

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 10 (Delegate Taylor, *et al.*)
Commerce and Government Matters

Regulatory Standards and Accountability Act

This 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, 1997, 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 ten 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 30 days after the original effective date of the regulation.

Fiscal Summary

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

Local Effect: None.

Small Business Effect: Potential indeterminate effect on small businesses as discussed below.

Fiscal Analysis

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

This bill essentially codifies Executive Order 01.01.1996.03, which requires agencies proposing regulations which are more restrictive than federal regulations to: identify how the regulation exceeds federal standards; indicate the public benefit from the proposed regulation; determine whether the more restrictive standard places an additional burden on businesses; and justify the need for the more restrictive standard.

This information must be published in the Maryland Register. Since agencies are already performing analyses similar to those required by the bill, there is no fiscal impact attributable to these provisions of the bill.

Small Business Effect: This bill may delay or prevent the implementation of regulations affecting small businesses. Since one of the factors which must be considered by the promulgating authority is whether a proposed regulation increases the burden on business, it is likely that any effect this bill has would benefit small businesses. In any case, any such effect cannot be estimated at this time, as it depends on what regulations may be proposed in the future.

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

Fiscal Note History: First Reader - February 4, 1997

ncs

Analysis by: David F. Roose

Reviewed by: John Rixey

Direct Inquiries to:

John Rixey, Coordinating Analyst

(410) 841-3710

(301) 858-3710