

1 HB465  
2 155248-1  
3 By Representative McClendon  
4 RFD: State Government  
5 First Read: 12-FEB-14

2  
3  
4  
5  
6  
7  
8 SYNOPSIS: This bill would provide for the extension of  
9 the effective date of a rule proposed by an agency  
10 or a division of an agency which primarily performs  
11 certification or license-related functions which is  
12 generally exempt from the act, but which rule the  
13 Joint Committee on Administrative Regulation Review  
14 has determined has such a negative impact on  
15 business that the filing of a business economic  
16 impact statement is warranted.

17  
18 A BILL  
19 TO BE ENTITLED  
20 AN ACT

21  
22 To amend Section 41-22-5.1 of the Code of Alabama  
23 1975, as added to Chapter 22, Title 41 by Act 2013-88 of the  
24 2013 Regular Session, adopting the Red Tape Reduction Act; to  
25 provide for the extension of the effective date of a rule  
26 proposed by an agency or a division of an agency which  
27 primarily performs certification or license-related functions

1 which is generally exempt from the act, but which rule the  
2 Joint Committee on Administrative Regulation Review has  
3 determined has such a negative impact on business that the  
4 filing of a business economic impact statement is warranted.

5 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

6 Section 1. Section 41-22-5.1 of the Code of Alabama  
7 1975, is amended to read as follows:

8 "§41-22-5.1.

9 "(a) This section and Section 41-22-5.2 shall be  
10 known and may be cited as "The Red Tape Reduction Act."

11 "(b) When an agency files a notice of intent to  
12 adopt, amend, or repeal any rule, the agency shall make its  
13 best efforts to notify the public of the proposed rule. At a  
14 minimum, when the agency files the notice of intent, the  
15 agency shall post the text of the rule the agency proposes to  
16 adopt, amend, or repeal on its website or, if the agency has  
17 no website, on a website operated or maintained by the  
18 executive branch. Additionally, when the agency files a notice  
19 of intent to adopt, amend, or repeal a rule, the agency shall  
20 electronically notify any person who has registered with the  
21 agency his or her desire to receive notification of any  
22 proposal by the agency to adopt, amend, or repeal a rule.

23 "(c) If, prior to the end of the notice period, a  
24 business notifies an agency that it will be negatively  
25 impacted by an action proposed under subsection (b), the  
26 agency shall prepare and submit to the committee or its  
27 successor committee, agency, or service the information

1 provided by the affected business as well as a Business  
2 Economic Impact Statement. The statement shall estimate the  
3 number of businesses subject to the agency's proposal as well  
4 as the projected reporting, recordkeeping, and other  
5 administrative costs required for compliance with the  
6 proposal. An agency shall prepare the business economic impact  
7 statement using information available to the agency in the  
8 normal course of business and utilizing the expertise and  
9 experience of existing agency employees.

10 "(d) After receiving a business economic impact  
11 statement from an agency, the committee or its successor  
12 committee, agency, or service may require the agency to  
13 analyze and report to the committee or its successor  
14 committee, agency, or service the feasibility of some or all  
15 of the following methods of reducing the impact of the rule on  
16 businesses:

17 "(1) The establishment of less stringent compliance  
18 or reporting requirements for businesses.

19 "(2) The establishment of less stringent schedules  
20 or deadlines for compliance or reporting requirements for  
21 businesses.

22 "(3) The consolidation or simplification of  
23 compliance or reporting requirements for businesses.

24 "(4) The establishment of performance standards for  
25 businesses to replace design or operational standards required  
26 in the rule.

1           "(e) An agency shall include information on any  
2 business economic impact statement whether the proposed rule  
3 is proposed as a result of a requirement issued by a federal  
4 agency.

5           "(f) A business economic impact statement required  
6 to be filed pursuant to this section shall be filed with the  
7 Legislative Reference Service at the same time as the proposed  
8 rule is certified to the Legislative Reference Service and  
9 shall be available for public inspection.

10           "(g) Each agency that files a business economic  
11 impact statement, at the time it is filed, shall place that  
12 statement on its website in a location that is easily  
13 accessible by the general public, or, if the agency does not  
14 have a website, on a website operated or maintained by the  
15 executive branch.

16           "(h) If the committee or its successor committee,  
17 agency, or service determines that an agency or a division of  
18 an agency exists primarily to perform certification or  
19 licensing-related functions, the agency is not required to  
20 comply with the provisions of this section unless the  
21 committee or its successor committee, agency, or service  
22 determines in writing that an agency's proposal has such a  
23 negative impact on businesses that the filing of a business  
24 economic impact statement is warranted. Notwithstanding the  
25 provisions of subsection (c) of Section 41-22-6 providing that  
26 a rule is effective 35 days after filing with Legislature  
27 Reference Service, in any case in which the committee or its

1 successor committee, agency, or service determines that the  
2 filing of a business economic impact statement is warranted as  
3 provided herein, the effective date of the rule shall be two  
4 calendar months after the effective date specified in  
5 subsection (c) of Section 41-22-6. In all other respects, the  
6 remainder of this chapter shall continue to apply to the  
7 proposed rule.

8 "(i) An ~~However,~~ any agency or department shall  
9 fulfill any request for a license or permit within 28 calendar  
10 days after receiving the application or notify applicant of  
11 the reason for non-issuance of request failure to issue the  
12 license or permit.

13 ~~"(i)(j)~~ (j) An agency is not required to comply with  
14 this section if the proposed rule is being adopted in order  
15 for the agency to comply with membership requirements in a  
16 multi-state or national membership organization.

17 ~~"(j)(k)~~ (k) This section shall not apply to the  
18 promulgation of an emergency rule adopted pursuant to  
19 subsection (b) of Section 41-22-5."

20 Section 2. This act shall become effective on the  
21 first day of the third month following its passage and  
22 approval by the Governor, or its otherwise becoming law.