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## **HOUSE BILL No. 4500**

March 24, 2011, Introduced by Rep. Kowall and referred to the Committee on Regulatory Reform.

A bill to amend 1969 PA 306, entitled "Administrative procedures act of 1969,"

by amending section 53 (MCL 24.253), as amended by 2004 PA 23.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 53. (1) Each agency shall prepare an annual regulatory
- 2 plan that reviews the agency's rules. The annual regulatory plan
- ${f 3}$  shall be electronically transmitted to the  ${\bf STATE}$  office of
  - regulatory reform ADMINISTRATIVE HEARINGS AND RULES.
  - (2) In completing the annual regulatory plan required by this
  - section, the agency shall identify THE RULES THE AGENCY EXPECTS TO
- 7 REVIEW UNDER SUBSECTION (4) IN THE NEXT YEAR, the rules it
- 8 reasonably expects to process in the next year, the mandatory
- 9 statutory rule authority it has not exercised, and the rules it

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- 1 expects to rescind in the next year.
- 2 (3) The annual regulatory plans completed pursuant to this
- 3 section are advisory only and do not otherwise bind the agency or
- 4 in any way prevent additional action.
- 5 (4) WITHIN 5 YEARS AFTER THE EFFECTIVE DATE OF ANY NEW RULES
- 6 PROMULGATED BY AN AGENCY AFTER THE EFFECTIVE DATE OF THE AMENDATORY
- 7 ACT THAT ADDED THIS SUBSECTION OR 3 YEARS AFTER THE EFFECTIVE DATE
- 8 OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION FOR RULES IN
- 9 EFFECT ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS
- 10 SUBSECTION, AN AGENCY AND THE APPROPRIATE STANDING COMMITTEES OF
- 11 THE SENATE AND THE HOUSE OF REPRESENTATIVES HAVING JURISDICTION
- 12 OVER THE SUBJECT MATTER SHALL REVIEW EACH SET OF RULES OVER A 6-
- 13 YEAR PERIOD TO DETERMINE WHETHER THERE IS ANY INCREASED IMPACT ON
- 14 BUSINESSES, INCLUDING SMALL BUSINESSES, SINCE THE EFFECTIVE DATE OF
- 15 THOSE RULES. BEFORE ANY REVIEW UNDER THIS SUBSECTION, AN AGENCY AND
- 16 THE APPROPRIATE STANDING COMMITTEES OF THE SENATE AND THE HOUSE OF
- 17 REPRESENTATIVES HAVING JURISDICTION OVER THE SUBJECT MATTER SHALL
- 18 ADOPT A REVIEW PLAN THAT PRIORITIZES THE REVIEW OF THE RULES OVER
- 19 THAT 6-YEAR PERIOD. FIRST PRIORITY SHALL BE GIVEN TO THOSE RULES
- 20 THAT DIRECTLY AFFECT THE GREATEST NUMBER OF BUSINESSES, GROUPS, AND
- 21 INDIVIDUALS AND THOSE RULES THAT HAVE THE GREATEST ACTUAL STATEWIDE
- 22 COMPLIANCE COSTS FOR BUSINESSES, GROUPS, AND INDIVIDUALS. AFTER THE
- 23 FIRST REVIEW UNDER THIS SUBSECTION OF NEW OR EXISTING RULES, THE
- 24 AGENCY AND THE APPROPRIATE STANDING COMMITTEES OF THE SENATE AND
- 25 THE HOUSE OF REPRESENTATIVES HAVING JURISDICTION OVER THE SUBJECT
- 26 MATTER SHALL REVIEW RULES ON THE 7-YEAR ANNIVERSARY OF THE INITIAL
- 27 REVIEW AND EVERY 7 YEARS THEREAFTER. A REVIEW OF RULES UNDER THIS

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- 1 SUBSECTION SHALL STATE THE FOLLOWING:
- 2 (A) THE CONTINUED NEED FOR THE RULES.
- 3 (B) THE NATURE OF ANY COMPLAINTS OR COMMENTS RECEIVED FROM THE
- 4 PUBLIC CONCERNING THE RULES.
- 5 (C) THE COMPLEXITY OF COMPLYING WITH THE RULES.
- 6 (D) THE EXTENT TO WHICH THE RULES CONFLICT WITH OR DUPLICATE
- 7 SIMILAR RULES OR REGULATIONS ADOPTED BY THE FEDERAL GOVERNMENT OR
- 8 LOCAL UNITS OF GOVERNMENT.
- 9 (E) THE DATE OF THE LAST EVALUATION OF THE RULES AND THE
- 10 DEGREE, IF ANY, TO WHICH TECHNOLOGY, ECONOMIC CONDITIONS, OR OTHER
- 11 FACTORS HAVE CHANGED REGULATORY ACTIVITY COVERED BY THE RULES.
- 12 (5) (4) Annual regulatory plans completed under subsection (1)
- 13 shall be electronically filed with the STATE office of regulatory
- 14 reform ADMINISTRATIVE HEARINGS AND RULES by July 1 of each year.
- 15 After the STATE office of regulatory reform ADMINISTRATIVE HEARINGS
- 16 AND RULES approves the plan for review, the STATE office of
- 17 regulatory reform ADMINISTRATIVE HEARINGS AND RULES shall
- 18 electronically provide a copy of the plan of review to the
- 19 committee. The committee shall electronically provide a copy of
- 20 each agency plan of review, not later than the next business day
- 21 after receipt of the plan of review from the STATE office of
- 22 regulatory reform ADMINISTRATIVE HEARINGS AND RULES, to members of
- 23 the committee and to members of the standing committees of the
- 24 senate and house of representatives that deal with the subject
- 25 matter of rules the agency may propose.