

1 HB101
2 147739-2
3 By Representative Weaver
4 RFD: State Government
5 First Read: 05-FEB-13
6 PFD: 02/01/2013

ENGROSSED

A BILL

TO BE ENTITLED

AN ACT

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

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

§41-22-5.1.

(a) When an agency files a notice of intent to adopt, amend, or repeal any rule, the agency shall make its best efforts to notify the public of the proposed rule. At a

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

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

23 (c) After receiving a business economic impact
24 statement from an agency, the committee may require the agency
25 to analyze and report to the committee the feasibility of some
26 or all of the following methods of reducing the impact of the
27 rule on businesses:

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

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

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

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

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

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

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

(g) If the committee determines that an agency or a division of an agency exists primarily to perform

1 licensing-related functions, the agency is not required to
2 comply with the provisions of this section unless the
3 committee determines in writing that an agency's proposal has
4 such a negative impact on businesses that the filing of a
5 business economic impact statement is warranted.

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

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

13 §41-22-5.2.

14 (a) Within five years of the effective date of this
15 section, each agency shall review all agency rules existing on
16 that date to determine whether the rules should be continued
17 without change, or should be amended or rescinded. If the head
18 of the agency determines that completion of the review of
19 existing rules is not feasible by the established date, the
20 agency shall publish a statement certifying that
21 determination.

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

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

House of Representatives

Read for the first time and referred to the House of Representatives committee on State Government 05-FEB-13

Read for the second time and placed
on the calendar 1 amendment 06-FEB-13

Yeas 92, Nays 0, Abstains 0

Jeff Woodard
Clerk