



The State of New Hampshire  
**DEPARTMENT OF ENVIRONMENTAL SERVICES**



**Thomas S. Burack, Commissioner**

February 6, 2013

The Honorable Gary Richardson, Chair  
Legislative Administration Committee  
Legislative Office Building, Room 104  
Concord, NH 03301

**RE: HB 555, Relative to the Preparation of Fiscal Notes for Bills and Resolutions**

Dear Chairman Richardson:

Thank you for the opportunity to comment on HB 555, an act requiring additional analysis of costs and benefits to the citizens of the state, effect on businesses and economic impacts or contributions of the policy, program, activity, or other event proposed in bills. Although the Department of Environmental Services (DES) appreciates the potential benefits of HB 555, it has concerns about the department's ability to implement such requirements on the large number of bills proposed, while meeting the necessary turn-around time frames and within our currently stretched available resources and limited experience in conducting economic analyses.

DES is aware of and participated in the LEAN event which recommended aligning the preparation of fiscal notes, which accompany proposed legislation, with the preparation of fiscal impact statements, which are developed during the rulemaking process. It is possible for an agency to develop a fiscal impact statement for a rulemaking because the agency is working with the final language of the statute, and has the time to discuss the bill with the effected communities and businesses such that we fully understand the intent and requirements of the rule and how it is likely to affect parties regulated by the rule. And while DES agrees that the ability to include a robust economic analysis on the impact of a bill prior to the legislative decision making process is a noteworthy goal, we also see this as a far more difficult and complex process than it is for proposed rules. Moreover, it would require significant resources to analyze the large scale economic impact of a bill after it has been through the entire legislative process, and an even greater level of resources to attempt this for a proposed bill, before understanding the intent of the bill and prior to hearing public input on the bill. In addition, the large number of proposed bills, the short timeframe in which an agency is required to turn them around, and the lack of expertise within state agencies in general on determining local, state, national, and/or global economic impact at the scale that the bill seems to contemplate, would require resources well beyond our current capacity.

It is our belief that in order for most agencies to implement the proposed requirements for preparation of more robust fiscal notes, agencies would need at a minimum:

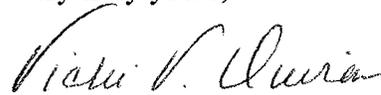
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- Substantially longer time frames in which to conduct the analyses on the many bills that are proposed, including time to discuss the intent of the bills with the sponsors;
- The ability to modify the fiscal notes after hearing testimony on the bills from interested parties; and
- The ability to hire experts or train staff to prepare comprehensive economic impact analyses.

The above needs equate to additional budget requirements associated with the additional time, staff and expertise that would be required to implement the proposed requirements of HB 555. These concerns also suggest that perhaps the needs of the legislators in this area could be better met if responsibility was assigned to staff within the legislative branch.

Thank you for your careful consideration of this bill. If you have questions, please contact Vicki Quiram, Assistant Commissioner, at (603)271-8806, [Vicki.Quiram@des.nh.gov](mailto:Vicki.Quiram@des.nh.gov). or me at (603)271-2958, [Thomas.Burack@des.nh.gov](mailto:Thomas.Burack@des.nh.gov).

Very truly yours,



 Thomas S. Burack  
Commissioner

cc: Members of the Legislative Administration Committee  
Rep. Peter Leishman  
Rep. Lynne Ober  
Rep. Thomas Buco  
Rep. Neal Kurk