



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1349

PRINTERS NO. 1558

PRIME SPONSOR: Pickett

COST / (SAVINGS)

FUND	FY 2011/12	FY 2012/13
General Fund	Minimal	Minimal

SUMMARY: Amends the Regulatory Review Act by requiring state agencies to consider the impact of proposed regulations on small businesses and provide alternative accommodating requirements for small businesses consistent with the objective of the applicable statutes. This legislation would take effect in 60 days.

ANALYSIS: This legislation would require agencies to include the following on the regulatory analysis form submitted to the Independent Regulatory Review Commission and appropriate House and Senate standing committees:

- Identification of any type of small business that would be affected by the proposed regulation
- Identification of the financial, economic, and social impact on small businesses
- An economic impact statement that includes:
 - Estimated number of small businesses subject to the proposed regulation
 - The projected reporting, recordkeeping, and other administrative costs required for compliance with the proposed regulation
 - A statement of the probable effect on impacted small businesses
 - A description of any less intrusive or costly alternative method of achieving the purpose of the proposed regulation
- A regulatory flexibility analysis that provides alternative regulatory requirements for small businesses that accomplish the objectives of the applicable statutes while minimizing the adverse impact on small business. When creating the regulatory flexibility analysis, the agency will consider the following:
 - Establishment of less stringent compliance or reporting requirements for small businesses
 - Alternative schedules or deadlines for compliance or reporting requirements for small businesses
 - Simplification or consolidation of compliance or reporting requirements
 - Alternative performance standards for small businesses
 - An exemption for all or part of the proposed regulation

The legislation would allow small businesses that are adversely affected by agency action due to a regulation promulgated under this act to request judicial review of agency compliance with the aforementioned requirements related to the consideration of small businesses.

A small business is defined by the U.S. Small Business Administration's size regulations. Under these federal regulations, a business is determined to be a small business by the number of employees or annual receipts, which varies according to the type of industry.

FISCAL IMPACT: This legislation would have a minimal, if any, effect on Commonwealth funds.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: October 4, 2011

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.