

**Department of Fiscal Services**  
Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 110 (Delegate Arnick, et al.)

Commerce and Government Matters      Referred to Economic and Environmental Affairs

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**Regulatory Standards and Accountability Act**

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This amended bill urges the Governor to reduce regulatory overlap and duplication between State agencies, State and federal regulations, and State and local regulations by a means of the Governor's choosing. After October 1, 1996, an agency may not adopt a regulation more stringent than a federal law or regulation unless there is a finding that a public interest requires the more stringent regulation, the impact of the regulation on business in the State is analyzed, and the notice of the proposed regulation in the Maryland Register contains a summary of this information as well as a statement that the regulation is more stringent than the applicable federal regulation.

The Joint Committee on Administrative, Executive and Legislative Review (AELR Committee) must hold a hearing not later than 30 days after the notice of proposed regulation is published. Within 10 days after the hearing, the AELR Committee may request that the agency promulgating the regulation reconsider any part of the regulation. Such a request delays the implementation of the regulation for the length of time determined by the AELR Committee, not to exceed 90 days after the original effective date of the regulation.

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**Fiscal Summary**

**State Effect:** Indeterminate effect on revenues and expenditures, as described below.

**Local Effect:** None.

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## Fiscal Analysis

**State Revenues:** Revenues will be affected to the extent that proposed regulations increasing or decreasing revenues are delayed or prohibited pursuant to this bill. Any such effect cannot be estimated at this time, although it could be significant.

**State Expenditures:** Expenditures will be affected to the extent that proposed regulations increasing or decreasing expenditures are delayed or prohibited pursuant to this bill. Any such effect cannot be estimated at this time, although it could be significant.

Further, the requirements for a benefit/cost analysis of any regulation more stringent than a federal regulation may increase costs a marginal amount. It is likely that most agencies could conduct these analyses within budgeted resources. There are several agencies which, by the very nature of their regulatory purview, may require additional resources to conduct these studies, whether because of the number of regulations proposed, the complexity of the regulations, or both.

The Department of Fiscal Services advises that the increase in expenditures will be marginal, since agencies must already analyze benefits and costs of proposed regulations. If the analyses for these regulations must be more comprehensive, expenditures for contractual services may increase slightly. Several other departments, including the Department of Transportation, the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Natural Resources may also require minimal expenditures to enable them to comply with the requirements of this bill.

Printing costs could increase by a minimal amount if the required statement of findings and analysis is necessary for a large number of regulations.

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**Information Source(s):** Secretary of State (Division of State Documents), Department of Natural Resources, Department of Fiscal Services

**Fiscal Note History:** First Reader - January 24, 1996  
ncs Revised - Correction - February 21, 1996  
lc Revised - House Third Reader - April 2, 1996

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