

# FISCAL NOTE

October 21, 2022

<b>Bill No:</b>	HB 2385	<b>Printer's No:</b>	3085	<b>Sponsor:</b>	Labs
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### COST / (SAVINGS)

<b>Fund (s)</b>	<b>2021-22</b>	<b>2022-23</b>
General Fund	See Fiscal Impact	\$97,500

**SUMMARY:** This bill would establish the Regulatory Sandbox Act.

**ANALYSIS:** HB 2385 would establish the Regulatory Sandbox Program within the Independent Regulatory Review Commission (IRRC). The regulatory sandbox would allow regulated persons to engage in the regulated activity without being subject to certain regulations.

Agencies would determine whether they want to apply to participate in the program. An agency wishing to participate would need to apply for approval from IRRC. If IRRC approves, then regulated persons could apply to the approved agency for a “regulatory sandbox permit” in lieu of another type of permit issued by the agency. The regulatory sandbox permit would allow certain regulations to be waived as applied to the permit holder. This bill only applies to permits issued by agencies, and does not apply to licenses, certifications, or registrations. An approved agency may not approve a permit after October 31, 2024.

This act shall take effect immediately.

**FISCAL IMPACT:** This legislation would require IRRC to hire an additional Regulatory Analyst to fulfill the new obligations of the bill. They currently have no involvement or oversight of permits. There would be an annual cost of \$97, 500 for salary and benefits plus one-time equipment costs. Agencies who issue permits are unlikely to see any fiscal impacts, as participation in the program is voluntary.