

1 **SENATE FLOOR VERSION**

2 March 5, 2025

3 COMMITTEE SUBSTITUTE
4 FOR

5 SENATE BILL NO. 318

By: Bergstrom, Jett, and
Deevers of the Senate

and

Kendrix and Woolley of the
House

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10 [administrative rule processes - duties - procedures
11 - consultation - information - Unit - reports -
12 cooperation - evaluation of rules - report - approval
- permanent rules - noncodification - codification -
effective date]

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

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

18 This act shall be known and may be cited as the "Regulations
19 from the Executive in Need of Scrutiny (REINS) Act of 2025".

20 SECTION 2. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 601 of Title 75, unless there is
22 created a duplication in numbering, reads as follows:

23 As used in this act:
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1 1. "Agency" means any officer, department, bureau, division,
2 board, commission, authority, agency, or institution of this state,
3 except the judicial and legislative branches, authorized by law to
4 promulgate rules and regulations concerning the administration,
5 enforcement, or interpretation of any law of this state;

6 2. "Implementation and compliance costs" means direct costs
7 that are readily ascertainable based upon standard business
8 practices, including, but not limited to, fees, the cost to obtain a
9 license or registration, the cost of equipment required to be
10 installed or used, additional operating costs incurred, the cost of
11 monitoring and reporting, and any other costs to comply with the
12 requirements of the proposed rule or regulation; and

13 3. "Major rule" means any administrative rule, whether
14 emergency or permanent in nature, that over the initial five-year
15 period will result in or is likely to result in One Million Dollars
16 (\$1,000,000.00) or more in implementation and compliance costs that
17 are reasonably expected to be incurred by or passed along to
18 businesses, local government units, and individuals as a result of
19 the proposed rule or regulation following the adoption of such rule.
20 Any rule that does not meet this classification shall be deemed a
21 nonmajor rule.

22 SECTION 3. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 602 of Title 75, unless there is
24 created a duplication in numbering, reads as follows:

1 A. In addition to any other rule submission requirements under
2 the Administrative Procedures Act, each state agency promulgating a
3 major rule shall provide:

4 1. Whether the proposed rule or regulation is mandated by
5 federal law as a requirement for participating in or implementing a
6 federally subsidized or assisted program and whether the proposed
7 rule or regulation exceeds the requirements of the applicable
8 federal law; and

9 2. An economic impact analysis specifically addressing the
10 following factors:

- 11 a. the rule's economic impact, including any costs or
12 benefits and a detailed quantification of
13 implementation and compliance costs to be incurred by
14 specific businesses, business sectors, public utility
15 ratepayers, individuals, or local government units
16 that will be affected by the proposed rule or
17 regulation and on the state economy as a whole,
- 18 b. a detailed explanation of the methodology and
19 assumptions used to determine the economic impact,
20 including the dollar amounts calculated,
- 21 c. an estimate of the total annual implementation and
22 compliance costs that are reasonably expected to be
23 incurred by or passed along to businesses, local
24 government units, or individuals and a determination

1 of whether those costs will exceed One Million Dollars
2 (\$1,000,000.00) over the initial five-year period
3 following the adoption of the proposed rule or
4 regulation,

5 d. a statement of the need for the rule and the legal
6 basis supporting it,

7 e. any measures taken by the agency to minimize the cost
8 and impact of the proposed rule or regulation on
9 business and economic development within this state,
10 on local government, and on individuals, and

11 f. a classification of the rule as major or nonmajor,
12 with a justification for the classification.

13 B. No agency shall submit a major rule or regulation to the
14 Secretary of State for filing without completing an economic impact
15 analysis for the proposed rule or regulation and providing the
16 analysis to the Legislative Economic Analysis Unit created pursuant
17 to Section 4 of this act.

18 C. The agency shall consult with counties, municipalities, and
19 school boards, as appropriate, when preparing the economic impact
20 analysis of a proposed rule or regulation that increases or
21 decreases revenue of counties, cities, or school districts or
22 imposes functions or responsibilities on counties, cities, or school
23 districts that may increase their expenditures or fiscal liability.

24 The agency shall consult and solicit information from businesses,

1 business associations, political subdivisions, state agencies, or
2 members of the public that may be affected by the proposed rule or
3 regulation or that may provide relevant information.

4 SECTION 4. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 603 of Title 75, unless there is
6 created a duplication in numbering, reads as follows:

7 A. A Legislative Economic Analysis Unit (LEAU) shall be created
8 within the Legislative Office of Fiscal Transparency (LOFT) to
9 provide independent and reliable economic analysis and other
10 information relevant to the conduct of the Legislature's oversight
11 and legislative duties. The LEAU shall assist the Administrative
12 Rules Committee of each chamber in evaluating major rules proposed
13 by state agencies.

14 B. LOFT shall establish the LEAU within ninety (90) days of the
15 effective date of this act and may employ no more than five full-
16 time-equivalent employees (FTEs) to serve the LEAU and carry out the
17 functions of this section.

18 C. Within twenty-one (21) calendar days of receiving any
19 proposed rule or regulation, the LEAU shall conduct an independent
20 analysis to determine that the agency has complied with the
21 requirements set forth in Section 3 of this act. The LEAU will
22 assess whether the proposed rule or regulation will result in
23 implementation and compliance costs of more than One Million Dollars

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1 (\$1,000,000.00) over the initial five-year period after
2 implementation.

3 D. The LEAU shall:

4 1. Provide a report on each major rule or regulation to the
5 committees of jurisdiction by the end of the twenty-first calendar
6 day after the submission date of such major rule or regulation;

7 2. Inform the committee if the economic impact analysis from
8 the agency is incomplete or contains substantive inaccuracies; and

9 3. Report to the Administrative Rules Committee of each
10 chamber.

11 E. State agencies shall cooperate fully with the LEAU and the
12 Legislature in providing data or documentation necessary for
13 analysis, and conducting the analyses required under this act.

14 F. The President Pro Tempore of the Senate, Speaker of the
15 House of Representatives, and committee chair of the Administrative
16 Rules Committee of each chamber may also direct the LEAU to conduct
17 evaluations of existing provisions of the Oklahoma Administrative
18 Code.

19 G. The LEAU shall:

20 1. Make all analyses and determinations publicly available on
21 its website upon completion; and

22 2. Submit an annual report summarizing the year's evaluations
23 and findings shall be electronically submitted to the President Pro
24 Tempore of the Senate and the Speaker of the House of

1 Representatives and published on LOFT's website. Within the annual
2 report, the LEAU shall quantify the impact of its work, including
3 reductions in regulations, cost savings, and other measurable
4 benefits to the economy.

5 SECTION 5. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 604 of Title 75, unless there is
7 created a duplication in numbering, reads as follows:

8 A major rule shall not take effect unless specifically approved
9 by the Legislature through a joint resolution receiving a
10 constitutional majority in each chamber.

11 SECTION 6. AMENDATORY 75 O.S. 2021, Section 303.1, as
12 amended by Section 3, Chapter 38, O.S.L. 2023 (75 O.S. Supp. 2024,
13 Section 303.1), is amended to read as follows:

14 Section 303.1. A. Within ten (10) days after adoption of a
15 permanent rule, the agency shall file two copies of the following
16 with the Governor, the Speaker of the House of Representatives, the
17 President Pro Tempore of the Senate, and the ~~chief legislative~~
18 ~~officer~~ chair of the Administrative Rules Committee of each chamber:
19 all such new rules or amendments; revisions or revocations to an
20 existing rule proposed by an agency; and the agency rule report as
21 required by subsection E of this section.

22 B. If the agency determines in the rule impact statement
23 prepared as part of the agency rule report that ~~the~~ any proposed
24 rule will have an economic impact on any political subdivisions or

1 require their cooperation in implementing or enforcing a proposed
2 permanent rule, a copy of the proposed rule and rule report shall be
3 filed within ten (10) days after adoption of the permanent rule with
4 the Oklahoma Advisory Committee on Intergovernmental Relations for
5 its review. The Committee may communicate any recommendations that
6 it may deem necessary to the Governor, the Speaker of the House of
7 Representatives, and President Pro Tempore of the Senate during the
8 period that the permanent rules are being reviewed.

9 C. When ~~the rules have been~~ any rule is submitted to the
10 Governor, the Speaker of the House of Representatives, the President
11 Pro Tempore of the Senate, and the ~~chief legislative officer~~ chair
12 of the Administrative Rules Committee of each chamber, the agency
13 shall also submit to the Office of Administrative Rules for
14 publication in "The Oklahoma Register", a statement that the adopted
15 ~~rules have~~ rule has been submitted to the Governor and the
16 Legislature.

17 D. The text of the adopted ~~rules~~ rule shall be submitted to the
18 Governor, ~~the Speaker of the House of Representatives,~~ and the
19 ~~President Pro Tempore of the Senate~~ in the same format as required
20 by the Secretary pursuant to Section 251 of this title. The text of
21 the adopted rule shall be submitted to the President Pro Tempore of
22 the Senate, the Speaker of the House of Representatives, and the
23 chair of the Administrative Rules Committee of each chamber in
24 physical, spiral-bound copies.

1 E. The report required by subsection A of this section shall
2 include:

3 1. The date the notice of the intended rulemaking action was
4 published in "The Oklahoma Register" pursuant to Section 255 of this
5 title;

6 2. The name and address of the agency;

7 3. The title and number of the rule;

8 4. A citation to the constitutional or statutory authority for
9 the rule;

10 5. The citation to any federal or state law, court ruling, or
11 any other authority requiring the rule;

12 6. A statement of the gist of the rule or a brief summary of
13 the content of the adopted rule;

14 7. A statement explaining the need for the adopted rule;

15 8. The date and location of the meeting, if held, at which such
16 ~~rules were~~ rule was adopted, or the date and location when the ~~rules~~
17 ~~were~~ rule was adopted if the rulemaking agency is not required to
18 hold a meeting to adopt rules;

19 9. A summary of the comments and explanation of changes or lack
20 of any change made in ~~the~~ an adopted ~~rules~~ rule as a result of
21 testimony received at all hearings or meetings held or sponsored by
22 an agency for the purpose of providing the public an opportunity to
23 comment on ~~the rules~~ any proposed rule or of any written comments
24 received prior to the adoption of the rule. The summary shall

1 include all comments received about the cost impact of ~~the~~ any
2 proposed ~~rules~~ rule;

3 10. A list of persons or organizations who appeared or
4 registered for or against the adopted rule at any public hearing
5 held by the agency or those who have commented in writing before or
6 after the hearing;

7 11. A rule impact statement if required pursuant to Section 303
8 of this title;

9 12. An incorporation by reference statement if the rule
10 incorporates a set of rules from a body outside the state, such as a
11 national code;

12 13. The members of the governing board of the agency adopting
13 the ~~rules~~ rule and the recorded vote of each member;

14 14. The proposed effective date of the ~~rules~~ rule, if an
15 effective date is required pursuant to paragraph 1 of subsection B
16 of Section 304 of this title; and

17 15. Any other information requested by the Governor, the
18 Speaker of the House of Representatives, or the President Pro
19 Tempore of the Senate.

20 SECTION 7. This act shall become effective November 1, 2025.

21 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
22 March 5, 2025 - DO PASS AS AMENDED

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