

COMMITTEE REPORT

Mr. Speaker: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedures, to which was referred Engrossed Senate Bill 298 because it conflicts with HEA 1822-2005 without properly recognizing the existence of HEA 1822-2005, has had Engrossed House Bill 298 under consideration and begs leave to report back to the House with the recommendation that Engrossed House Bill 298 be corrected as follows:

1 In the conference committee report for ESB 298, delete page 1, lines
2 2 through 21.

3 In the conference committee report for ESB 298, delete page 2, lines
4 1 through 41, begin a new paragraph and insert:

5 "SECTION 1. IC 4-22-2-28, AS AMENDED BY HEA 1822-2005,
6 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
7 JULY 1, 2005]: Sec. 28. **(a) As used in this section, "total estimated
8 economic impact" means the annual economic impact of a rule on
9 all regulated persons after the rule is fully implemented under
10 subsection (g).**

11 ~~(a)~~ **(b)** The Indiana economic development corporation established
12 by IC 5-28-3-1:

13 (1) shall review a proposed rule that:

14 (A) imposes requirements or costs on small businesses (as
15 defined in IC 4-22-2.1-4); and

16 (B) is referred to the corporation by an agency under
17 IC 4-22-2.1-5(c); and

18 (2) may review a proposed rule that imposes requirements or costs
19 on businesses other than small businesses (as defined in
20 IC 4-22-2.1-4).

21 After conducting a review under subdivision (1) or (2), the corporation
22 may suggest alternatives to reduce any regulatory burden that the
23 proposed rule imposes on small businesses or other businesses. The
24 agency that intends to adopt the proposed rule shall respond in writing
25 to the Indiana economic development corporation concerning the
26 corporation's comments or suggested alternatives before adopting the
27 proposed rule under section 29 of this chapter.

28 ~~(b)~~ ~~The~~ **(c) Subject to subsection (f) and not later than fifty (50)**
29 **days before the public hearing required by section 26 of this**
30 **chapter, an agency shall submit a proposed rule with an to the**
31 **legislative services agency for a review under subsection (d) if the**

1 **agency proposing the rule determines that the rule will have a total**
 2 **estimated economic impact greater than five hundred thousand dollars**
 3 **(\$500,000) on the all regulated entities: persons. to the legislative**
 4 **services agency after the preliminary adoption of the rule. In**
 5 **determining the total estimated economic impact under this**
 6 **subsection, the agency shall consider any applicable information**
 7 **submitted by the regulated persons affected by the rule. To assist**
 8 **the legislative services agency in preparing the fiscal impact**
 9 **statement required by subsection (d), the agency shall submit,**
 10 **along with the proposed rule, the data used and assumptions made**
 11 **by the agency in determining the total estimated economic impact**
 12 **of the rule.**

13 **(d)** Except as provided in subsection ~~(c)~~, **(e)**, before the adoption of
 14 the rule, ~~the legislative services agency shall prepare, and~~ not more
 15 than forty-five (45) days after receiving a proposed rule **under**
 16 **subsection (c), the legislative services agency shall prepare, using**
 17 **the data and assumptions provided by the agency proposing the**
 18 **rule, along with any other data or information available to the**
 19 **legislative services agency, a fiscal analysis impact statement**
 20 **concerning the effect that compliance with the proposed rule will have**
 21 **on: the:**

22 (1) **the state; and**

23 (2) **all entities persons** regulated by the proposed rule.

24 The fiscal **analysis impact statement** must contain ~~an estimate~~ of the
 25 **total estimated** economic impact of the proposed rule and a
 26 determination concerning the extent to which the proposed rule creates
 27 an unfunded mandate on a state agency or political subdivision. The
 28 fiscal **analysis impact statement** is a public document. The legislative
 29 services agency shall make the fiscal **analysis impact statement**
 30 available to interested parties upon request. The agency proposing the
 31 rule shall consider the fiscal **analysis impact statement** as part of the
 32 rulemaking process and shall provide the legislative services agency
 33 with the information necessary to prepare the fiscal ~~analysis,~~ **impact**
 34 **statement,** including any economic impact statement prepared by the
 35 agency under IC 4-22-2.1-5. The legislative services agency may also
 36 receive and consider applicable information from the regulated ~~entities~~
 37 **persons** affected by the rule in preparation of the fiscal ~~analysis.~~
 38 **impact statement.**

39 ~~(c)~~ **(e)** With respect to a proposed rule subject to IC 13-14-9:

40 (1) the department of environmental management shall give
 41 written notice to the legislative services agency of the proposed

1 date of preliminary adoption of the proposed rule not less than
 2 sixty-six (66) days before that date; and
 3 (2) the legislative services agency shall prepare the fiscal ~~analysis~~
 4 **impact statement** referred to in subsection ~~(b)~~ **(d)** not later than
 5 twenty-one (21) days before the proposed date of preliminary
 6 adoption of the proposed rule."

7 In the conference committee report for ESB 298, delete page 3, line
 8 19 through page 4, line 16, begin a new paragraph and insert:

9 "SECTION 3. IC 20-19-4-8, AS ADDED BY HEA 1288-2005,
 10 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2005] Sec. 8. **(a) As used in this section, "total estimated**
 12 **fiscal impact" means the annual fiscal impact of a recommendation**
 13 **on all affected entities after the recommendation is fully**
 14 **implemented under subsection (e).**

15 ~~(a)~~ **(b) Subject to subsection (d)**, before providing a
 16 recommendation under section 7 of this chapter, the roundtable shall
 17 prepare an analysis of the **total estimated** fiscal impact that the
 18 recommendation will have on the state, political subdivisions, and **and**
 19 **all** private schools affected by the recommendation. **In preparing an**
 20 **analysis under this subsection, the roundtable shall consider any**
 21 **applicable information submitted by entities affected by the**
 22 **recommendation.** The analysis **prepared under this subsection** must
 23 be submitted with the recommendation under section 7 of this chapter.

24 ~~(b)~~ **(c)** If the roundtable provides a recommendation under section
 25 7 of this chapter and the **total estimated** fiscal impact analysis prepared
 26 under subsection ~~(a)~~ **(b)** indicates that the impact of the
 27 recommendation will be at least five hundred thousand dollars
 28 (\$500,000), the roundtable shall submit a copy of the recommendation
 29 and the fiscal ~~impact~~ analysis prepared under subsection ~~(a)~~ **(b)** to the
 30 legislative services agency for review. This recommendation must be
 31 in an electronic format under IC 5-14-6. Not more than forty-five (45)
 32 days after receiving a copy of the recommendation and fiscal impact
 33 analysis, the legislative services agency shall prepare a fiscal ~~analysis~~
 34 **impact statement** concerning the effect that compliance with the
 35 recommendation will have on:

- 36 (1) the state; **and**
 37 (2) **all:**
 38 **(A)** political subdivisions; and
 39 ~~(B)~~ **(B)** nonpublic schools;
 40 affected by the proposed recommendation.

41 The fiscal ~~analysis~~ **impact statement** must contain ~~an estimate~~ of the

1 direct **total estimated** fiscal impact of the recommendation and a
 2 determination concerning the extent to which the recommendation
 3 creates an unfunded mandate on the state, a political subdivision, or a
 4 nonpublic school affected by the proposed recommendation. The fiscal
 5 **analysis impact statement** is a public document. The legislative
 6 services agency shall make the fiscal **analysis impact statement**
 7 available to interested parties upon request. The roundtable shall
 8 provide the legislative services agency with the information necessary
 9 to prepare the fiscal ~~analysis~~ **impact statement**. The legislative
 10 services agency may also receive and consider applicable information
 11 from the entities affected by the recommendation in preparation of the
 12 fiscal ~~analysis~~ **impact statement**. The legislative services agency shall
 13 provide copies of its fiscal ~~analysis~~ **impact statement** to each of the
 14 persons described in section 7 of this chapter."

15 In the conference committee report for ESB 298, page 4, line 17,
 16 delete "(e) and insert **(d)**".

17 In the conference committee report for ESB 298, page 4, line 23,
 18 delete "(f) and insert **(e)**".

19 In the conference committee report for ESB 298, page 4, line 46,
 20 delete "IC 20-1-20.5-8," and insert **"IC 20-19-4-8,"**.

(Reference is to ESB 298 as printed March 22, 2005, and as
 amended by the conference committee report adopted April 28, 2005.)

Representative Whetstone, Chairperson

Representative Pelath, R.M.M.

Representative Hinkle, Author