

MAINE STATE LEGISLATURE

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115th MAINE LEGISLATURE

FIRST REGULAR SESSION-1991

Legislative Document

No. 1310

H.P. 913

House of Representatives, March 27, 1991

Reference to the Committee on State and Local Government suggested and ordered printed.

A handwritten signature in cursive script that reads "Ed Pert".

EDWIN H. PERT, Clerk

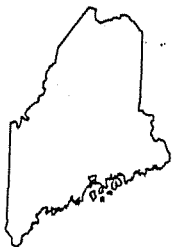
Presented by Representative FOSS of Yarmouth.

Cosponsored by Senator BALDACCI of Penobscot, Senator RICH of Cumberland and Representative SMALL of Bath.

STATE OF MAINE

IN THE YEAR OF OUR LORD
NINETEEN HUNDRED AND NINETY-ONE

An Act to Promote Fully Informed Legislation and Rulemaking.



Be it enacted by the People of the State of Maine as follows:

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Sec. 1. 3 MRSA §525 is enacted to read:

§525. Economic impact analysis statements of proposed legislation

1. Economic impact analysis statement. An economic impact analysis statement of a specific legislative bill must be prepared by the Director of the State Planning Office together with the Commissioner of Economic and Community Development when so requested by a Legislator serving on the joint standing committee considering that bill. Within 90 days of the request, or sooner if so requested due to legislative schedule restrictions, the State Planning Office together with the Department of Economic and Community Development shall advise the Legislator making the request and the joint standing committee considering the bill as to the economic impact the bill will have on the State and persons directly affected if enacted. The economic impact analysis on the proposed bill must include:

A. An estimate of the cost to the State of the implementation of the proposed action, including the estimated amount of paperwork;

B. An estimate of the cost or the economic benefit to all persons directly affected by the proposed action;

C. An estimate of the impact of the proposed action on competition for those persons directly affected and on the open market for employment, if applicable;

D. A detailed statement of the data and method used in making each of the above estimates. If the analysis rejects information submitted for consideration, the basis for rejecting this data and information must be explained; and

E. An analysis of any potential alternatives.

In preparing the economic impact analysis statement, the State Planning Office and the Department of Economic and Community Development are authorized to obtain essential information from other state agencies and shall consider all relevant information submitted by persons interested in the legislation.

Sec. 2. 5 MRSA §8052, sub-§4, as amended by PL 1981, c. 524, §3, is further amended to read:

4. Relevant information considered. The agency shall consider all relevant information available to it, including statements and arguments filed, before adopting any rule or preparing any economic impact analysis statement. If the economic impact analysis rejects information submitted for

2 consideration, the basis for rejecting this data and information
3 must be explained.

4 **Sec. 3. 5 MRSA §8052, sub-§5-B is enacted to read:**

6 **5-B. Economic impact analysis statement.** Prior to
7 adoption, amendment or repeal of any rule, except for rules
8 adopted, amended or repealed pursuant to section 8054, an agency
9 shall prepare a detailed economic impact analysis on the proposed
10 rule. The economic impact analysis statement must include:

12 A. An estimate of the cost to the agency of the
13 implementation of the proposed action, including the
14 estimated amount of paperwork;

16 B. An estimate of the cost or the economic benefit to all
17 persons directly affected by the proposed action;

18 C. An estimate of the impact of the proposed action on
19 competition for those persons directly affected and on the
20 open market for employment, if applicable; and

22 D. A detailed statement of the data and method used in
23 making each of the above estimates.

26 Failure to provide adequate statement of economic impact is
27 grounds for holding the rule invalid; however, beginning October
28 1, 1991 no rule may be declared invalid for want of an adequate
29 statement of economic impact unless the issue is raised in an
30 administrative or judicial proceeding within one year of the
31 effective date of the rule to which the statement applies.

32 **Sec. 4. 5 MRSA §8053, sub-§3-A, as enacted by PL 1981, c. 524,**
33 **§8, is amended to read:**

36 **3-A. Copies of proposed rules available upon request.** At
37 least 20 days prior to hearing on any proposed rule and at least
38 20 days prior to the adoption of any rule without a hearing, the
39 agency shall make copies of the proposed rule and the fact sheet
40 developed pursuant to section 8053-A available to persons upon
41 request.

44 STATEMENT OF FACT

46 The requirement for economic impact statements should enable
47 lawmakers and agencies to better assess the costs versus benefits
48 of a proposed bill or rule and ensure that limited public and
49 private resources are spent in the most efficient and productive
50 manner. To ensure Legislators are knowledgeable about the
51 economic consequences of proposed legislation, this bill enables
52 Legislators to request economic impact analysis statements on

2 proposed legislation from the State Planning Office and the
Department of Economic and Community Development.

4 In addition, because agencies have consistently examined and
6 evaluated the economic impacts of proposed rules, this bill
8 requires agencies to do so and ensures that rules are promulgated
with an understanding of the economic impacts of a rule on the
private sector and on the administrating agencies.