


MEMORANDUM

TO: The Honorable John Barker
House Committee on Federal and State Affairs

FROM: Larry Campbell, Director of the Budget 

DATE: Wednesday, January 22, 2020

SUBJECT: Testimony for HB 2411

Please list me as a proponent to HB 2411. I believe this legislation pinpoints the original intent of the oversight of the rules and regulations process by the Division of Budget. I believe the original intent was for the Division to review rules and regulations that costs the public over \$3.0 million over a two-year period. However, the bill, as enacted, requires the Division to review all rules and regulations proposed by state agencies.

According to our data, 98.3 percent of the proposed rules and regulations I have reviewed this last year were well under the \$3.0 million threshold. Additionally, most of the rules and regulations reviewed were a result of legislation, federal mandates, or technical updates with virtually no fiscal effect. Many of the rules and regulations are from fee-funded regulatory agencies that are increasing fees minimally for licensees.

I appreciate the efforts to better align the true value and intent of the Division's added layer of review. This last year, the Division reviewed and approved (stamped) over 3,500 pages comprising 588 rules and regulations; of these, only ten rules and regulations were over the \$3.0 million threshold.

If your committee takes action on this bill, I would offer one amendment for your consideration. I would propose raising the threshold to \$5.0 million before the Division is involved in the rules and regulations approval process. I believe I was told last year that the model used for the original bill was Wisconsin with a \$10.0 million threshold for review.