

## **ECONOMIC IMPACT STATEMENTS: STATE STATUTES**

### **A. NEW JERSEY**

#### **52:13F-3. Economic Impact Statement on Specific Legislative Bills; Jobs Impact Statement**

An economic impact statement on a specific legislative bill shall be prepared by the Commissioner of Commerce and Economic Development when so directed by a majority of the legislative committee considering that bill. The legislative committee shall set a time limit up to 120 days for completion of the economic impact statement. The legislative committee shall specify, but not limit, areas of impact to be covered by the statement, to include the short and long term economic impact of the bill.

The economic impact statement shall also include a jobs impact statement which may include:

- a. An assessment of the number of jobs to be generated or lost by the bill if it should become law; a determination as to how many of these jobs are short-term and temporary in nature, how many are of a long-term and more permanent nature, and the skills which, if developed in the workforce, might further the purpose of the legislation and increase the permanency of these jobs;
- b. An assessment of the bill's impact on entrepreneurial activity, interstate commerce, international trade and development of new markets; and
- c. A cost benefit analysis of the initiative proposed by the legislation, which shall compare and examine the cost of the initiative and its impact on the State, the number of jobs to be generated or lost, the cost of maintaining those jobs and the impact of those jobs generated or lost on the economic climate of the State.

In preparing the economic impact statement, the Commissioner of Commerce and Economic Development is authorized to obtain essential information from other State agencies.

### **B. MARYLAND**

#### **§ 2-1505.1. Economic impact analysis**

##### Definitions

(a)(1) In this section the following words have the meanings indicated.

(2) "Economic impact analysis" means an estimate of the cost or the economic benefit to small businesses that may be affected by a proposed bill introduced at a session of the General Assembly.

(3) "Economic impact analysis rating" means an estimate that a proposed bill will have:

- (i) minimal or no economic impact on small businesses; or
- (ii) meaningful economic impact on small businesses.

(4) "Small business" means a corporation, partnership, sole proprietorship, or other business entity, including its affiliates, that:

- (i) is independently owned and operated;
- (ii) is not dominant in its field; and
- (iii) employs 50 or fewer full-time employees.

##### Preparation of analysis by agency

(b)(1) An economic impact analysis rating and an economic impact analysis, as appropriate, shall be prepared by the appropriate Executive Branch agency for each bill that is introduced at the request of the administration or a department, agency, or commission of the Executive Branch of State government.

(2) A copy of the economic impact analysis rating and the economic impact analysis required under this subsection shall be submitted by the Governor's office:

(i) to the Department of Legislative Services within a reasonable time frame prior to the hearing on the bill to allow the Department to comment on the economic impact analysis rating and the economic impact analysis; and

(ii) to the committee to which the bill is referred prior to the hearing on the bill.

#### Preparation of analysis by Department of Legislative Services

(c)(1) An economic impact analysis rating and an economic impact analysis, as appropriate, shall be prepared by the Department of Legislative Services for each bill that is introduced by a member of the General Assembly.

(2) A copy of the economic impact analysis rating and the economic impact analysis required under this subsection shall be submitted by the Department of Legislative Services:

(i) to the primary sponsor of the bill; and

(ii) to the committee to which the bill is referred prior to the hearing on the bill.

#### Necessity for analysis

(d)(1) If the appropriate Executive Branch agency or the Department of Legislative Services determines that a bill will have minimal or no economic impact on small businesses, the agency or Department shall indicate that determination by a brief written statement.

(2) If the appropriate Executive Branch agency or the Department of Legislative Services determines that a bill will have a meaningful economic impact on small businesses, the agency or Department shall develop a complete written economic impact analysis.

(3)(i) If the appropriate Executive Branch agency or the Department of Legislative Services determines that a bill will have a meaningful economic impact on small businesses and is unable to provide a complete written economic impact analysis, the agency or Department shall provide a written explanation of why the agency determined that the bill will have a meaningful economic impact.

(ii) The explanation may identify the impact in general terms and need not quantify the specific economic impact.

#### Contents of analysis

(e) The economic impact analysis rating and the economic impact analysis required under this section shall include estimates directly relating to the following factors, as appropriate:

(1) cost of providing goods and services;

(2) effect on the workforce;

(3) effect on the cost of housing;

(4) efficiency in production and marketing;

(5) capital investment, taxation, competition, and economic development; and

(6) consumer choice.

#### Consultation and assistance

(f)(1) The Executive Branch agency or the Department of Legislative Services preparing the economic impact analysis rating and the economic impact analysis required under this section shall consult with, as appropriate:

- (i) other units of State government;
- (ii) units of local government; and
- (iii) business, trade, consumer, labor, and other groups impacted by or having an interest in the legislation.

(2) On request of the Executive Director of the Department of Legislative Services, a unit of the State or a local government shall provide the Department with assistance or information in the preparation of an economic impact analysis rating and economic impact analysis.

Inclusion in fiscal note

(g)(1) The Department of Legislative Services may include an economic impact analysis rating and economic impact analysis prepared by the Department or by the appropriate Executive Branch agency as part of a fiscal note.

(2) The Department of Legislative Services may comment on the economic impact analysis rating and economic impact analysis prepared by the appropriate Executive Branch agency.

Revision of analysis

(h) The Department of Legislative Services may revise the economic impact analysis rating and economic impact analysis consistent with an amended version of a bill.

Copies

(i)(1) The Department of Legislative Services shall keep a copy of each economic impact analysis rating and economic impact analysis for 3 years after preparation of the rating or the analysis.

(2) The copies shall be reasonably available for public inspection.

Publication not required

(j) Economic impact analysis ratings and economic impact analyses need not be published in the Senate journal or House journal.

Effect of section

(k) The validity of an enactment of a bill is not affected by the presence, absence, or content of an economic impact analysis rating or an economic impact analysis.

**C. TEXAS**

§ 315.004. Economic Impact Statement

(a) At the request of the lieutenant governor or speaker of the house of representatives, a state agency shall prepare an economic impact statement for any pending bill or joint resolution that directly affects that agency. Preparation of the statement shall be coordinated through the Legislative Budget Board director.

(b) The economic impact statement must include:

- (1) a brief description of the nature and effect of the proposal; and
- (2) a statement of the manner and extent to which the proposal, if implemented, will directly or indirectly during each of the two years following its effective date:
  - (A) affect employment in the state, including the number of people affected, the geographic area or areas affected, and the existing level of employment and unemployment in those areas;

- (B) affect the construction, modification, alteration, or utilization of any structure, equipment, facility, process, or other asset in the state, including the estimated dollar measure of the action and the geographic area or areas affected;
  - (C) result in changes in costs of goods and services in the state;
  - (D) result in changes in revenue and expenditures of state and local governments; and
  - (E) have economic impacts within the state other than those specifically described by this subsection.
- (c) An economic impact statement that omits any information required by this chapter must specifically note the omission, state the reason for the omission, and estimate the additional time and effort required to obtain the information.