1 HOUSE OF REPRESENTATIVES - FLOOR VERSION 2 STATE OF OKLAHOMA 3 1st Session of the 57th Legislature (2019) 4 HOUSE BILL 1201 By: Gann of the House 5 and Dahm of the Senate 6 7 8 AS INTRODUCED 9 An Act relating to statutes and reports; amending 75 10 O.S. 2011, Sections 250.2, 250.3, as amended by Sections 1 and 2, Chapter 357, O.S.L. 2013 and 308, 11 as amended by Section 4, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2018, Sections 250.2, 250.3 and 308), 12 which relate to the Administrative Procedures Act; requiring inclusion of certain statutory or federal 1.3 reference; modifying definitions; providing for approval and disapproval process by Governor; 14 modifying approval and disapproval process by the Legislature; repealing Section 6, Chapter 357, O.S.L. 15 2013 (75 O.S. Supp. 2018, Section 308.3), which relates to the omnibus joint resolution; providing 16 for codification; and providing an effective date. 17 18 19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 20 SECTION 1. 75 O.S. 2011, Section 250.2, as AMENDATORY 21 amended by Section 1, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2018, 22 Section 250.2), is amended to read as follows: 23 Section 250.2 A. Article V of the Oklahoma Constitution vests 24 in the Legislature the power to make laws, and thereby to establish

- agencies and to designate agency functions, budgets and purposes.

 Article VI of the Oklahoma Constitution charges the Executive Branch

 of Government with the responsibility to implement all measures
- 4 enacted by the Legislature.

- B. In creating agencies and designating their functions and purposes, the Legislature may delegate rulemaking authority to executive branch agencies to facilitate administration of legislative policy. The delegation of rulemaking authority is intended to eliminate the necessity of establishing every administrative aspect of general public policy by legislation. In so doing, however, the Legislature reserves to itself:
- 1. The right to retract any delegation of rulemaking authority unless otherwise precluded by the Oklahoma Constitution;
- 2. The right to establish any aspect of general policy by legislation, notwithstanding any delegation of rulemaking authority;
- 3. The right and responsibility to designate the method for rule promulgation, review and modification;
- 4. The right to approve or disapprove any adopted rule by joint resolution; and
- 5. The right to disapprove a proposed permanent, promulgated or emergency rule at any time if the Legislature determines such rule to be an imminent harm to the health, safety or welfare of the public or the state or if the Legislature determines that a rule is not consistent with legislative intent.

1 2 3 4 5 6 7 8 9 Section 250.3), is amended to read as follows:

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Executive Branch agencies shall be used only to implement law or policy as set by the Legislature. Beginning November 1, 2019, any new proposed administrative rule shall include a specific reference to the state or federal statutory provision or federal regulation that delegates the authority for promulgation of such rule. SECTION 2. AMENDATORY 75 O.S. 2011, Section 250.3, as amended by Section 2, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2018,

C. All rulemaking authority delegated by the Legislature to

Section 250.3 As used in the Administrative Procedures Act:

- "Administrative head" means an official or agency body responsible pursuant to law for issuing final agency orders;
- 2. "Adopted" means a proposed emergency rule or permanent rule which has been approved by the agency but has not been approved or disapproved reviewed by the Legislature and the Governor as provided by Section 253 of this title, or a proposed permanent rule which has been approved by the agency, but has not been approved or disapproved by the Legislature or by declaration of the Governor provided by subsection D of Section 6 of this act;
- "Agency" includes but is not limited to any constitutionally or statutorily created state board, bureau, commission, office, authority, public trust in which the state is a beneficiary, or interstate commission, except:

1	a. the Legislature or any branch, committee or officer
2	thereof, and
3	b. the courts;
4	4. "Emergency rule" means a rule that is made pursuant to
5	Section 253 of this title;
6	5. "Final rule" or "finally adopted rule" means a rule other
7	than an emergency rule, which has been approved by the Legislature
8	and by the Governor, or approved by the Legislature pursuant to
9	subsection B of Section 308 of this title, and otherwise complies
10	with the requirements of the Administrative Procedures Act but has
11	not been published pursuant to Section 255 of this title but is
12	otherwise in compliance with the requirements of the Administrative
13	Procedures Act, and is:
14	a. approved by the Legislature pursuant to Section 6 of
15	this act, provided that any such joint resolution
16	becomes law in accordance with Section 11 of Article
17	VI of the Oklahoma Constitution,
18	b. approved by the Governor pursuant to subsection D of
19	Section 6 of this act,
20	c. approved by a joint resolution pursuant to subsection
21	B of Section 308 of this title, provided that any such
22	resolution becomes law in accordance with Section 11
23	of Article VI of the Oklahoma Constitution, or
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d. disapproved by a joint resolution pursuant to subsection B of Section 308 of this title or Section 6 of this act, which has been vetoed by the Governor in accordance with Section 11 of Article VI of the Oklahoma Constitution and the veto has not been overridden;

6. "Final agency order" means an order that includes findings of fact and conclusions of law pursuant to Section 312 of this title, is dispositive of an individual proceeding unless there is a request for rehearing, reopening, or reconsideration pursuant to Section 317 of this title and which is subject to judicial review;

- 7. "Hearing examiner" means a person meeting the qualifications specified by Article II of the Administrative Procedures Act and who has been duly appointed by an agency to hold hearings and, as required, render orders or proposed orders;
- 8. "Individual proceeding" means the formal process employed by an agency having jurisdiction by law to resolve issues of law or fact between parties and which results in the exercise of discretion of a judicial nature;
- 9. "License" includes the whole or part of any agency permit, certificate, approval, registration, charter, or similar form of permission required by law;
 - 10. "Office" means the Office of the Secretary of State;

- 1 11. "Order" means all or part of a formal or official decision made by an agency including but not limited to final agency orders;
 - 12. "Party" means a person or agency named and participating, or properly seeking and entitled by law to participate, in an individual proceeding;
 - "Permanent rule" means a rule that is made pursuant to Section 303 of this title;
 - "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than an agency;
 - 15. "Political subdivision" means a county, city, incorporated town or school district within this state;
 - 16. "Promulgated" means a finally adopted rule which has been filed and published in accordance with the provisions of the Administrative Procedures Act, or an emergency rule or preemptive rule which has been approved by the Governor;
 - 17. "Rule" means any agency statement or group of related statements of general applicability and future effect that implements, interprets or prescribes law or policy, or describes the procedure or practice requirements of the agency. The term "rule" includes the amendment or revocation of an effective rule but does not include:

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is created a duplication in numbering, reads as follows:

- A. The Governor shall have forty-five (45) calendar days from receipt of a rule to approve or disapprove the rule.
- 1. If the Governor approves the rule, the Governor shall immediately notify the agency in writing of the approval. A copy of such approval shall be given by the Governor to the Speaker of the House of Representatives and the President Pro Tempore of the Senate. Upon receipt of the approval, the agency shall submit a notice of such approval to the Office of the Secretary of State for publication in "The Oklahoma Register".
- 2. If the Governor disapproves the adopted rule, the Governor shall return the entire document to the agency with reasons in writing for the disapproval. Notice of such disapproval shall be given by the Governor to the Speaker of the House of Representatives and the President Pro Tempore of the Senate. Failure of the Governor to approve a rule within the specified period shall constitute disapproval of the rule by the Governor. Upon receipt of the disapproval or upon failure of the Governor to approve the rule within the specified period, the agency shall submit a notice of such disapproval to the Office of the Secretary of State for publication in "The Oklahoma Register". Any effective emergency rule which would have been superseded by a disapproved permanent rule shall be deemed null and void on the date the Governor disapproves the permanent rule.

B. Rules not approved by the Governor pursuant to the provisions of this section shall not become effective unless otherwise approved by the Legislature by joint resolution pursuant to subsection B of Section 308 of Title 75 of the Oklahoma Statutes.

SECTION 4. AMENDATORY 75 O.S. 2011, Section 308, as amended by Section 4, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2018, Section 308), is amended to read as follows:

Section 308. A. Upon receipt of any adopted rules, the Speaker of the House of Representatives and the President Pro Tempore of the Senate shall assign such rules to the appropriate committees of each house of the Legislature for review. Except as otherwise provided by this section:

- 1. If such rules are received on or before April 1, the Legislature shall have until the last day of the regular legislative session of that year to review such rules; and
- 2. If such rules are received after April 1, the Legislature shall have until the last day of the regular legislative session of the next year to review such rules.
- B. By the adoption of a joint resolution during the review period specified in subsection A of this section, the Legislature may disapprove or approve any rule.
- C. Unless otherwise authorized by the Legislature, whenever a rule is disapproved as provided in subsection B of this section, the agency adopting such rules shall not have authority to resubmit an

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identical rule, except during the first sixty (60) calendar days of the next regular legislative session. Any effective emergency rule which would have been superseded by a disapproved permanent rule shall be deemed null and void on the date the Legislature disapproves the permanent rule. Rules may be disapproved in part or in whole by the Legislature. Upon enactment of any joint resolution disapproving a rule, the agency shall file notice of such legislative disapproval with the Office of the Secretary of State for publication in "The Oklahoma Register".

- D. Unless otherwise provided by specific vote of the Legislature, joint resolutions introduced for purposes of disapproving or approving a rule or the omnibus joint resolution described in Section 6 of this act shall not be subject to regular legislative cutoff dates, shall be limited to such provisions as may be necessary for disapproval or approval of a rule, and any such other direction or mandate regarding the rule deemed necessary by the Legislature. The resolution shall contain no other provisions.
- E. A proposed permanent rule shall be deemed finally adopted if:
- 1. Approved by the Legislature pursuant to Section 6 of this act, provided that any such joint resolution becomes law in accordance with Section 11 of Article VI of the Oklahoma Constitution;

2. Approved by the Governor pursuant to subsection D of Section 6 of this act:

- 3. Approved by a joint resolution pursuant to subsection B of this section, provided that any such resolution becomes law in accordance with Section 11 of Article VI of the Oklahoma

 Constitution; or
- 7 4. Disapproved by a joint resolution pursuant to subsection B 8 of this section or Section 6 of this act which has been vetoed by 9 the Governor in accordance with Section 11 of Article VI of the 10 Oklahoma Constitution and the veto has not been overridden 11 Transmission of a rule for legislative review on or before April 1 of each year shall result in the approval of such rule by the 12 1.3 Legislature if the Legislature is in regular session and has failed 14 to disapprove such rule prior to the last day of the regular 15 legislative session of that year; or
 - 2. After April 1 of each year, transmission of a rule for legislative review shall result in the carryover for consideration by the Legislature during the next regular session and shall be considered to have been originally transmitted to the Legislature on the first day of said next regular session for review pursuant to this section. An agency may request direct legislative approval of such rules provided by subsection B of this section. An agency may also adopt emergency rules under the provisions of Section 253 of this title.

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1	F. Prior to final adoption of a rule, an agency may withdraw a	
2	rule from legislative review. Notice of such withdrawal shall be	
3	given to the Governor, the Speaker of the House of Representatives,	
4	the President Pro Tempore of the Senate, and to the Office of the	
5	Secretary of State for publication in "The Oklahoma Register".	
6	G. An agency may promulgate an emergency rule only pursuant to	
7	Section 253 of this title.	
8	H. Any rights, privileges, or interests gained by any person by	
9	operation of an emergency rule, shall not be affected by reason of	
10	any subsequent disapproval or rejection of such rule by either house	
11	of the Legislature.	
12	I. Except as otherwise provided by Sections 250.4, 250.6 and	
13	253 of this title or as otherwise specifically provided by the	
14	Legislature, no agency shall promulgate any rule unless reviewed by	
15	the Legislature pursuant to this section.	
16	SECTION 5. REPEALER Section 6, Chapter 357, O.S.L. 2013	
17	(75 O.S. Supp. 2018, Section 308.3), is hereby repealed.	
18	SECTION 6. This act shall become effective November 1, 2019.	
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20	COMMITTEE REPORT BY: COMMITTEE ON RULES, dated 02/20/2019 - DO PASS,	
21	As Coauthored.	
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