

# COMMITTEE REPORT

Madam President: Pursuant to Joint Rule 20, your Committee on Rules and Legislative Procedure, 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 Senate Bill 298 under consideration and begs leave to report back to the Senate with the recommendation that Engrossed Senate 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)~~ **(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**

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

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

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

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

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

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

41 (1) the department of environmental management shall give

1 written notice to the legislative services agency of the proposed  
 2 date of preliminary adoption of the proposed rule not less than  
 3 sixty-six (66) days before that date; and

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

8 In the conference committee report for ESB 298, delete page 3, line  
 9 19 through page 4, line 16, begin a new paragraph and insert:

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

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

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

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

38 (2) **all:**

39 **(A)** political subdivisions; and

40 ~~(3)~~ **(B)** nonpublic schools;

41 affected by the proposed recommendation.

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

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

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

20 In the conference committee report for ESB 298, page 4, line 46,  
 21 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.)

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Senator GARTON, Chairperson

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Senator R YOUNG, R.M.M.

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Senator YOUNG R. MICHAEL