

1                   A bill to be entitled  
2           An act relating to state government; requiring  
3           the Joint Administrative Procedures Committee  
4           to publish certain statistics relating to rules  
5           in its annual report; directing the Office of  
6           Program Policy Analysis and Government  
7           Accountability to conduct a study and prepare a  
8           report on the cost of state regulation and  
9           providing requirements with respect thereto;  
10          providing an appropriation; providing an  
11          effective date.

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13 Be It Enacted by the Legislature of the State of Florida:

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15           Section 1. The Joint Administrative Procedures  
16 Committee shall publish the following statistics on state  
17 rules in their annual report:

18           (1) The number of rules in the Florida Administrative  
19 Code.

20           (2) The number of rules noticed in the Florida  
21 Administrative Weekly during the preceding year for which a  
22 statement of estimated regulatory cost was prepared.

23           (3) The number of rules noticed in the Florida  
24 Administrative Weekly during the preceding year for which a  
25 statement of estimated regulatory cost was not prepared.

26           (4) The sum of costs contained in statements of  
27 estimated regulatory cost prepared for rules noticed in the  
28 preceding year.

29           (5) The number of rules noticed for repeal during the  
30 preceding year and the estimated cost savings from those  
31 repeals.

1           (6) The number of full-time equivalent employees  
2 engaged in regulatory activity.

3           (7) The number of pages in the Florida Administrative  
4 Code.

5           Section 2. The Office of Program Policy Analysis and  
6 Government Accountability (OPPAGA) is directed to study,  
7 through its staff or by contract with a vendor, the costs  
8 associated with state regulation. OPPAGA shall submit to the  
9 Speaker of the House of Representatives and the President of  
10 the Senate, no later than January 31, 1999, a report that  
11 provides:

12           (1) A comprehensive literature search on regulatory  
13 cost studies available at the federal, state, and local level.  
14 OPPAGA shall include a bibliography of its findings in the  
15 report.

16           (2) Estimates of the total costs of state regulation  
17 for fiscal year 1996-1997. Regulatory cost estimates shall be  
18 divided into two main categories and reported as follows:

19           (a) Administrative costs, which are the costs incurred  
20 by the state to administer regulatory programs. Administrative  
21 costs shall be categorized by agency and shall be identified  
22 using the General Appropriations Act, agency budgets, and  
23 other appropriate data sources.

24           (b) Compliance costs, which are the costs incurred by  
25 the private sector and local governments to comply with state  
26 regulation. Compliance costs shall be quantified using  
27 existing agency data, the General Appropriations Act, existing  
28 economic impact statements or statements of estimated  
29 regulatory costs, and other appropriate agency data sources,  
30 including, but not limited to, federal reports, engineering  
31 studies, industry surveys, local government surveys, and other

1 market data. Compliance cost estimates shall be divided into  
2 three main categories:

3 1. Economic regulation: Industry-specific regulations  
4 and other regulated activities in industries using economic  
5 controls such as price ceilings and service parameters.  
6 Economic regulatory costs shall be divided into capital costs  
7 and operational costs.

8 2. Social regulation: Regulations designed to achieve  
9 goals such as cleaner air, equal employment opportunity, safer  
10 work environments, and consumer safety. Social regulatory  
11 costs shall be divided into capital costs and operational  
12 costs.

13 3. Paperwork costs: Requirements associated with  
14 paperwork burdens not directly linked to a social or economic  
15 regulatory objective. Paperwork costs shall consist of the  
16 operational costs incurred by the private sector or local  
17 governments to comply with state paperwork requirements.

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19 Once quantified, a range of regulatory costs associated with  
20 the categories specified in subparagraphs (b)1., 2., and 3.,  
21 shall be given and then accumulated to arrive at a total cost  
22 estimate. The total cost estimate shall be described on an  
23 aggregate and a per capita basis. State regulatory costs  
24 identified under paragraphs (a) and (b) that are attributable  
25 to federally mandated or federally delegated programs should  
26 be so noted in the report.

27 (3) Proposed methodologies for estimating state  
28 regulatory costs as described in subsection (2) and  
29 recommendations to improve the state's rulemaking process to  
30 more accurately consider the costs and benefits of proposed  
31 rules.

1           Section 3. The sum of \$10,000 is appropriated from the  
2 General Revenue Fund to the Office of Program Policy Analysis  
3 and Government Accountability for the purpose of conducting  
4 the study on the cost of state regulation required by this  
5 act.

6           Section 4. This act shall take effect upon becoming a  
7 law.