

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 SENATE BILL 350

By: Dahm

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6 AS INTRODUCED

7 An Act relating to agency administrative rules;
8 creating the Red Tape Repealer Act; defining terms;
9 requiring Office of Management and Enterprise
10 Services or other designated agency to develop rule
11 baseline budget for state agencies; requiring
12 imposition of decrease in overall rule baseline
13 budget; specifying requirements for agencies
14 proposing new rules; requiring certain evaluation;
15 providing procedure for exemption from certain
16 approval requirement; requiring submission and
17 publication of certain report; providing for
18 codification; providing for noncodification; and
19 providing an effective date.

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22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

23 SECTION 1. NEW LAW A new section of law not to be
24 codified in the Oklahoma Statutes reads as follows:

25 This act shall be known and may be cited as the "Red Tape
26 Repealer Act".

27 SECTION 2. NEW LAW A new section of law to be codified
28 in the Oklahoma Statutes as Section 302.1 of Title 75, unless there
29 is created a duplication in numbering, reads as follows:

30 A. As used in this section:

1 1. "Agency" means any authority, instrumentality, officer,
2 board or other unit of state government in the executive branch;

3 2. "Office" shall mean the Office of Management and Enterprise
4 Services, or such agency or officer as designated by the Governor
5 for such purpose, to administer the provisions of this section;

6 3. "Rule" means any permanent rule as defined in the
7 Administrative Procedures Act adopted or considered by an agency;

8 4. "Rule baseline budget" means the total number of rules
9 established by the Office to serve as the initial baseline to
10 sustain a two-for-one net decrease in rules; and

11 5. "Rule replacement request" means a request by an agency to
12 create a new rule after the establishment of the rule baseline
13 budget by either replacing or repealing two existing rules.

14 B. The Office shall develop an initial rule baseline budget
15 consisting of the total number of rules promulgated by state
16 agencies in the executive branch by January 1, 2020. After the
17 establishment of the initial rule baseline budget, any subsequent
18 rule requirement proposed by an agency that is not included in the
19 initial state rule baseline budget shall be considered a new rule
20 requirement.

21 C. Between January 1, 2020, and January 1, 2022, the Office
22 shall impose a decrease in the overall rule baseline budget by
23 maintaining a two-for-one net decrease in rules. Any agency
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1 proposing a new rule shall be required to submit a rule replacement
2 request consisting of:

- 3 1. The existing statute authorizing the rule;
- 4 2. The purpose of the new rule; and
- 5 3. The two or more rules proposed to be replaced or repealed.

6 D. The Office shall evaluate each new proposed rule and the
7 accompanying rule replacement request using the following factors:

8 1. Whether the rule is the only effective and necessary way to
9 achieve the desired outcome, including an analysis of whether the
10 requirement:

- 11 a. complements and does not duplicate existing
12 rules, and
- 13 b. is simple to administer in both enforcement and
14 compliance;

15 2. The degree to which the rule includes performance measures
16 that are directly related to the desired outcome, including a
17 provision establishing enhanced periodic review to ensure intended
18 outcomes or providing for the repeal of the provision upon a
19 determination that the rule no longer achieves the original desired
20 outcomes;

21 3. The presence of clear justifications for implementation of
22 the rule, including development and implementation processes that
23 are:

- 24 a. transparent,

- b. easily accessible by the public and contain appropriate and modern notification methods,
- c. written in plain language, and
- d. designed to allow citizens and businesses to clearly understand their rights and obligations under the rule;

4. Whether the rule is the most cost-effective manner to achieve the desired outcome and to what extent the benefits of the rule are greater than the burdens it imposes; and

5. A determination that the rule does not have a detrimental effect on the state's economy, including a determination that it:

- a. does not have a negative effect on economic competitiveness,
- b. is not harder to comply with than similar rules in similar jurisdictions, and
- c. is compatible with the strategic goals of promoting a level playing field for all businesses and industries and job creation and economic growth.

E. Subject to the provisions of subsection F of this section, the Office shall approve a rule replacement request only if:

- a. the rule has undergone an evaluation pursuant to subsection D of this section, and

1 b. the total number of rules for the requesting agency is
2 either kept at the rule baseline budget for the agency
3 or reduced.

4 F. Any agency seeking an exemption from the approval
5 requirement of subsection E of this section shall submit a request
6 for an exemption at the same time the documentation is submitted for
7 the rule replacement request. The exemption request shall include a
8 detailed explanation of why the new rule should be exempt from the
9 approval requirement, including how the requirement is necessary to
10 protect the public health, safety and welfare of the citizens of
11 this state. The Office shall review and determine whether to grant
12 an exemption. Any exemption approved by the Office shall be limited
13 to no more than eighteen (18) months in duration.

14 G. The provisions of this section shall be in addition to any
15 other requirements with respect to agency rules set forth in the
16 Administrative Procedures Act.

17 H. Beginning on January 1, 2020, and continuing in each year
18 until January 1, 2022, the Office shall submit a report to the
19 Governor and Legislature on the status of the rule baseline budget,
20 including a list of any changes to the rule baseline budget in the
21 current year. The report shall be posted on the Legislature's
22 website and on the website documents.ok.gov or any subsequent
23 website maintained by the Office for the purpose of posting state
24 government documents.

1 SECTION 3. This act shall become effective November 1, 2019.

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