

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7126

BILL NUMBER: SB 379

NOTE PREPARED: Jan 26, 2006

BILL AMENDED:

SUBJECT: Publication of Administrative Rules.

FIRST AUTHOR: Sen. Ford

FIRST SPONSOR: Rep. Heim

BILL STATUS: As Passed Senate

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: The bill provides that on July 1, 2006, the duties of the Secretary of State with respect to the promulgation and preservation of paper copies of administrative rules are transferred to the publisher of the Indiana Register. (Current law provides that after June 30, 2006, the Indiana Register and Indiana Administrative Code will be published only in an electronic format.)

The bill also specifies that documents prepared by state agencies for publication in the Indiana Register must be submitted in the electronic format specified by the publisher.

The bill also specifies that the Small Business Regulatory Coordinator Program applies to environmental rule making.

The bill removes obsolete language concerning the creation of fiscal impact statements for certain proposed administrative rules. It also repeals obsolete references concerning the printing of the Indiana Administrative Code.

Effective Date: July 1, 2006.

Explanation of State Expenditures: The bill will have minimal administrative cost savings for preparing and filing administrative rules. In some cases, the administrative costs will transfer from one agency to another and may have minimal increases or decreases based on the efficiency of the new agency in accomplishing the task. Some differences in cost may also be based on the use of electronic technology.

Filing Administrative Rules: Under current law, the Secretary of State is responsible for retaining rules filed under IC 4-22-2. Under the bill, the Secretary of State will retain rules filed before July 1, 2006, and the publisher of the Indiana Register will retain copies after that date. This will reduce costs for storage for the Secretary of State, but will increase costs for the publisher of the Indiana Register.

Background on Filing Administrative Rules: The Secretary of State's Office receives emergency rules directly from an adopting agency and regular rules after review by the Governor and Attorney General. They stamp three copies and one is returned to the agency, one goes to Legislative Services Agency (LSA), and one goes into storage. The stored rule stays in Room 201 of the State House until capacity is reached and it is sent to storage in the Government Center and finally to the State Archives. The publisher of the Indiana Register is the Legislative Services Agency.

Indiana Department of Environmental Management: The bill adds clarifying language that the state agency and its boards are covered under the requirements of the Small Business Regulatory Coordinator Program. This conforms to current practice.

Fiscal Notes on Administrative Rules: The bill changes obsolete references to the Legislative Services Agency regarding the preparation of fiscal notes on administrative rules to refer to the Office of Management and Budget, the office which currently has responsibility for preparing fiscal notes on administrative rules.

Submissions: Under current law, an agency must submit its rule to the Attorney General for approval with one original copy of the rule, two copies of the rule, one copy of matters incorporated by reference, and two copies of any supporting materials. This requirement is eliminated under the bill. Additionally, the agency must submit one original copy of the rule, two copies of the rule, one copy of matters incorporated by reference, and two copies of any supporting materials to the Secretary of State. Under the bill, the number of copies required is reduced and the format of the submission changes. Throughout the bill, electronic submission of materials and reduced numbers of copies are required.

Repeals: The bill repeals requirements that the Indiana Administrative Code be published once a year and that the publisher of the Indiana Administrative Code deliver an affidavit to the Secretary of State concerning the contents of the electronically published version.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Secretary of State, Legislative Services Agency, Office of Management and Budget, Attorney General, Environmental Management Agency, state agencies adopting rules.

Local Agencies Affected:

Information Sources: Paul Okeson, Deputy Secretary of State, 317-232-6584.

Fiscal Analyst: Karen Firestone, 317-234-2106.