

Office of the  
Legislative Fiscal Analyst

## **FY 2003 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.

	<b>Analyst FY 2003 Base</b>	<b>Analyst FY 2003 Changes</b>	<b>Analyst FY 2003 Total</b>
<b>Financing</b>			
General Fund	265,400	5,000	270,400
Beginning Nonlapsing	9,400		9,400
Closing Nonlapsing	(3,000)		(3,000)
<b>Total</b>	<b>\$271,800</b>	<b>\$5,000</b>	<b>\$276,800</b>
<b>Programs</b>			
DAR Administration	249,800	5,500	255,300
Rules Publishing	22,000	(500)	21,500
<b>Total</b>	<b>\$271,800</b>	<b>\$5,000</b>	<b>\$276,800</b>
<b>FTE/Other</b>			
Total FTE		4	4

The *Analyst FY 2003 Base* budget recommendation includes the *Revised Estimate* from FY 2002 as approved by the Executive Appropriations Committee and the following items:

- Adjustment for FY 2002 one-time programs;
- Payroll cost of an extra day in FY 2003;
- Transfers of Market Comparability Adjustments; and,
- Net changes for Internal Service Fund rates.

FY 2003 changes reflect the incremental costs of across the board reductions and annualization of partial budget cuts approved for FY 2002 along with a transfer of funds to offset costs associated with data processing. The transfer will be managed within existing DAS budgets.

## 2.0 Issues: Division of Administrative Rules

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.

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- or electronically over the internet.

### 2.1 Increases for FY 2003

The across the board reductions in data processing pose a unique problem for the Division of Administrative Rules. With only four FTE, a significant part of the agency budget goes to pay for data processing costs associated with publication of the Bulletin and Code. Therefore, the Analyst recommends adding \$5,000 back to the program to ensure maximum efficiency. The transfer comes from other divisions within DAS.

### 2.2 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. To ensure fiscal oversight, the Division and the Analyst enacted a program to provide better rule writing and additional oversight.

**3.0 Programs: Division of Administrative Rules**

**3.1 DAR Administration**

**Recommendation**

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>Est/Analyst</b>
	<b>Actual</b>	<b>Estimated</b>	<b>Analyst</b>	<b>Difference</b>
<b>Financing</b>				
General Fund	260,600	257,100	255,300	(1,800)
General Fund, One-time		(1,000)		1,000
Transfers	93,000			
<b>Total</b>	<b>\$353,600</b>	<b>\$256,100</b>	<b>\$255,300</b>	<b>(\$800)</b>
<b>Expenditures</b>				
Personal Services	227,800	234,400	235,200	800
Out of State Travel	1,800	2,300	2,200	(100)
Current Expense	9,500	8,000	5,600	(2,400)
DP Current Expense	114,500	11,400	12,300	900
<b>Total</b>	<b>\$353,600</b>	<b>\$256,100</b>	<b>\$255,300</b>	<b>(\$800)</b>
<b>FTE/Other</b>				
Total FTE	4	4	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.

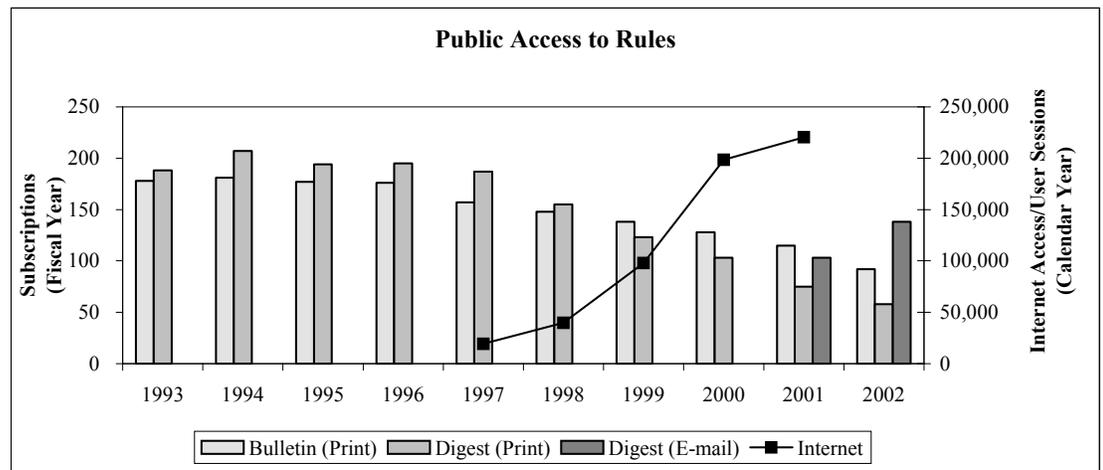
In response to Legislative Intent, the Division of Administrative Rules maintains standards for agency submission of proposed rules. All impacts must be fully explained, including those proposed rules that have no fiscal impact. In addition, the Office of the Legislative Fiscal Analyst reviews fiscal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

### 3.2 Rules Publication

The Division of Administrative Rules operates a 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 staff.

	2001 Actual	2002 Estimated	2003 Analyst	Est/Analyst Difference
<b>Financing</b>				
General Fund	6,800	16,700	15,100	(1,600)
General Fund, One-time		(1,100)		1,100
Beginning Nonlapsing	30,800	13,700	9,400	(4,300)
Closing Nonlapsing	(13,700)	(9,400)	(3,000)	6,400
<b>Total</b>	<b>\$23,900</b>	<b>\$19,900</b>	<b>\$21,500</b>	<b>\$1,600</b>
<b>Expenditures</b>				
Current Expense	23,900	21,000	23,100	2,100
DP Current Expense		(1,100)	(1,600)	(500)
<b>Total</b>	<b>\$23,900</b>	<b>\$19,900</b>	<b>\$21,500</b>	<b>\$1,600</b>
<b>FTE/Other</b>				

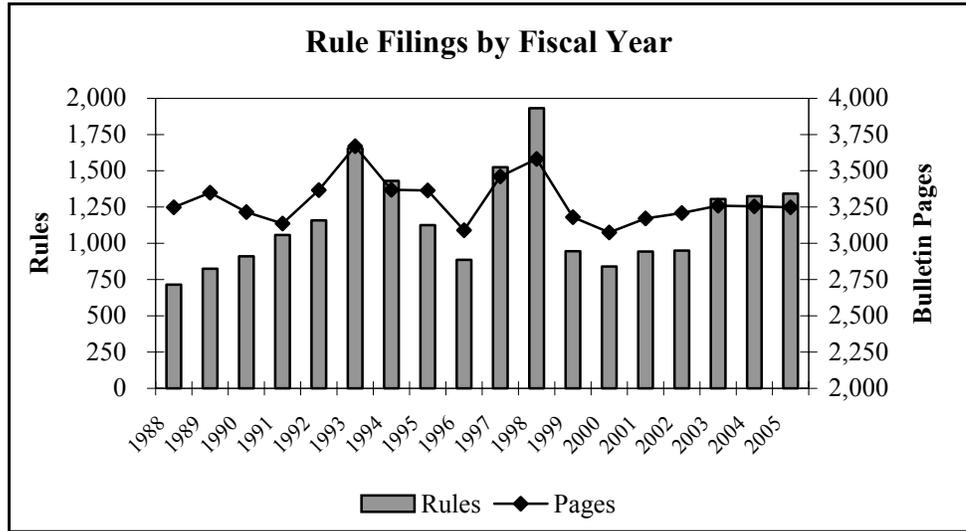
Increased electronic access alleviates the need for hard-copy publications. For the last five years paper subscriptions have dropped as electronic access skyrocketed.



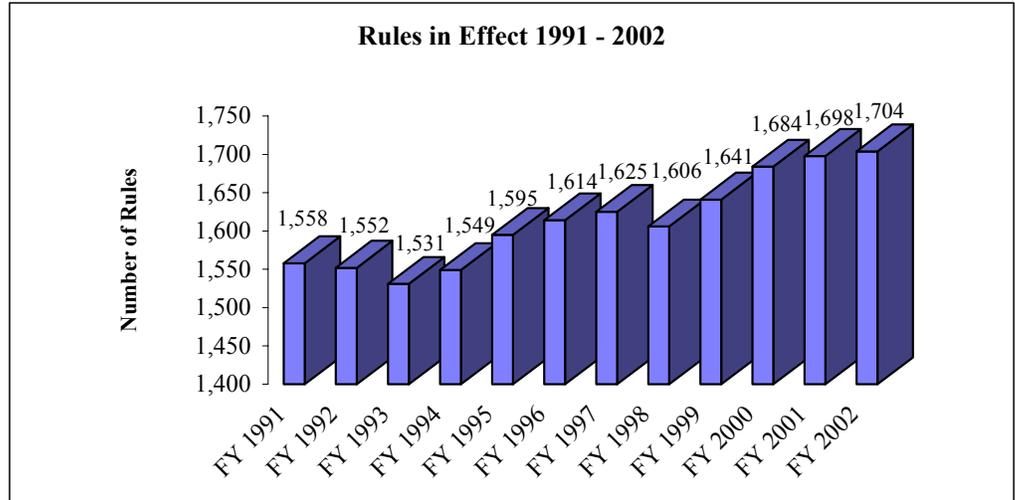
### 3.3 Performance Measures

#### Performance Measures

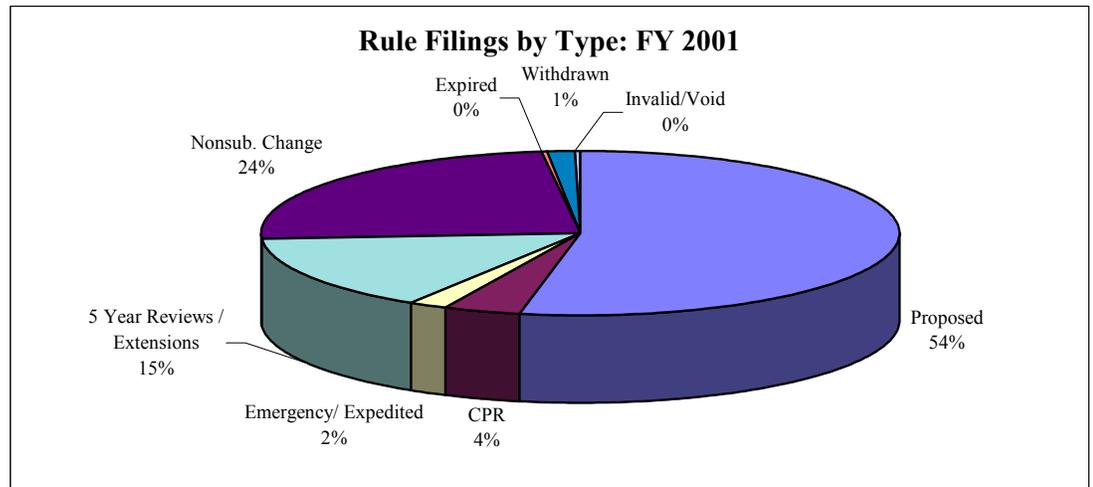
The Division of Administrative Rules counts numbers of rules filed, records the number of rules in effect and reports the type of rules modified or proposed each year. The following charts depict historical trends relating to Administrative Rules. Projections for 2003 to 2005 are based on historical trends.



Annual rule filings have more than doubled since 1988, but pages printed in the Bulletin have remained constant. There seems to be some correlation between rules filed and pages printed, but the relationship is weak. Other factors affecting number of pages 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 1,613 rules in effect. Annual growth in the number of effective rules averaged less than one percent since 1991. Cumulative growth in effective rules over the same period is less than nine percent.



The bulk of rule filings are rule proposals – almost all of which are amendments to existing rules. Of 500 proposed rules, only 60 were new rule proposals. More than sixty-seven percent of the 942 total rule filings in 2001 were amendments or nonsubstantive changes.

**4.0 Additional Information: Division of Administrative Rules**

	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
<b>Financing</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Analyst</b>
General Fund	252,000	258,800	267,400	273,800	270,400
General Fund, One-time				(2,100)	
Dedicated Credits Revenue	(400)				
Transfers			93,000		
Beginning Nonlapsing	42,300	47,000	30,800	13,700	9,400
Closing Nonlapsing	(47,000)	(30,800)	(13,700)	(9,400)	(3,000)
<b>Total</b>	<b>\$246,900</b>	<b>\$275,000</b>	<b>\$377,500</b>	<b>\$276,000</b>	<b>\$276,800</b>
<b>Programs</b>					
DAR Administration	236,700	253,500	353,600	256,100	255,300
Rules Publishing	10,200	21,500	23,900	19,900	21,500
<b>Total</b>	<b>\$246,900</b>	<b>\$275,000</b>	<b>\$377,500</b>	<b>\$276,000</b>	<b>\$276,800</b>
<b>Expenditures</b>					
Personal Services	214,600	227,400	227,800	234,400	235,200
Out of State Travel	2,200	2,600	1,800	2,300	2,200
Current Expense	15,100	30,800	33,400	29,000	28,700
DP Current Expense	15,000	14,200	114,500	10,300	10,700
<b>Total</b>	<b>\$246,900</b>	<b>\$275,000</b>	<b>\$377,500</b>	<b>\$276,000</b>	<b>\$276,800</b>
<b>FTE/Other</b>					
Total FTE	5	5	4	4	4