

March 11, 2009

**H 544. ECONOMIC IMPACT/REGULATORY LEGISLATION.** Filed 3/11/09. *TO REQUIRE ECONOMIC IMPACT STATEMENTS ON ALL BILLS THAT PROPOSE REGULATORY CHANGES, SIMILAR TO THE FISCAL NOTES THAT AGENCIES MUST PREPARE DURING RULE MAKING.*

Enacts a new Article 6E, *Regulatory Legislation Economic Impact Statements*, in GS Chapter 120 as the title indicates. Requires any bill introduced in the General Assembly that (1) makes a change in law that is regulatory in nature and (2) could cause a substantial economic impact on the entities regulated by the proposed legislation to be accompanied by an *economic impact statement* (EIS) prepared by the Fiscal Research Division (Division).

Defines *substantial economic impact* to mean that the proposed legislation has an aggregate financial impact on: (1) at least \$1 million in a 12-month period on all persons affected by the proposed bill, or (2) at least \$1,000 in a 12-month period on any one person affected by the proposed bill.

Requires the EIS to identify and estimate, for the first five fiscal years that the proposed change would be in effect, all of the costs of the proposed legislation on the entities to be regulated by it. Provides that if the Division determines after its investigation that no dollar estimate is possible, then the EIS should indicate such and state the reasons why no dollar amount can be given. Prohibits including comment or opinion in the EIS as to the merits of the proposed legislation, but the EIS may include notation of mechanical and technical defects.

Directs the sponsor of each bill to which this proposed section applies to present a copy of the bill with a request for an EIS to the Division. Directs the Division to prepare the EIS and give it to the sponsor within two weeks after the request is made, unless the sponsor agrees to an extension of time.

Requires the EIS to be attached to the original of each proposed bill that is favorably reported by any committee of the General Assembly; however, also requires that the EIS be clearly designated as an economic impact statement and states that the EIS is neither a part of the bill nor an expression of legislative intent proposed by the bill.

Provides that if a General Assembly committee reports favorably on a proposed bill that has an amendment that proposes a change in the law that could cause a substantial economic impact to the entities regulated by it, then the committee chair is to obtain an EIS from the Division and attach it to the amended bill.

Directs the Office of Budget and Management, the Department of Revenue, the Department of the State Treasurer, the Department of the State Auditor, and the state department most directly concerned to assist the Division in the preparation of the EIS if the Division requests assistance.

Requires the Division to provide the bill sponsor with copies of the prepared EIS.

Directs any state department, institution, agency, or other authority requesting a member or members of the General Assembly to introduce legislation that if enacted would have a substantial fiscal impact on the entities regulated by the proposed legislation to furnish to the member or members and the Division an EIS containing a realistic estimate of the effect of the legislation for the next two fiscal periods.

Effective January 1, 2010.

**Intro. by Dollar, Rhyne, Tillis.**

GS 120