

1 AN ACT relating to legislative accountability by providing for the expanded use of
2 cost estimates, a regulatory impact assessment of pending legislation, and the limitation
3 of bill introductions during a regular session.

4 WHEREAS, the National Conference of State Legislators describes a fiscal note as
5 a bill's "price tag"; and

6 WHEREAS, Kentucky law requires a fiscal analysis to be completed in limited
7 situations such as when a bill has a fiscal impact on a local government, a public
8 retirement system, corrections, or health insurance coverage; and

9 WHEREAS, the rules of the House and Senate allow for the sponsor of a bill, the
10 chair of a committee, the majority vote of a committee, or the majority vote on the floor
11 of the chamber to request a fiscal statement on pending legislation; and

12 WHEREAS, the Center for Budget and Policy Priorities ("CBPP"), a non-partisan
13 research and policy institute, identified five fiscal note "best practices" that would assist
14 legislatures in making informed decisions; and

15 WHEREAS, in a state-by-state comparison, the CBPP found that 45 states post
16 fiscal notes online; 38 states prepare fiscal notes on all bills; 33 states have fiscal notes
17 prepared free from partisan pressure; 27 states revise estimates as needed; and 12 states
18 project the long-term impact of four years or more; and

19 WHEREAS, the regulatory impact of proposed legislation on individuals and
20 businesses is not incorporated into current fiscal notes; and

21 WHEREAS, the Mercatus Center at George Mason University ranks Kentucky 46th
22 out of 50 states in terms of fiscal soundness; and

23 WHEREAS, legislation can only be responsibly enacted when the "price tag" and
24 regulatory impact are known to both legislators and taxpayers on all proposed bills;

25 NOW, THEREFORE,

26 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

27 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO

1 READ AS FOLLOWS:

2 As used in Sections 1 to 3 of this Act:

3 (1) "Fiscal note" means the Commonwealth of Kentucky state fiscal note statement,
4 which estimates the effect on expenditures and revenues of state government in
5 implementing or complying with any proposed act of the General Assembly;

6 (2) "Machine-readable format" means a comma separated values (CSV) file format;
7 and

8 (3) (a) "Regulatory burden" means the potential change in an individual or
9 business's administrative costs in terms of dollars, time, and complexity, in
10 order to be in compliance with a bill or amendment proposed by the General
11 Assembly.

12 (b) Actions within a bill or amendment that could result in a regulatory burden
13 include but are not limited to:

14 1. a. Requiring new or additional information; or

15 b. Eliminating a requirement to provide information;

16 2. a. Establishing a new fee; or

17 b. Eliminating an existing fee;

18 3. a. Requiring new or additional training; or

19 b. Eliminating a training requirement;

20 4. a. Requiring the passage of an exam; or

21 b. Eliminating an exam requirement;

22 5. a. Requiring a new license or registration; or

23 b. Eliminating a license or registration requirement;

24 6. a. Requiring a background check; or

25 b. Eliminating a background check requirement;

26 7. a. Requiring a periodic inspection or review; or

27 b. Eliminating an inspection or review requirement; or

- 1 8. Changing indemnification or insurance requirements.
- 2 (c) 1. If the actions within a bill or amendment do not result in a regulatory
- 3 burden, the fiscal note shall indicate that there is no regulatory
- 4 burden impact.
- 5 2. If one (1) or two (2) actions within a bill or amendment result in a
- 6 regulatory burden, the fiscal note shall indicate a low regulatory
- 7 burden impact.
- 8 3. If three (3) or four (4) actions within a bill or amendment result in a
- 9 regulatory burden, the fiscal note shall indicate a medium regulatory
- 10 burden impact.
- 11 4. If five (5) or more actions within a bill or amendment result in a
- 12 regulatory burden, the fiscal note shall indicate a high regulatory
- 13 burden impact.

14 ➔SECTION 2. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO
 15 READ AS FOLLOWS:

- 16 (1) A fiscal note shall be:
- 17 (a) Required for each bill or amendment filed by a member of the General
- 18 Assembly;
- 19 (b) Updated as a bill is amended throughout the legislative process;
- 20 (c) Filed with the clerk in the chamber of the General Assembly in which the
- 21 bill or amendment was introduced;
- 22 (d) Attached to each copy of the bill or amendment for distribution to the
- 23 members of the General Assembly;
- 24 (e) Made available to the public on the Legislative Research Commission's Web
- 25 site as an attachment to the bill or amendment;
- 26 (f) Assigned to a separate database searchable by bill number and full text;
- 27 (g) Maintained in a machine-readable format; and

1 (h) Accessible to the public without cost, registration, or licensure.

2 (2) (a) A bill or amendment shall not be voted on by either chamber of the General
3 Assembly until the fiscal note requirements in subsection (1) of this section
4 are met, except that, if in the chamber, in which the bill or amendment is
5 being considered, two-thirds (2/3) of the members elected vote to waive the
6 fiscal note requirement, no note shall be required. The fiscal note waiver
7 shall be certified by the clerk of the chamber in which the bill or
8 amendment is being considered, and the clerk's certification shall be
9 attached to the bill or amendment. Although waived in one (1) chamber, a
10 fiscal note shall be required when the bill goes to the other chamber unless
11 a majority of the members elected to that chamber also vote to waive the
12 fiscal note requirement.

13 (b) No bill or amendment shall be voted on in a committee unless a fiscal note
14 is prepared and attached to the copy of the bill or amendment for
15 distribution to the members of the committee, except that, if the chair of the
16 committee in which the bill or amendment is being considered waives the
17 fiscal note requirement, no note shall be required. The fiscal note waiver
18 shall be signed by the chair of the committee and attached to the bill or
19 amendment for distribution to the members of the committee prior to voting
20 on the bill or amendment. Although waived in the committee, a fiscal note
21 shall be required pursuant to paragraph (1)(a) of this section when the bill
22 or amendment goes to the chamber unless a majority of the members
23 elected to that chamber vote to waive the fiscal note requirement.

24 (3) A fiscal note shall contain the following information:

25 (a) Identifying information for the bill or amendment, including its number,
26 title, and sponsor;

27 (b) A brief summary of the bill or amendment with a description of its purpose;

- 1 (c) 1. A statement of whether the bill or amendment creates a fiscal impact;
 2 and
 3 2. When a fiscal impact is created:
 4 a. The names of the funds that are impacted;
 5 b. An estimate of the expenditures and revenues that are impacted
 6 for at least four (4) years, beginning with the initial year that a
 7 fiscal impact exists; and
 8 c. i. An explanation of the bill or amendment's fiscal impact; or
 9 ii. The reason for the omission of the fiscal impact, if it
 10 cannot be estimated;
 11 (d) A reference to the sources used for the data and information included in the
 12 fiscal note;
 13 (e) 1. A statement of whether the bill or amendment will increase, decrease,
 14 or not change the regulatory burden for Kentucky businesses and
 15 individuals; and
 16 2. A statement of whether the change in the regulatory burden will be
 17 high, medium, or low as defined in Section 1 of this Act;
 18 (f) The identification of the analyst primarily responsible for drafting the fiscal
 19 note; and
 20 (g) The date the fiscal note was finalized.

21 ➔SECTION 3. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO
 22 READ AS FOLLOWS:

23 The Legislative Research Commission shall:

- 24 (1) Create a standardized form and instructions to be used in preparing fiscal notes;
 25 (2) Compile and analyze the information necessary for preparing fiscal notes;
 26 (3) Prepare all fiscal notes;
 27 (4) Upload all fiscal notes to its Web site as an attachment to the bills or

1 amendments; and

2 (5) Create and maintain the fiscal note database required by Section 2 of this Act.

3 ➔SECTION 4. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO
4 READ AS FOLLOWS:

5 (1) No limits shall be placed upon the number of bills that a member of the General
6 Assembly can pre-file or the number of bills that only propose a repeal of existing
7 statutory provisions.

8 (2) (a) Once a regular session has commenced and all pre-filed bills have been
9 introduced, no member of the General Assembly shall file more than three
10 (3) additional bills for an odd-numbered year regular session or five (5)
11 additional bills for an even-numbered year regular session.

12 (b) Each member of the General Assembly shall attest in writing upon the
13 filing of a bill that he or she is in compliance with the limits established by
14 this subsection.

15 (c) The limits established in this subsection shall not apply to the Speaker of
16 the House, the President of the Senate, or the presiding officer acting on
17 behalf of the Speaker of the House or President of the Senate in the event of
18 an absence.

19 ➔SECTION 5. A NEW SECTION OF KRS CHAPTER 6 IS CREATED TO
20 READ AS FOLLOWS:

21 The lack of a fiscal note as defined in Section 1 of this Act and as required by Section 2
22 of this Act or a bill filed by a legislator in excess of the bill limits established by Section
23 4 of this Act shall not affect the validity of any measure otherwise duly passed by the
24 legislature.

25 ➔Section 6. KRS 6.245 is amended to read as follows:

26 (1) Members of the General Assembly and members-elect of the General Assembly
27 who have received their certificates of election are hereby authorized, during

1 ~~the~~^{such} time~~as~~ the General Assembly is not in session, to pre-file bills and
2 resolutions for introduction in the next succeeding regular legislative session with
3 the director of the Legislative Research Commission. Bills and resolutions which
4 are pre-filed under the provisions of this section shall be in ~~the~~^{such} final and
5 correct form for introduction in the General Assembly as required by the
6 constitution, laws and rules of the respective houses of the Legislature. The original
7 copy of every bill and resolution pre-filed shall include thereon, immediately below
8 the typed or printed name of the sponsor thereof, the full signature of said sponsor.

9 (2) The director of the Legislative Research Commission is authorized and directed to
10 receive pre-filed bills and resolutions, to assign numbers for introduction in the
11 proper house in order of receipt, and, subject to the provisions of subsection (3) of
12 this section, to deliver the original and four (4) copies of each bill and resolution to
13 the secretary of the Senate or the chief clerk of the House, as the case may be, on
14 the first day of the regular session. Pre-filed bills and resolutions shall be considered
15 as introduced on the day of their delivery to each house. No measure that is filed
16 and printed pursuant to this section shall be distributed to members, members-elect,
17 or the public unless the person filing the measure specifically authorizes in writing
18 ~~the~~^{such} distribution.

19 (3) Notwithstanding the provisions of subsection (2) of this section, in the event all the
20 persons sponsoring a pre-filed bill or resolution shall have ceased to be members of
21 the General Assembly at the time of the convening of the next succeeding regular
22 legislative session, the pre-filing of that bill or resolution shall be considered to be
23 without effect, and the director of the Legislative Research Commission shall not
24 deliver the original or copies to the secretary of the Senate or the chief clerk of the
25 House.

26 **(4) Pursuant to Section 4 of this Act, no limits shall be placed upon the number of**
27 **bills that a member of the General Assembly can pre-file.**

1 ➔Section 7. KRS 6.950 is amended to read as follows:

2 As used in KRS 6.955 to 6.975, unless the context otherwise requires:

- 3 (1) "**Local government mandate statement**~~[Fiscal note]~~" means a realistic statement of
 4 the estimated effect on expenditures or revenue of local government in
 5 implementing or complying with any proposed act of the General Assembly
 6 whether filed in regular session or **pre-filed**~~[pre-filed]~~ during the interim, order, or
 7 administrative law;~~[;]~~
- 8 (2) "Local government" means cities, counties or urban-county governments; ~~and~~~~[;]~~
- 9 (3) "State mandate" means any state constitutional, legislative, or executive law or
 10 order which requires any local government to establish, expand, or modify its
 11 activities, programs, or structure in~~[such]~~ a way **that affects**~~[as to affect]~~
 12 expenditures from local revenues.

13 ➔Section 8. KRS 6.955 is amended to read as follows:

- 14 (1) No bill or resolution which relates to any aspect of local government or any service
 15 provided thereby shall be voted on by either chamber of the General Assembly
 16 unless a **local government mandate statement**~~[fiscal note]~~ has been prepared and
 17 attached to the bill pursuant to KRS 6.960, except that, if in the chamber in which
 18 the bill is being considered, two-thirds (2/3) of the members elected vote to waive
 19 the **local government mandate statement**~~[fiscal note]~~ requirement, no
 20 **statement**~~[note]~~ shall be required. The **local government mandate statement**~~[fiscal~~
 21 ~~note]~~ waiver shall be certified by the clerk of the chamber in which the bill is being
 22 considered, and **the**~~[such]~~ certification shall be attached to the bill. Although
 23 waived in one **(1)** chamber, a **local government mandate statement**~~[fiscal note]~~
 24 shall be required when the bill goes to the other chamber unless a majority of the
 25 members elected to **that**~~[such]~~ chamber vote to waive the **local government**
 26 **mandate statement**~~[fiscal note]~~ requirement.
- 27 (2) An executive order which relates to any aspect of local government or any service

1 provided thereby shall not be issued unless a **local government mandate**
 2 **statement**~~[fiscal note]~~ has been prepared and made a part of the order pursuant to
 3 KRS 6.960.

4 ➔Section 9. KRS 6.960 is amended to read as follows:

5 (1) The director of the Legislative Research Commission shall have the **local**
 6 **government mandate statement**~~[fiscal note]~~ prepared by the Legislative Research
 7 Commission or by other departments or agencies of state government for any bill
 8 introduced before the General Assembly which relates to any aspect of local
 9 government or any service provided thereby. Departments or agencies of state
 10 government so requested by the director shall comply with the request within seven
 11 (7) working days of receipt. The **local government mandate statement**~~[fiscal note]~~
 12 shall be filed with the clerk in the chamber of the General Assembly in which the
 13 bill was introduced and attached to each copy of the bill.

14 (2) The secretary of finance shall have the **local government mandate statement**~~[fiscal~~
 15 ~~note]~~ prepared by the Finance and Administration Cabinet or by other departments
 16 or agencies of state government for any order promulgated by an executive
 17 department or agency which relates to any aspect of local government or any service
 18 provided thereby. The director of the Legislative Research Commission shall
 19 determine the form of **the statements**~~[such notes]~~. The secretary may request the
 20 advice or assistance of the Legislative Research Commission in the preparation of
 21 the **local government mandate statement**~~[fiscal note]~~. The **local government**
 22 **mandate statement**~~[fiscal note]~~ shall be attached to each copy of the order.

23 ➔Section 10. KRS 6.965 is amended to read as follows:

24 (1) A **local government mandate statement**~~[fiscal note]~~ shall state whether the bill or
 25 order is determined to be a state mandate. **This**~~[Such]~~ determination shall be made
 26 by the director of the Legislative Research Commission except as provided by
 27 subsection (2) of this section. If the bill or order is a state mandate, the **local**

1 **government mandate statement**~~[note]~~ shall contain an estimate of the effect the law
2 will have on expenditures or revenues of local government for the first full fiscal
3 year the law is to be in effect.

4 (2) The director, at his **or her** discretion, may seek a certification from the Attorney
5 General on the question of whether a bill or order constitutes a state mandate. The
6 Attorney General shall, within seven (7) working days from receipt of the request,
7 certify to the director that the bill or order is or is not a state mandate.

8 (3) If any bill or order is amended after the preparation of the **local government**
9 **mandate statement**~~[fiscal note]~~, it shall be resubmitted to the person responsible for
10 preparation of the **local government mandate statement**~~[note]~~ who shall reevaluate
11 the bill or order as amended and change the **local government mandate**
12 **statement**~~[fiscal note]~~ in accordance therewith.

13 (4) Copies of the **local government mandate statement**~~[fiscal note]~~ shall be furnished
14 by the Legislative Research Commission to any local official upon written request.

15 ➔Section 11. KRS 6.970 is amended to read as follows:

16 The Legislative Research Commission shall be responsible for compiling, analyzing, and
17 collecting fiscal and other information from local governments necessary for the
18 preparation of **local government mandate statements**~~[fiscal notes]~~. An information
19 system shall be developed and designed to provide sufficient continuing information on
20 the financial condition of local government which can be readily utilized for the
21 preparation of **local government mandate statements**~~[fiscal notes]~~. In the development of
22 this information system, the Legislative Research Commission shall:

23 (1) Compile, analyze, and maintain in a unified, concise, and orderly form, information
24 on the nature and impact of existing state mandates and state programs which
25 involve the distribution of funds to local government; and

26 (2) Continuously compile, analyze, and maintain fiscal and other relevant information
27 which is required by statute or regulation to be prepared by local governments.

1 ➔Section 12. KRS 13A.190 is amended to read as follows:

- 2 (1) An emergency administrative regulation is one that:
- 3 (a) Must be placed into effect immediately in order to:
- 4 1. Meet an imminent threat to public health, safety, or welfare;
- 5 2. Prevent a loss of federal or state funds;
- 6 3. Meet a deadline for the promulgation of an administrative regulation that
- 7 is established by state statute or federal law; or
- 8 4. Protect human health and the environment; and
- 9 (b) 1. Is temporary in nature and will expire as provided in this section; or
- 10 2. Is temporary in nature and will be replaced by an ordinary administrative
- 11 regulation as provided in this section.
- 12 (2) Emergency administrative regulations shall become effective and shall be
- 13 considered as adopted upon filing. Emergency administrative regulations shall be
- 14 published in the Administrative Register in accordance with the publication
- 15 deadline established in KRS 13A.050(3).
- 16 (3) (a) Except as provided by paragraph (b) of this subsection, emergency
- 17 administrative regulations shall expire two hundred seventy (270) days after
- 18 the date of filing or when the same matter filed as an ordinary administrative
- 19 regulation filed for review is adopted, whichever occurs first.
- 20 (b) If an administrative body extends the time for filing a statement of
- 21 consideration as provided by KRS 13A.280(2)(b), an emergency
- 22 administrative regulation shall remain in effect for two hundred seventy (270)
- 23 days after the date of filing plus the number of days extended under the
- 24 provisions of KRS 13A.280(2)(b) or when the same matter filed as an
- 25 ordinary administrative regulation filed for review is adopted, whichever
- 26 occurs first.
- 27 (4) Except as established in subsection (5) of this section, an emergency administrative

1 regulation with the same number or title or governing the same subject matter shall
2 not be filed for a period of nine (9) months after it has been initially filed. No other
3 emergency administrative regulation that is identical to the previously filed
4 emergency administrative regulation shall be promulgated.

5 (5) If an emergency administrative regulation with the same number or title or
6 governing the same subject matter as an emergency administrative regulation filed
7 within the previous nine (9) months is filed, it shall contain a detailed explanation
8 of the manner in which it differs from the previously filed emergency administrative
9 regulation. The detailed explanation shall be included in the statement of emergency
10 regulation required by subsection (6) of this section.

11 (6) Each emergency administrative regulation shall contain a statement of:

- 12 (a) The nature of the emergency;
- 13 (b) The reasons why an ordinary administrative regulation is not sufficient;
- 14 (c) Whether or not the emergency administrative regulation will be replaced by an
15 ordinary administrative regulation;
- 16 (d) If the emergency administrative regulation will be replaced by an ordinary
17 administrative regulation, the following statement: "The ordinary
18 administrative regulation (is or is not) identical to this emergency
19 administrative regulation.";
- 20 (e) If the emergency administrative regulation will not be replaced by an ordinary
21 administrative regulation, the reasons therefor; and
- 22 (f) If applicable, the explanation required by subsection (5) of this section.

23 (7) (a) An administrative body shall attach the:

- 24 1. Statement of emergency required by subsection (6) of this section to the
25 front of the original and each copy of a proposed emergency
26 administrative regulation; and
- 27 2. Regulatory impact analysis, tiering statement, federal mandate

1 comparison, fiscal note *on state or local government*, summary of
2 material incorporated by reference if applicable, and other forms or
3 documents required by the provisions of this chapter to the back of the
4 emergency administrative regulation.

5 (b) An administrative body shall file with the regulations compiler:

6 1. The original and five (5) copies of the emergency administrative
7 regulation; and

8 2. At the same time as, or prior to, filing the paper version, an electronic
9 version of the emergency administrative regulation and the attachments
10 required by paragraph (a) of this subsection saved as a single document
11 for each emergency administrative regulation in an electronic format
12 approved by the regulations compiler.

13 (c) The original and four (4) copies of each emergency administrative regulation
14 shall be stapled in the top left corner. The fifth copy of each emergency
15 administrative regulation shall not be stapled. The original and the five (5)
16 copies of each emergency administrative regulation shall be grouped together.

17 (8) (a) If an emergency administrative regulation will not be replaced by an ordinary
18 administrative regulation, the administrative body shall schedule a public
19 hearing and public comment period pursuant to KRS 13A.270(1). The public
20 hearing and public comment period information required by KRS 13A.270(2)
21 shall be attached to the back of the emergency administrative regulation.

22 (b) If an emergency administrative regulation will be replaced by an ordinary
23 administrative regulation:

24 1. The ordinary administrative regulation shall be filed at the same time as
25 the emergency administrative regulation that will be replaced; and

26 2. A public hearing and public comment period shall not be required for
27 the emergency administrative regulation.

- 1 (9) The statement of emergency shall have a two (2) inch top margin. The number of
2 the emergency administrative regulation shall be typed directly below the heading
3 "Statement of Emergency." The number of the emergency administrative regulation
4 shall be the same number as the ordinary administrative regulation followed by an
5 "E."
- 6 (10) Each executive department emergency administrative regulation shall be signed by
7 the head of the administrative body and countersigned by the Governor prior to
8 filing with the Commission. These signatures shall be on the statement of
9 emergency attached to the front of the emergency administrative regulation.
- 10 (11) (a) If an ordinary administrative regulation that was filed to replace an emergency
11 administrative regulation is withdrawn, the emergency administrative
12 regulation shall expire on the date the ordinary administrative regulation is
13 withdrawn.
- 14 (b) If an ordinary administrative regulation that was filed to replace an emergency
15 administrative regulation is withdrawn, the administrative body shall inform
16 the regulations compiler of the reasons for withdrawal in writing.
- 17 (12) (a) If an emergency administrative regulation that was intended to be replaced by
18 an ordinary administrative regulation is withdrawn, the emergency
19 administrative regulation shall expire on the date it is withdrawn.
- 20 (b) If an emergency administrative regulation has been withdrawn, the ordinary
21 administrative regulation that was filed with it shall not expire unless the
22 administrative body informs the regulations compiler that the ordinary
23 administrative regulation is also withdrawn.
- 24 (c) If an emergency administrative regulation is withdrawn, the administrative
25 body shall inform the regulations compiler of the reasons for withdrawal in
26 writing.
- 27 (13) A subcommittee may review an emergency administrative regulation and may

1 recommend to the Governor that the administrative regulation be withdrawn.

2 ➔Section 13. KRS 13A.230 is amended to read as follows:

3 (1) The administrative body shall attach the following forms to the back of the original
4 and each copy of an administrative regulation:

5 (a) Regulatory impact analysis as required by KRS 13A.240;

6 (b) Tiering statement as required by KRS 13A.210;

7 (c) Fiscal note ***on state or local government*** as required by KRS 13A.250;

8 (d) Federal mandate comparison, if applicable, as required by KRS 13A.245; and

9 (e) The summaries provided for in KRS 13A.2245, 13A.2251, or 13A.2255, if
10 applicable.

11 (2) The forms required by subsection (1) of this section shall be obtained from the
12 regulations compiler.

13 (3) The electronic version of an administrative regulation and the attachments required
14 by subsection (1) of this section shall be sent by e-mail to the regulations compiler
15 in a single document at the same time as, or prior to, filing the paper version in
16 accordance with KRS 13A.190, 13A.220, or 13A.280 in an electronic format
17 approved by the regulations compiler.

18 ➔Section 14. KRS 13A.250 is amended to read as follows:

19 (1) An administrative body that promulgates an administrative regulation shall consider
20 the cost that the administrative regulation may cause state or local government to
21 incur. The cost analysis shall include the projected cost or cost savings to the
22 Commonwealth of Kentucky and each of its affected agencies, and the projected
23 cost or cost savings to affected local governments, including cities, counties, fire
24 departments, and school districts. Agencies affected by the administrative regulation
25 may submit comments in accordance with KRS 13A.270(1) to the promulgating
26 administrative body or to a subcommittee reviewing the administrative regulation.

27 (2) Each administrative body that promulgates an administrative regulation shall

1 prepare and submit with the administrative regulation a fiscal note *on state or local*
2 *government*. The fiscal note *on state or local government* shall state:

- 3 (a) The number of the administrative regulation;
- 4 (b) The name, e-mail address, and telephone number of the contact person of the
5 administrative body identified pursuant to KRS 13A.220(6)(d), and, if
6 applicable, the name, e-mail address, and telephone number of an alternate
7 person to be contacted with specific questions about the fiscal note *on state or*
8 *local government*;
- 9 (c) The unit, part, or division of state or local government the administrative
10 regulation will affect;
- 11 (d) In detail, the aspect or service of state or local government to which the
12 administrative regulation relates, including identification of the applicable
13 state or federal statute or regulation that mandates the aspect or service or
14 authorizes the action taken by the administrative regulation; and
- 15 (e) The estimated effect of the administrative regulation on the expenditures and
16 revenues of a state or local government agency for the first full year the
17 administrative regulation will be in effect. If specific dollar estimates cannot
18 be determined, the administrative body shall provide a brief narrative to
19 explain the fiscal impact of the administrative regulation.

20 (3) Any administrative body may request the advice and assistance of the Commission
21 in the preparation of the fiscal note *on state or local government*.

22 ➔Section 15. KRS 13A.280 is amended to read as follows:

- 23 (1) Following the last day of the comment period, the administrative body shall give
24 consideration to all comments received at the public hearing and all written
25 comments received during the comment period, including any report filed by the
26 Commission on Small Business Advocacy in accordance with KRS 11.202(1)(e)
27 and 13A.270(4), or by a local government in accordance with KRS 11.202(1)(e) and

1 13A.270(5).

2 (2) (a) Except as provided in paragraph (b) of this subsection, the administrative
3 body shall file with the commission on or before 12 noon, eastern time, on the
4 fifteenth day of the calendar month following the end of the public comment
5 period the statement of consideration relating to the administrative regulation
6 and, if applicable, the amended after comments version.

7 (b) If the administrative body has received a significant number of public
8 comments, it may extend the time for filing the statement of consideration
9 and, if applicable, the amended after comments version by notifying the
10 regulations compiler in writing on or before 12 noon, eastern time, on the
11 fifteenth day of the calendar month following the end of the public comment
12 period. The administrative body shall file the statement of consideration and,
13 if applicable, the amended after comments version, with the Commission on
14 or before 12 noon, eastern time, no later than the fifteenth day of the second
15 calendar month following the end of the public comment period.

16 (3) (a) If the administrative regulation is amended as a result of the hearing or written
17 comments received, the administrative body shall forward the items specified
18 in this paragraph to the regulations compiler by 12 noon, eastern time, on the
19 applicable deadline specified in subsection (2) of this section:

20 1. The original and five (5) copies of the administrative regulation
21 indicating any amendments in the original wording resulting from
22 comments received at the public hearing and during the comment
23 period;

24 2. The original and five (5) copies of the statement of consideration as
25 required by subsection (2) of this section, attached to the back of the
26 original and each copy of the administrative regulation; and

27 3. The regulatory impact analysis, tiering statement, federal mandate

1 comparison, or fiscal note on state or local government. These
2 documents shall reflect changes resulting from amendments made after
3 the public hearing.

4 (b) The original and four (4) copies of the amended after comments version, the
5 statement of consideration, and the attachments required by paragraph (a)3. of
6 this subsection shall be stapled in the top left corner. The fifth copy shall not
7 be stapled.

8 (c) At the same time as, or prior to, filing the paper version, the administrative
9 body shall file an electronic version of the amended after comments version,
10 the statement of consideration, and the required attachments saved as a single
11 document for each amended after comments administrative regulation in an
12 electronic format approved by the regulations compiler.

13 (4) (a) If the administrative regulation is not amended as a result of the public
14 hearing, or written comments received, the administrative body shall file the
15 original and five (5) copies of the statement of consideration with the
16 regulations compiler by 12 noon, eastern time, on the deadline established in
17 subsection (2) of this section. The original and four (4) copies of the statement
18 of consideration shall be stapled in the top left corner. The fifth copy of each
19 statement of consideration shall not be stapled.

20 (b) If the statement of consideration covers multiple administrative regulations, as
21 authorized by subsection (6)(g) of this section, the administrative body shall
22 file with the regulations compiler:

- 23 1. The original and five (5) copies of the statement of consideration as
24 required by paragraph (a) of this subsection; and
- 25 2. Two (2) additional unstapled copies of the statement of consideration for
26 each additional administrative regulation included in the group of
27 administrative regulations.

1 (c) At the same time as, or prior to, filing the paper version, the administrative
2 body shall file an electronic version of the statement of consideration saved as
3 a single document for each statement of consideration in an electronic format
4 approved by the regulations compiler.

5 (5) If comments are received either at the public hearing or during the public comment
6 period, the administrative regulation shall be deferred to the next regularly
7 scheduled meeting of the subcommittee following the month in which the statement
8 of consideration is due.

9 (6) The format for the statement of consideration shall be as follows:

10 (a) The statement shall be typewritten on white paper, size eight and one-half (8-
11 1/2) by eleven (11) inches. Copies of the statement may be mechanically
12 reproduced;

13 (b) The first page of the statement of consideration shall have a two (2) inch top
14 margin;

15 (c) The heading of the statement shall consist of the words "STATEMENT OF
16 CONSIDERATION RELATING TO" followed by the number of the
17 administrative regulation that was the subject of the public hearing and
18 comment period and the name of the promulgating administrative body. The
19 heading shall be centered. This shall be followed by the words "Not Amended
20 After Comments" or "Amended After Comments," whichever is applicable;

21 (d) If a hearing has been held or written comments received, the heading is to be
22 followed by:

23 1. A statement setting out the date, time and place of the hearing, if the
24 hearing was held;

25 2. A list of those persons who attended the hearing or who submitted
26 comments and the organization, agency, or other entity represented, if
27 applicable; and

- 1 3. The name and title of the representative of the promulgating
2 administrative body;
- 3 (e) Following the general information, the promulgating administrative body shall
4 summarize the comments received at the public hearing and during the
5 comment period and the response of the promulgating administrative body.
6 Each subject commented upon shall be summarized in a separate numbered
7 paragraph. Each numbered paragraph shall contain two (2) subsections:
- 8 1. Subsection (a) shall be labeled "Comment," shall identify the name of
9 the person, and the organization represented if applicable, who made the
10 comment, and shall contain a summary of the comment; and
- 11 2. Subsection (b) shall be labeled "Response" and shall contain the
12 response to the comment by the promulgating administrative body;
- 13 (f) Following the summary and comments, the promulgating administrative body
14 shall:
- 15 1. Summarize the statement and the action taken by the administrative
16 body as a result of comments received at the public hearing and during
17 the comment period; and
- 18 2. If amended after the comment period, list the changes made to the
19 administrative regulation in the format prescribed by KRS
20 13A.320(2)(c) and (d); and
- 21 (g) If administrative regulations were considered as a group at a public hearing,
22 one (1) statement of consideration may include the group of administrative
23 regulations. If a comment relates to one (1) or more of the administrative
24 regulations in the group, the summary of the comment and response shall
25 specify each administrative regulation to which it applies.
- 26 (7) If the administrative regulation is amended pursuant to subsection (3) of this
27 section, the full text of the administrative regulation shall be published in the

1 Administrative Register. The changes made to the administrative regulation shall be
2 typed in bold and made in the format prescribed by KRS 13A.222(2). The
3 administrative regulation shall be reviewed by the Administrative Regulation
4 Review Subcommittee after ~~the~~^{such} publication.

5 (8) If requested, copies of the statement of consideration and, if applicable, the
6 amended after comments version of the administrative regulation shall be made
7 available by the promulgating administrative body to persons attending the hearing
8 or submitting comments or who specifically request a copy from the administrative
9 body.