

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH10211-LB-332A (4/10)

Short Title: Economic Impact/Regulatory Legislation.

(Public)

Sponsors: Representative Dollar.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO REQUIRE ECONOMIC IMPACT STATEMENTS ON ALL BILLS
THAT PROPOSE REGULATORY CHANGES, SIMILAR TO THE FISCAL
NOTES THAT AGENCIES MUST PREPARE DURING RULE MAKING.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 120 of the General Statutes is amended by adding a
new Article to read:

"Article 6E.

"Regulatory Legislation Economic Impact Statements.

**"§ 120-30.61. Regulatory legislation that has substantial economic impact must be
accompanied by economic impact statement.**

(a) Every bill introduced in the General Assembly proposing any change in the
law that is regulatory in nature that could cause a substantial economic impact on
entities regulated by the legislation shall have attached to it at the time of its
consideration by the General Assembly an economic impact statement prepared by the
Fiscal Research Division. The economic impact statement shall identify and estimate,
for the first five fiscal years the proposed change would be in effect, all costs of the
proposed legislation on entities regulated by it. If, after careful investigation, the Fiscal
Research Division determines that no dollar estimate is possible, the economic impact
statement shall contain a statement to that effect, setting forth the reasons why no dollar
amount can be given. No comment or opinion shall be included in the economic impact
statement with regard to the merits of the measure for which the note is prepared, but
technical and mechanical defects may be noted. As used in this Article, the term
"substantial economic impact" means an aggregate financial impact on:

(1) All persons affected of at least one million dollars (\$1,000,000) in a
12-month period; or

1 (2) Any one person of at least one thousand dollars (\$1,000) in a 12-month
2 period.

3 (b) The sponsor of each bill to which this section applies shall present a copy of
4 the bill with the request for an economic impact statement to the Fiscal Research
5 Division. The Fiscal Research Division shall prepare the economic impact statement
6 and transmit it to the sponsor within two weeks after the request is made, unless the
7 sponsor agrees to an extension of time.

8 (c) This economic impact statement shall be attached to the original of each
9 proposed bill that is reported favorably by any committee of the General Assembly, but
10 shall be separate from the bill and shall be clearly designated as an economic impact
11 statement. An economic impact statement attached to a bill pursuant to this subsection is
12 not a part of the bill and is not an expression of legislative intent proposed by the bill.

13 (d) If a committee of the General Assembly reports favorably a proposed bill
14 with an amendment that proposes a change in the law that could cause a substantial
15 economic impact to entities regulated by it, the chair of the committee shall obtain from
16 the Fiscal Research Division and attach to the amended bill an economic impact
17 statement as provided in this section.

18 (e) The Office of State Budget and Management, the Department of Revenue, the
19 Department of the State Treasurer, the Department of the State Auditor, the State
20 department most directly concerned, upon the request of Fiscal Research Division, shall
21 assist the Fiscal Research Division in the preparation of the economic impact statement.

22 (f) Copies of economic impact statements prepared by the Fiscal Research
23 Division shall be furnished to the sponsor of the bill.

24 **"§ 120-30.62. Legislation introduced by request.**

25 Any State department, institution, agency, or other authority requesting a member or
26 members of the General Assembly to introduce regulatory legislation which if enacted
27 would have a substantial fiscal impact on entities regulated by the legislation shall
28 furnish to such member or members, and to the Fiscal Research Division, an economic
29 impact statement containing a realistic estimate of the effect of the measure for the
30 ensuing two fiscal periods."

31 **SECTION 2.** This act becomes effective January 1, 2008.