in workload and costs for state agencies. There could be a dramatic increase in the number of “aggrieved” parties when one takes into consideration the number of political subdivision and 1.8 million members of the public. Also the expansion of the conditions for which a complaint can be file further increases the likelihood of a significant number of complaints. While the standing committee or primary sponsor can determine whether a complaint has merit, and whether a request is made to the agency for a written response, staff of the Executive Board would still have to go through the process of receiving and logging in the complaints, verify that the governing body of the political subdivision voted to file a complaint or whether the 100 signers are actually registered voters, deliver copies of the complaints to the standing committee and primary sponsor, and then track the ultimate action taken on the complaint.

No specific dollar impact can be derived as there is no way to estimate how many complaints will be filed.

| | | | |
|---|-----|---|---------------------|
| ADMINISTRATIVE SERVICES-STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSES | | | |
| LB: 720 | AM: | AGENCY/POLT. SUB: Department of Revenue | |
| REVIEWED BY: Matthew Eash | | DATE: 2/4/2014 | PHONE: 402-471-4175 |
| COMMENTS: Concur; no fiscal impact to the Department. | | | |

