

1 HB101  
2 151233-2  
3 By Representative Weaver  
4 RFD: State Government  
5 First Read: 05-FEB-13  
6 PFD: 02/01/2013

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2 ENROLLED, An Act,

3           Relating to the Administrative Procedure Act; to  
4 adopt The Red Tape Reduction Act; to add Sections 41-22-5.1  
5 and 41-22-5.2 to the Code of Alabama 1975; to further provide  
6 for notification to the public of proposed rules; and to  
7 require any agency which proposes a rule which may have an  
8 adverse impact on a business, under certain conditions,  
9 prepare and file with the Joint Committee on Administrative  
10 Regulation Review or its successor committee, agency, or  
11 service a Business Economic Impact Statement prior to adoption  
12 of the rule; and to require agencies to review all agency  
13 rules every five years.

14 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

15           Section 1. This act shall be known and may be cited  
16 as "The Red Tape Reduction Act."

17           Section 2. Sections 41-22-5.1 and 41-22-5.2 are  
18 added to Chapter 22, Title 41, Code of Alabama 1975, to read  
19 as follows:

20                 §41-22-5.1.

21           (a) When an agency files a notice of intent to  
22 adopt, amend, or repeal any rule, the agency shall make its  
23 best efforts to notify the public of the proposed rule. At a  
24 minimum, when the agency files the notice of intent, the  
25 agency shall post the text of the rule the agency proposes to

1       adopt, amend, or repeal on its website or, if the agency has  
2       no website, on a website operated or maintained by the  
3       executive branch. Additionally, when the agency files a notice  
4       of intent to adopt, amend, or repeal a rule, the agency shall  
5       electronically notify any person who has registered with the  
6       agency his or her desire to receive notification of any  
7       proposal by the agency to adopt, amend, or repeal a rule.

8               (b) If, prior to the end of the notice period, a  
9       business notifies an agency that it will be negatively  
10      impacted by an action proposed under subsection (a), the  
11      agency shall prepare and submit to the committee or its  
12      successor committee, agency, or service the information  
13      provided by the affected business as well as a Business  
14      Economic Impact Statement. The statement shall estimate the  
15      number of businesses subject to the agency's proposal as well  
16      as the projected reporting, recordkeeping, and other  
17      administrative costs required for compliance with the  
18      proposal. An agency shall prepare the business economic impact  
19      statement using information available to the agency in the  
20      normal course of business and utilizing the expertise and  
21      experience of existing agency employees.

22              (c) After receiving a business economic impact  
23      statement from an agency, the committee or its successor  
24      committee, agency, or service may require the agency to  
25      analyze and report to the committee or its successor

1 committee, agency, or service the feasibility of some or all  
2 of the following methods of reducing the impact of the rule on  
3 businesses:

4 (1) The establishment of less stringent compliance  
5 or reporting requirements for businesses.

6 (2) The establishment of less stringent schedules or  
7 deadlines for compliance or reporting requirements for  
8 businesses.

9 (3) The consolidation or simplification of  
10 compliance or reporting requirements for businesses.

11 (4) The establishment of performance standards for  
12 businesses to replace design or operational standards required  
13 in the rule.

14 (d) An agency shall include information on any  
15 business economic impact statement whether the proposed rule  
16 is proposed as a result of a requirement issued by a federal  
17 agency.

18 (e) A business economic impact statement required to  
19 be filed pursuant to this section shall be filed with the  
20 Legislative Reference Service at the same time as the proposed  
21 rule is certified to the Legislative Reference Service and  
22 shall be available for public inspection.

23 (f) Each agency that files a business economic  
24 impact statement, at the time it is filed, shall place that  
25 statement on its website in a location that is easily

1 accessible by the general public, or, if the agency does not  
2 have a website, on a website operated or maintained by the  
3 executive branch.

4 (g) If the committee or its successor committee,  
5 agency, or service determines that an agency or a division of  
6 an agency exists primarily to perform certification or  
7 licensing-related functions, the agency is not required to  
8 comply with the provisions of this section unless the  
9 committee or its successor committee, agency, or service  
10 determines in writing that an agency's proposal has such a  
11 negative impact on businesses that the filing of a business  
12 economic impact statement is warranted.

13 However, any agency or department shall fulfill any  
14 request for license or permit within 28 calendar days after  
15 receiving the application or notify applicant of the reason  
16 for non-issuance of request.

17 (h) An agency is not required to comply with this  
18 section if the proposed rule is being adopted in order for the  
19 agency to comply with membership requirements in a multi-state  
20 or national membership organization.

21 (i) This section shall not apply to the promulgation  
22 of an emergency rule adopted pursuant to subsection (b) of  
23 Section 41-22-5.

24 §41-22-5.2.

1           (a) Within five years of the effective date of this  
2 section, each agency shall review all agency rules existing on  
3 that date to determine whether the rules should be continued  
4 without change, or should be amended or rescinded. If the head  
5 of the agency determines that completion of the review of  
6 existing rules is not feasible by the established date, the  
7 agency shall publish a statement certifying that  
8 determination.

9           (b) A rule adopted after the effective date of this  
10 section shall be reviewed every five years in a manner  
11 consistent with subsection (a).

12           Section 3. This act shall become effective on the  
13 first day of the third month following its passage and  
14 approval by the Governor, or its otherwise becoming law.

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Speaker of the House of Representatives

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President and Presiding Officer of the Senate

House of Representatives

I hereby certify that the within Act originated in  
and was passed by the House 12-FEB-13, as amended.

Jeff Woodard  
Clerk

Senate

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04-APR-13

Amended and Passed

House

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09-APR-13

Concurred in Sen-  
ate Amendment