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FISCAL IMPACT REPORT

SPONSOR Cheney DATE TYPED 02/24/05 HJM 90

SHORT TITLE State Agency Rule Review Interim Committee SB _____

ANALYST Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			\$10.9	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 574, Senate Bill 711 and House Bill 705

SOURCES OF INFORMATION

LFC Files

Responses Received From

Energy, Minerals and Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

House Joint Memorial 90 requests Legislative Council Service (LCS) to create a permanent interim committee to review existing and proposed state agency rules to ensure that the rules are in accordance with existing laws.

Significant Issues

LCS is requested to create the interim “State Rules Review Committee” and report its findings and recommendations no later than December 15 of each year to Legislative Council Service and to the legislature.

FISCAL IMPLICATIONS

The cost to implement the requirements of House Joint Memorial 90 would depend on the number of legislators appointed to the interim committee, number of meetings during the interim and the duration of the meetings.

Membership on current interim committees varies from 5 to 18 legislators. The cost for a committee of 10 members attending 3 meetings during the interim for a duration of 2 days based on the federal per diem rate in FY06 of \$181.00 per day would be \$10,860.00.

ADMINISTRATIVE IMPLICATIONS

Legislative Council Service would provide staff and support for the interim committee.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to House Bill 574 and Senate Bill 711. Both bills require (LCS) to review proposed rules and designate appropriate interim committees to review rules proposed by the State Engineer, Environmental Improvement Board, Water Quality Control Commission, and Oil Conservation Commission prior to the rule becoming effective.

Relates to House Bill 705. This bill requires that rules proposed by executive agencies must be filed with the Legislative Council Service (LCS) prior to any public hearing conducted by the agency. The proposed rules will be forwarded to the members of the appropriate interim committee or, if no committee has been designated, the Legislative Council. The Legislative Council Director or a committee member may then request a public hearing before the interim committee within 30 days of the filing of the rule; the hearing must be held within 60 days of the request. The proposed rule would not become effective until after the hearing is held. HB 705 excepts agencies subject to the Uniform Licensing Act, provides for emergency rules that may take effect without a legislative hearing and contains a savings clause addressing existing rules filed prior to July 2, 2005.

OTHER SUBSTANTIVE ISSUES

EMNRD indicates that it is unclear as to the role the affected agencies will have in the rule review.

CTF/lg