

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: April 28, 2010
POSITION: Oppose

BILL NUMBER: AB 2466
AUTHOR: C. Smyth

BILL SUMMARY: Regulations: Legislative Validation: Effective Date

This bill would require that a regulation become effective on the 90th day after it is filed with the Secretary of State (SOS), unless prescribed conditions occur. This bill would require the Office of Administrative Law (OAL) to submit to the Legislature for review a copy of each regulation that it submits to the SOS.

FISCAL SUMMARY

At this time, the OAL does not have an estimate of this measure's costs. Finance believes this bill would significantly increase workload and costs at OAL and affected state entities. The total cost of this bill is unknown but expected to be significant. On average OAL reviews 600-800 rulemaking packages annually. We note that OAL currently prints a summary of all regulations filed with the SOS in the California Regulatory Notice Register and requiring OAL to provide additional copies to the Legislature seems redundant and unnecessary.

We note the 2010-11 Budget proposes converting OAL to a fee for service model wherein OAL bills client departments directly for services. OAL is currently developing the fee structure for this new model. Each affected state agency would be required to pay for OAL's workload associated with this bill.

COMMENTS

The Department of Finance is opposed to this bill because it would result in additional state costs which are not included in the Governor's 2010-11 Budget proposal.

The Administrative Procedure Act (APA) sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies. We note the APA requires OAL to review all regulations for necessity and non-duplication, and to print a summary of all regulations filed with the SOS in the California Regulatory Notice Register.

Existing law requires a regulation to become effective 30 days after the filing date with the SOS.

This bill would require that a regulation become effective on the 90th day after it is filed with the SOS, unless prescribed conditions occur. This bill would require the OAL to submit to the Legislature for review a copy of each regulation that it submits to the SOS.

This bill would require the Legislature to refer copies of these specified regulations to an appropriate policy committee to do the following:

- Review for consistency with legislative intent regarding the statute authorizing the specific regulation.
- Recommend whether the regulation should be statutorily repealed.

Analyst/Principal (0212)J. Osborn	Date	Assistant Program Budget Manager Z. Theodorovic	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

AMENDMENT DATE

BILL NUMBER

C. Smyth

April 28, 2010

AB 2466

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	
9901/Var Depts	SO	No	-----	See Fiscal Summary	-----				0001
8910/Admin Law	SO	No	-----	See Fiscal Summary	-----				0001