

Summary of Rules Adopted in FY 05-06 that Affected Local Government Finances

**Compiled by the Office of State Budget and Management, Office of the Governor
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Introduction

On May 17, 1994, Governor Hunt issued Executive Order No. 49 entitled “Fiscal Notes on Administrative Rules Affecting Local Governments.” The Executive Order set forth policies and procedures for state agencies to follow when proposing permanent rules with an impact on local governments. In 1995, the General Assembly incorporated these policies as well as other changes in the Administrative Procedure Act (APA). The revised APA enables local governments to have more input in the rule-making process and more involvement in estimating the fiscal impact of permanent rules on local budgets. State agencies also must be more aware of a proposed rule’s impact on local governments.

In addition, the APA (G.S. 150B-21.28) charges the Office of State Budget and Management (OSBM) to prepare a summary of the projected fiscal impact on local governments of rules adopted during the preceding fiscal year.

The APA requires that OSBM provide a copy of the summary to the Governor, the General Assembly, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities by March 1 of each year. The OSBM bases the summary on a survey of all rule-making departments, boards, and commissions in state government.

Summary

Three agencies adopted 16 rules in FY 05-06 that affected local government finances. These rules cost local governments over \$3 Million a year. A list of the rules follows.

Office of State Budget and Management Annual Summary Report Rules Adopted in FY05-06 That Impact Local Government

Department	Division	Rule Citation Number	Rule Description	Adopt Date	Effective Date	Local Impact FY05-06	Local Impact FY06-07	Local Impact FY07-08	Local Impact FY08-09	Local Impact FY09-10	Agency Contact
DENR	Air Quality	15A NCAC 02D .1902, .1903, .1904, .1906	Open Burning	10/13/05	12/1/05	\$2,800	\$2,800	\$2,800	\$2,800	\$2,800	Thom Allen 919-733-1489
DENR	Environmental Health	15A NCAC 18C .1523	Require special notification to consumers when distribution drinking water samples are collected from their private property which is not owned or controlled by the supplier of water and contaminant levels exceed specified criteria.	8/16/06	10/1/06	\$0	\$23,730	\$23,730	\$23,730	\$23,730	Linda Raynor 919 715-3225
DENR	Environmental Health	15A NCAC 18C .2007	Improve control of microbial pathogens in drinking water and address risk trade-offs with disinfection byproducts.	8/17/05	11/1/05	\$349,930	\$349,930	\$349,930	\$349,930	\$349,930	Linda Raynor 919 715-3226
DENR	Environmental Health	15A NCAC 18D .0202	Mandate water treatment facility operators to retake the appropriate school when they have failed the same certification examination three times.	3/14/06	5/1/06	\$6,392	\$6,392	\$6,392	\$6,392	\$6,392	Lancie Bailey 919 715-9571
DENR	Waste Management	15A NCAC 13B .0532-.0547	Provide regulatory guidance for the development of new & the continued operation of construction & demolition landfills operating on top of closed MSW landfills.	8/16/06	1/1/07	\$0	\$436,750	\$436,750	\$436,750	\$436,750	Ed Mussler 919-508-8510

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DENR	Water Resources	15A NCAC 02E .0604	Annual electronic reporting of water use and withdrawal data by water systems.	7/13/06	Pending Leg. Review	\$0	\$123,763	\$12,163	\$12,163	\$12,163	Linwood Peele 919-715-5455
DENR	Water Resources	15A NCAC 02T .0101-.0118, .0120, .0301-.0307, .0401-.0406, .0501-.0507, .0901-.0916, .1101-.1112	Increase requirements for waste disposal systems that do not discharged to surface waters. (Note: .0915 not adopted until 11/9/06)	5/11/06	9/1/06	\$160,717	\$686,321	\$696,321	\$706,321	\$732,161	Kim Colson 919-715-6165
DHHS	Child Development	10A NCAC 09 .0301, .0707, .2201	Set the requirements for the safety of Children in Child Care Facilities.	11/10/05	1/1/06	\$32,498	\$66,940	\$68,948	\$71,016	\$73,147	Dedra Alston 662-4543
DHHS	Mental Health	10A NCAC 27G .1701-.1708	Increases requirements for residential treatment programs where care and rehabilitation in a home environment is provided to children and adolescents who have been clinically determined to be emotionally disturbed and have some type of mental illness.	01/18/06	4/3/06	\$506,571	\$1,160,731	\$1,304,898	\$1,453,175	\$1,605,671	Cindy Kornegay 919 733 7011
DHHS	Mental Health	10A NCAC 27G .1801-.1806	Establish a new licensure category for Intensive Residential Treatment for Children and Adolescents and specify requirements for their operation.	2/15/06	4/1/06	\$7,283	\$14,566	\$14,566	\$14,566	\$14,566	Cindy Kornegay 919 733 7011
DHHS	Mental Health	10A NCAC 27G .4501-.4503	Establish a new licensure category of Substance Abuse Comprehensive Outpatient Treatment Program and specify requirements for their operation.	2/15/06	4/1/06	\$8,414	\$33,658	\$34,668	\$35,708	\$36,779	Cindy Kornegay 919 733 7011

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DHHS	Mental Health	10A NCAC 27G .4401-.4403	Establish a new licensure category of Substance Abuse Intensive Outpatient Program and specify requirements for their operation.	2/15/06	4/1/06	\$3,182	\$12,729	\$13,111	\$13,504	\$13,909	Cindy Kornegay 919 733 7011
DHHS	Mental Health	10A NCAC 27G .1901-.1904	Affects the psychiatric residential treatment program where care and rehabilitation is provided to children and adolescents who have been clinically determined to have a mental illness or substance abuse dependency.	01/18/06	4/1/06	\$38,815	\$79.96	\$82,354	\$84,825	\$87,370	Cindy Kornegay 919 733 7011
NCDOL	Boiler Safety Bureau	13 NCAC 13 .0303	Specifies a fee of \$35 for reinspection or follow up inspection and increases the time to take corrective action to 60 days.	5/19/06	7/1/06	-\$1,663	-\$1,663	-\$1,663	-\$1,663	-\$1,663	Erin Gould 919-733-7883
NCDOL	Boiler Safety Bureau	13 NCAC 13 .0213	Increases the certificate and processing fee for each boiler or pressure vessel inspected by an Insurance Inspector; increases the inspection and certificate fee for each boiler or pressure vessel inspected by a Deputy Inspector.	1/18/06	3/1/06	\$48,133	\$48,133	\$48,133	\$48,133	\$48,133	Erin Gould 919-733-7884
NCDOL	Mine and Quarry Bureau	13 NCAC 06 .0601	Established temporary fees for Mine and Quarry training programs provided by the NCDOL	11/1/05	Expired 8/12/06	\$3,452	\$0	\$0	\$0	\$0	Erin Gould 919-733-7885
<u>TOTAL</u>						\$1,166,523	\$2,964,859	\$3,093,100	\$3,257,349	\$3,441,837	