

Proposition 315
Rulemaking; Legislative Ratification; Regulatory Costs
Fiscal Analysis

Estimated Impact

Proposition 315 would require a state agency to submit to the Office of Economic Opportunity (OEO) for review any rule that the agency estimates would increase regulatory costs in the state by more than \$100,000 within 5 years of implementation. If the OEO estimates the rule will increase regulatory costs by more than \$500,000 within 5 years of implementation, the proposed rule would not become effective until the Legislature enacts legislation ratifying the rule. The proposition would allow individuals who are regulated by an agency proposing a rule to request that review the rule. A legislator may also request that OEO review a proposed rule.

The proposition would create additional workload for OEO. The magnitude would depend on the number of rule changes submitted each year that require OEO review, which we cannot predict in advance.

The proposition may also affect the workload of state agencies with proposed rule changes. State agencies are already required to submit an Economic, Small Business and Consumer Impact Statement on proposed rules to the Governor's Regulatory Review Council (GRRC). This information may be similar to any potential submission to OEO. The proposition would exempt the proposed rule from the GRRC process if OEO conducts a review.

7/18/24