## **HOUSE . . . . . . . . . . . . . . . . No. 2761**

### The Commonwealth of Massachusetts

PRESENTED BY:

#### Bradley H. Jones, Jr.

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act reforming the regulatory process to promote job growth.

#### PETITION OF:

NAME:	DISTRICT/ADDRESS:
Bradley H. Jones, Jr.	20th Middlesex
Bradford R. Hill	4th Essex
Elizabeth A. Poirier	14th Bristol
Susan Williams Gifford	2nd Plymouth
Todd M. Smola	1st Hampden
Paul K. Frost	7th Worcester
F. Jay Barrows	1st Bristol
Sheila C. Harrington	1st Middlesex
Shawn Dooley	9th Norfolk
Angelo L. D'Emilia	8th Plymouth
Kimberly N. Ferguson	1st Worcester
Kevin J. Kuros	8th Worcester
Nicholas A. Boldyga	3rd Hampden

## **HOUSE . . . . . . . . . . . . . . . . No. 2761**

By Mr. Jones of North Reading, a petition (accompanied by bill, House, No. 2761) of Bradley H. Jones, Jr. and others for legislation to provide regulatory reform to promote job growth. State Administration and Regulatory Oversight.

# [SIMILAR MATTER FILED IN PREVIOUS SESSION SEE HOUSE, NO. 2829 OF 2013-2014.]

#### The Commonwealth of Massachusetts

In the One Hundred and Eighty-Ninth General Court (2015-2016)

An Act reforming the regulatory process to promote job growth.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

- 1 SECTION 1. Chapter 3 of the General Laws, as appearing in the 2012 Official Edition,
- 2 is hereby amended by inserting at the end thereof the following sections: -
- 3 Section 70. The following words and phrases, as used in this section and section 71, shall
- 4 have the following meanings unless a different meaning is required by the context:
- 5 "Agency", any department, board, commission, division or authority of the state
- 6 government or subdivision of any of the foregoing, or official of the state government,
- 7 authorized by law to make regulations or to conduct adjudicatory proceedings, but shall not
- 8 include the following: the legislative and judicial departments; the governor and council; military
- 9 or naval boards, commissions or officials; the department of correction; the department of youth

- 10 services; the parole board; the division of dispute resolution of the division of industrial
- 11 accidents; the personnel administrator; the civil service commission; and the appellate tax board.
- "Committee", the joint committee on state administration and regulatory oversight of the general court.
- 14 (a) An agency shall file a copy of an adopted rule with the committee at the same time it 15 is filed with the secretary of state.
- 16 (b) The committee may examine rules in effect and newly adopted rules to determine 17 whether:
- 18 (1) the rule is a valid exercise of delegated legislative authority;
- 19 (2) the statutory authority for the rule has expired or been repealed;
- 20 (3) the rule is necessary to accomplish the apparent or expressed intent of the specific statute that the rule implements;
- 22 (4) the rule is a reasonable implementation of the law as it applies to any affected class of 23 persons; and
- 24 (5) the agency complied with the regulatory analysis requirements of section 5A of 25 chapter 30 and the analysis properly reflects of the rule.
- 26 (c) The committee may request information from an agency necessary to exercise its
  27 powers under subsection (b). The committee shall consult with joint committees of the general
  28 court with jurisdiction over the subjects of the rule or regulation under review.

- Section 71. (a) Not later than 30 days after receiving a copy of an adopted rule from an agency under section 70, the committee may: (1) approve the adopted rule or regulation; (2) disapprove the rule or regulation and propose an amendment to the adopted rule or regulation; or (3) disapprove the adopted rule or regulation.
- 33 (b) If the committee approves an adopted rule or regulation or does not disapprove and 34 propose an amendment under subsection (a)(2) or disapprove under subsection (a)(3), the 35 adopted rule shall become effective on the date specified.
- 36 (c) If the committee proposes an amendment to the adopted rule or regulation under 37 subsection (a)(2), the agency may make the amendment and resubmit the rule or regulation, as amended, to the committee. The amended rule or regulation must be one that the agency could 38 have adopted on the basis of the record in the rule or regulation making proceeding and the legal authority granted to the agency. The agency shall provide an explanation for the amended rule or 40 regulation as provided in section 5A. An agency is not required to hold a hearing on an 41 42 amendment made under this subsection. If the agency makes the amendment, it shall also give notice to the secretary of state for publication of the rule or regulation, as amended, in the 43 Massachusetts Register. The notice must include the text of the rule or regulation as amended. If 44 the committee does not disapprove the rule or regulation, as amended, or propose a further 45 amendment, the rule or regulation shall become effective on the date specified. 46
- 47 (d) If the committee disapproves the adoption of a rule under subsection (a)(3), the
  48 adopted rule becomes effective on adjournment of the next regular session of the General Court
  49 unless before the adjournment the General Court enacts legislation sustaining the action of the
  50 committee.

- (e) An agency may withdraw the adoption of a rule by giving notice of the withdrawal to
- 52 the committee and to the secretary of state. A withdrawal under this subsection terminates the
- 53 rulemaking proceeding with respect to the adoption, but does not prevent the agency from
- 54 initiating a new rulemaking proceeding for the same or substantially similar adoption.
- 55 SECTION 2. Section 2 of chapter 30A of the General Laws, as most recently amended
- 56 by section 114 of chapter 165 of the acts of 2012, is hereby amended by inserting in the first
- 57 paragraph after the word "right" the following:-
- 58 ; or, (d) the regulation has an economic impact on small businesses and an estimate of its
- 59 fiscal effect will be filed with state secretary pursuant to section 5
- SECTION 3. Section 3 of said chapter 30A, as most recently amended by section 5 of
- 61 chapter 165 of the acts of 2012, is hereby amended by inserting in the fourth paragraph after the
- 62 words "include the" the following:-
- statement of small business consideration and the full text of said
- SECTION 4. Chapter 30A of the General Laws, as appearing in the 2012 Official
- 65 Edition, is hereby amended by striking section 5A, in its entirety, and inserting in place thereof
- 66 the following sections:-
- Section 5A. (a) In addition to a small business impact statement, an agency shall prepare
- a subsequent regulatory analysis for a proposed rule or regulation if, within 60 days after the
- 69 published notice of the proposed rule or regulation adoption, a written request for the analysis is
- 70 filed in the office of the secretary of state by the governor, the executive office of administration
- 71 and finance, the joint committee on state administration and regulatory oversight, or 300

- 72 interested persons signing the request. The secretary of state shall immediately forward to the 73 agency a certified copy of the filed request.
- 74 (b) Except to the extent that the written request expressly waives one or more of the 75 following, the regulatory analysis must contain:
- 76 (1) an analysis of the benefits and costs of a reasonable range of regulatory alternatives 77 reflecting the scope of discretion provided by statute authorizing the rule or regulation; and
- (2) a determination whether the benefits of the proposed rule or regulation justify the costs of the proposed rule or regulation and the proposed rule or regulation will achieve the objectives of the authorizing statute in a more cost effective manner, or with greater net benefits, than other regulatory alternatives.
- 82 (c) An agency preparing a regulatory analysis under this section shall prepare a concise 83 summary of the analysis.
- (d) An agency preparing a regulatory analysis under this section shall submit the analysis to the governor, the executive office of administration and finance, the joint committee on state administration and regulatory oversight, or, if applicable, to the interested persons signing the request under subsection (a).
- Section 5B. (a) Each agency shall review its rules and regulations at least once every 6 years after their publication as the final rules or regulations to ensure that those rules and regulations minimize economic impact on small businesses in a manner consistent with the stated objectives of applicable statutes.

- 92 (b) In reviewing a rule or regulation to minimize economic impact of the rule or 93 regulation on small businesses, the agency shall file a regulatory review report which considers 94 the following factors:
- (1) the continuing need for the rule or regulation and the effectiveness of the rule or regulation in achieving its objectives, including a summary of any available data supporting the conclusions reached;
- 98 (2) the nature of complaints or comments received concerning the rule or regulation from 99 the public during the previous 6 years, including any petitions for waiver of the rule tendered to 100 the agency or granted by it;
- (3) alternative solutions to the complaints or comments and the reasons they were
   rejected or the changes made in the rule or regulation in response to those complaints or
   comments and the reasons for the changes
- (4) the complexity of the rule or regulation;
- 105 (5) the extent to which the rule or regulation overlaps, duplicates or conflicts with other 106 federal, state and local governmental rules and regulations;
- 107 (6) the length of time since the rule or regulation has been enacted, changed, amended or modified; and
- 109 (7) the degree to which technology, economic conditions or other factors have changed in 110 the subject areas affected by the rule or regulation.
- 111 (c) A copy of the report shall be filed with the joint committee on state administration 112 and regulatory oversight and shall be available for public inspection.

113 SECTION 5. Notwithstanding any general or special law, rule or regulation to the 114 contrary, any agency that approves a state grant in excess of \$500,000 to a person or a public or 115 private entity shall submit a detailed cost benefit analysis to the joint committee on state administration and regulatory oversight no later than 30 days after authorization of said grant. 116 The analysis shall contain: a detailed explanation of the process used for the selection of the 117 grantee; the number of applications for the grant; an accounting of an expectation that the 118 119 issuance of the grant will create or maintain existing jobs in the Commonwealth, if any; and an account of all grants received by the grantee during the present fiscal year from all other state 120 121 agencies.