

Office of the
Legislative Fiscal Analyst

FY 2002 Budget Recommendations

Joint Appropriations Subcommittee for
Capital Facilities and Administrative Services

Department of Administrative Services
Division of Administrative Rules

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1.0 Summary: Division of Administrative Rules

The Division of Administrative Rules establishes procedures for administrative rulemaking, records administrative rules, and makes administrative rules available to the public. As a member of the Department of Administrative Services, the Division "provides agencies assistance in rulemaking; administers [the Utah Administrative Rulemaking Act]; and requires state agencies to comply with filing, publication and hearing procedures." (Utah Code Ann. 63-46a-10) To accomplish these mandates, the Division provides training to agency rulewriters and administrators, performs one-on-one consultations, publishes a periodic newsletter and distributes the *Rulewriting Manual for Utah*. The Division also provides regular notices to agencies of rules due for five-year review, rules about to expire, or rules about to lapse.

	Analyst FY 2002 Base	Analyst FY 2002 Changes	Analyst FY 2002 Total
Financing			
General Fund	262,100		262,100
Beginning Nonlapsing	5,000		5,000
Closing Nonlapsing	(1,000)		(1,000)
Total	\$266,100	\$0	\$266,100
Programs			
DAR Administration	245,400		245,400
Rules Publishing	20,700		20,700
Total	\$266,100	\$0	\$266,100
FTE/Other			
Total FTE	4		4

The division has two primary publications - *The Utah State Bulletin* and the *Utah Administrative Code*. The *Utah State Bulletin* is state government's means of notifying the public of rules being proposed by state agencies as well as the basic tool for soliciting public comment. The *Bulletin*, issued on the first and fifteenth each month, is Utah's version of the *Federal Register*. In addition to containing proposed rules, the Bulletin includes emergency rules, notices of five-year reviews, effective notices, other public notices from state agencies, indexes of effective rules, executive orders, and Attorney General opinions. The *Bulletin* is available free of charge either in print or electronically over the Internet.

The *Utah Administrative Code* is the compilation of effective rules with which state government, local entities and citizens are required to comply. The *Code* is Utah's version of the *Code of Federal Regulations*. In addition to effective rules, the printed Code contains research aids such as indexes, tables that correlate statutes and rules, case annotations, and history notes. The *Code* is available in print on CD-ROM from the contracted publisher, or electronically over the internet free of charge.

2.0 Issues: Division of Administrative Rules

2.1 Fiscal Impact of Rules

Fiscal Impact of Rules

Administrative rules have the impact of law – which means that they can have a fiscal impact on State government or on citizens and businesses. Legislators have expressed concern that the Rule Making process lacks a formal fiscal note process. There is concern that State Agencies may enact rules without fully considering costs to the State or citizens. The Division of Administrative Rules, in cooperation with the Analyst, responded to this concern last year. Further details can be found in Section 3.1 of this report.

3.0 Programs: Division of Administrative Rules

3.1 DAR Administration

Recommendation

	2000	2001	2002	Est/Analyst
	Actual	Estimated	Analyst	Difference
Financing				
General Fund	253,500	265,600	245,400	(20,200)
Transfers - Federal		93,000		(93,000)
Total	<u>\$253,500</u>	<u>\$358,600</u>	<u>\$245,400</u>	<u>(\$113,200)</u>
Expenditures				
Personal Services	227,400	227,600	223,500	(4,100)
Out of State Travel	2,600	2,300	2,300	
Current Expense	9,300	13,300	8,600	(4,700)
DP Current Expense	14,200	115,400	11,000	(104,400)
Total	<u>\$253,500</u>	<u>\$358,600</u>	<u>\$245,400</u>	<u>(\$113,200)</u>
FTE/Other				
Total FTE	5	5	4	(0)

Utah Code 63-46a-10(5) gives this budget nonlapsing authority.

Fiscal Impact of Rules

The Administrative Rules Review Committee seeks to ensure that fiscal impacts arising from rulemaking authority are properly addressed. Impacts may be the result of new rules or rise from rule change requests.

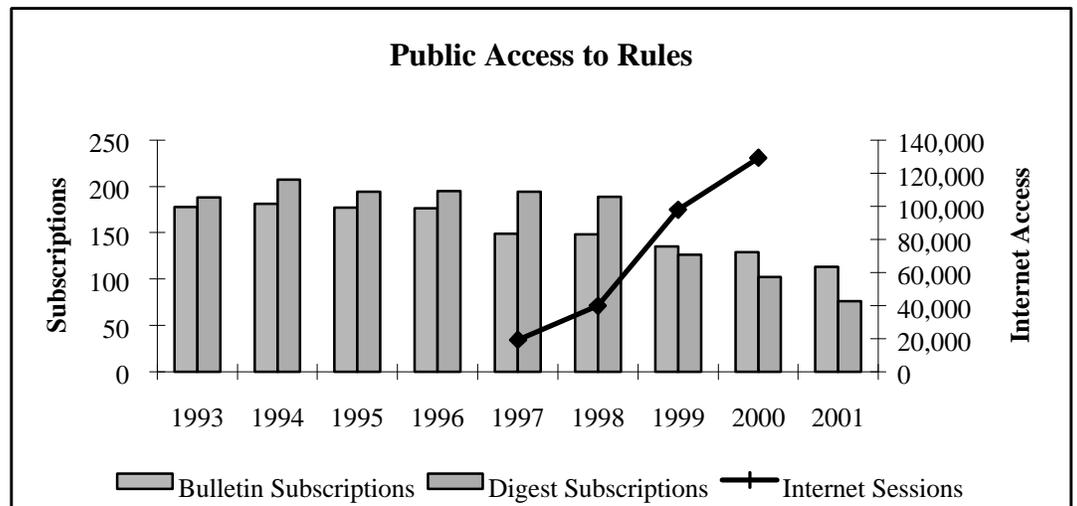
In response to Legislative Intent, the Division of Administrative Rules maintains standards for agency submission of proposed rules. All impacts must be fully explained, including those proposed rules that have no fiscal impact. In addition, the Office of the Legislative Fiscal Analyst reviews fiscal notes contained in the *Utah Digest* (a summary of the *Bulletin*) every month. The Analyst concurs with staff of the Division of Administrative Rules that the fiscal process of rulemaking has improved significantly in recent years.

3.2 Rules Publication

The Division of Administrative Rules operates an extremely user-friendly internet site that allows anyone to read, download or comment on proposed rules. The Analyst believes that the Division’s use of technology enhances government access for citizens and adds value without requiring additional funding.

	2000 Actual	2001 Estimated	2002 Analyst	Est/Analyst Difference
Financing				
General Fund	5,300	1,800	16,700	14,900
Dedicated Credits Revenue		500		(500)
Beginning Nonlapsing	47,000	30,800	5,000	(25,800)
Closing Nonlapsing	(30,800)	(5,000)	(1,000)	4,000
Total	<u>\$21,500</u>	<u>\$28,100</u>	<u>\$20,700</u>	<u>(\$7,400)</u>
Expenditures				
Current Expense	21,500	28,100	20,700	(7,400)
Total	<u>\$21,500</u>	<u>\$28,100</u>	<u>\$20,700</u>	<u>(\$7,400)</u>
FTE/Other				

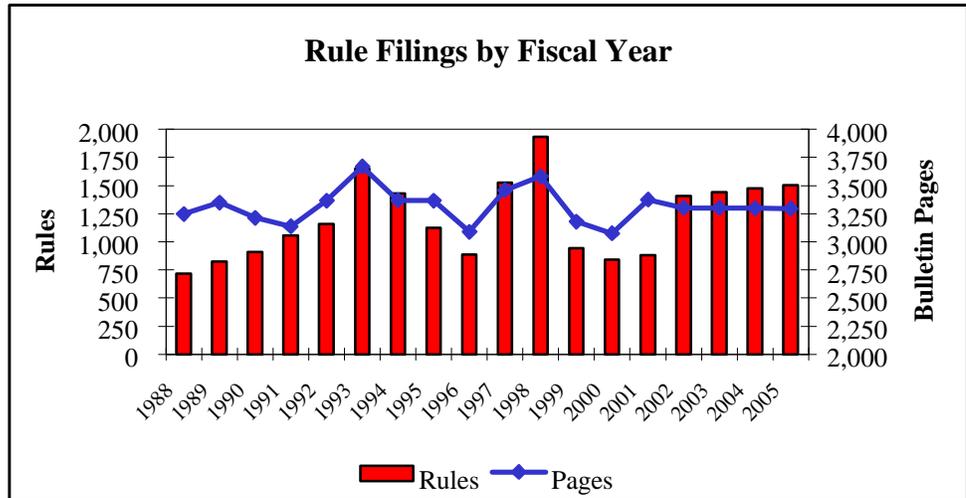
As electronic access grows, the need for hard copy publications declines. The correlation between subscriptions and internet access is (-.991). An inverse, or negative, relationship means that as one data point declines the other data point rises. In this case, 98 percent of the decline in subscriptions may be attributed to increased access over the internet.



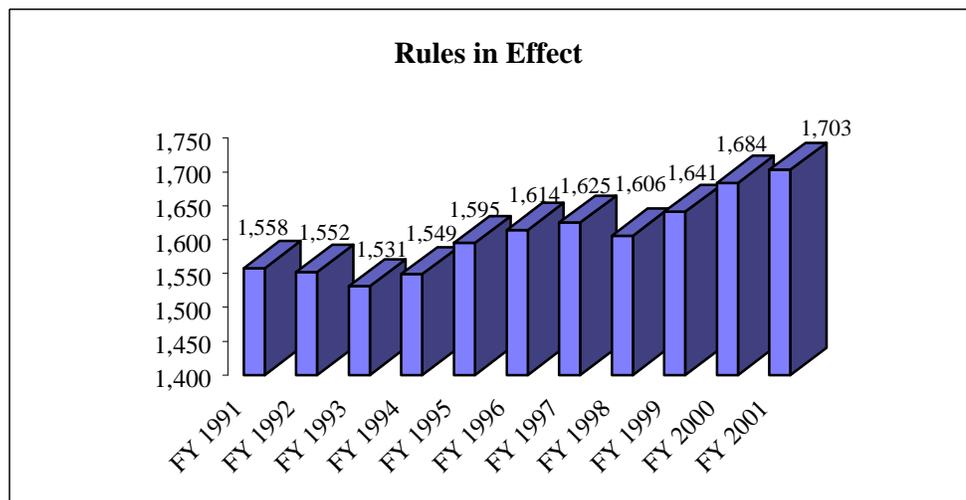
3.3 Performance Measures

Performance Measures

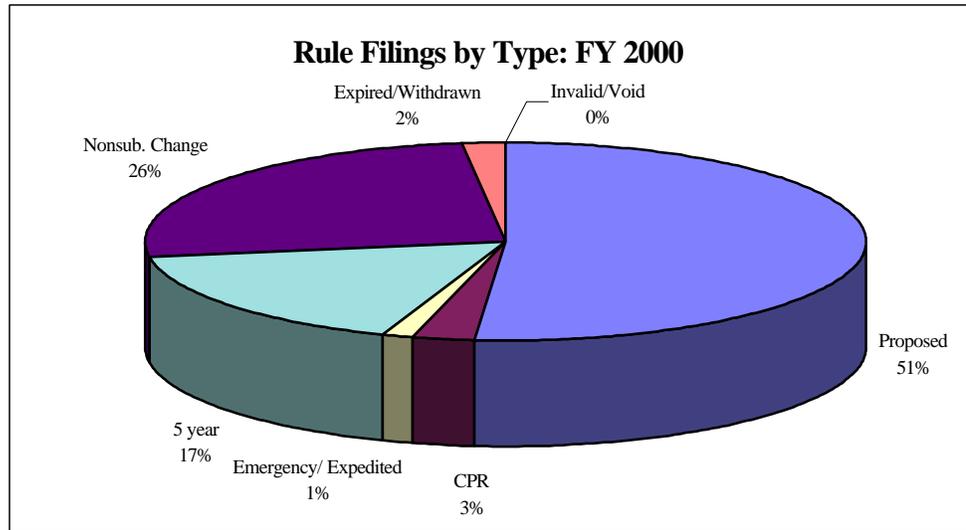
The Division of Administrative Rules counts numbers of rules filed, records the number of rules in effect and reports the type of rules modified or proposed each year. The following charts depict historical trends relating to Administrative Rules.



Annual rule filings have more than doubled since 1988, but pages printed in the Bulletin have remained constant. The correlation between rules filed and pages printed is .726. Statistically, the number of rules filed explains only 53 percent of an increase or decrease in pages printed. Other factors include complexity of rules, number of rules up for five-year review and the length of fiscal commentary attached to each rule.



On any given day during the decade of the 1990s, Utah had an average of 1,605 rules in effect. The number of effective rules increased by an annual rate of less than one percent for the decade. Growth in effective rules since 1991 is less than nine percent.



The bulk of rule filings are rule proposals – almost all of which are amendments to existing rules. Of 431 proposed rules, only 52 were new proposals. More than sixty-five percent of the 840 total rule filings in 2000 were amendments or nonsubstantive changes.

4.0 Additional Information: Division of Administrative Rules

	1998	1999	2000	2001	2002
Financing	Actual	Actual	Actual	Estimated	Analyst
General Fund	246,300	252,000	258,800	267,400	262,100
Dedicated Credits Revenue	900	(400)		500	
Transfers - Federal				93,000	
Beginning Nonlapsing	39,900	42,300	47,000	30,800	5,000
Closing Nonlapsing	(42,300)	(47,000)	(30,800)	(5,000)	(1,000)
Total	\$244,800	\$246,900	\$275,000	\$386,700	\$266,100
Programs					
DAR Administration	221,500	236,700	253,500	358,600	245,400
Rules Publishing	23,300	10,200	21,500	28,100	20,700
Total	\$244,800	\$246,900	\$275,000	\$386,700	\$266,100
Expenditures					
Personal Services	197,400	214,600	227,400	227,600	223,500
Out of State Travel	2,500	2,200	2,600	2,300	2,300
Current Expense	23,400	15,100	30,800	41,400	29,300
DP Current Expense	21,500	15,000	14,200	115,400	11,000
Total	\$244,800	\$246,900	\$275,000	\$386,700	\$266,100
FTE/Other					
Total FTE	5	5	5	5	4