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RELATING 7	ro RULES;	CREATING	REQUIREMEN'	rs for pro	OPOSING,	
ADOPTING,	AMENDING	OR REPEA	LING RULES;	AMENDING	AND ENACTIN	10
SECTIONS (	OF THE STA	ATE RIII.ES	ACT.			

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 14-4-2 NMSA 1978 (being Laws 1967, Chapter 275, Section 2, as amended) is amended to read:

"14-4-2. DEFINITIONS.--As used in the State Rules Act:

- A. "agency" means any agency, board, commission, department, institution or officer of the state government except the judicial and legislative branches of the state government;
- B. "person" includes individuals, associations, partnerships, companies, business trusts, political subdivisions and corporations;
- C. "proceeding" means a formal agency process or
  procedure that is commenced or conducted pursuant to the
  State Rules Act;
- D. "proposed rule" means a rule that is provided to the public by an agency for review and public comment prior to its adoption, amendment or repeal, and for which there is specific legal authority authorizing the proposed rule;
  - E. "provide to the public" means for an agency to

-	distribute raremaking information by.	
2	(1) posting it on the agency website, if	
3	any;	
4	(2) posting it on the sunshine portal;	
5	(3) making it available in the agency's	
6	district, field and regional offices, if any;	
7	(4) sending it by electronic mail to persons	
8	who have made a written request for notice from the agency of	
9	announcements addressing the subject of the rulemaking	
١٥	proceeding and who have provided an electronic mail address	
11	to the agency;	
12	(5) sending it by electronic mail to persons	
13	who have participated in the rulemaking and who have provided	
۱4	an electronic mail address to the agency;	
15	(6) sending written notice that includes, at	
16	a minimum, an internet and street address where the	
17	information may be found to persons who provide a postal	
18	address; and	
19	(7) providing it to the New Mexico	
20	legislative council for distribution to appropriate interim	
21	and standing legislative committees;	
22	F. "rule" means any rule, regulation, or standard,	
23	including those that explicitly or implicitly implement or	
24	interpret a federal or state legal mandate or other	110T110 '
25	applicable law and amendments thereto or repeals and renewals	HSIVC/ HB 58 Page 2

1 thereof, issued or promulgated by any agency and purporting 2 to affect one or more agencies besides the agency issuing the 3 rule or to affect persons not members or employees of the issuing agency, including affecting persons served by the 4 5 agency. An order or decision or other document issued or promulgated in connection with the disposition of any case or 6 agency decision upon a particular matter as applied to a 7 specific set of facts shall not be deemed such a rule, nor 8 shall it constitute specific adoption thereof by the agency. 9 10 "Rule" does not include rules relating to the management, confinement, discipline or release of inmates of any penal or 11 charitable institution, the New Mexico boys' school, the 12 girls' welfare home or any hospital; rules made relating to 13 the management of any particular educational institution, 14 15 whether elementary or otherwise; or rules made relating to admissions, discipline, supervision, expulsion or graduation 16 of students from any educational institution; and 17

G. "rulemaking" means the process for adoption of a new rule or the amendment, readoption or repeal of an existing rule."

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SECTION 2. Section 14-4-3 NMSA 1978 (being Laws 1967, Chapter 275, Section 3, as amended) is amended to read:

"14-4-3. FORMAT OF RULES--FILING--DISTRIBUTION.--

A. Each agency promulgating any rule shall place the rule in the format and style required by rule of the

state records administrator and shall deliver the rule to the state records administrator or the administrator's designee, accompanied by the concise explanatory statement required by the State Rules Act. The state records administrator or the administrator's designee shall note thereon the date and hour of filing.

- B. The state records administrator or the administrator's designee shall maintain a copy of the rule as a permanent record open to public inspection during office hours, on the website of the records center, published in a timely manner in the New Mexico register and compiled into the New Mexico Administrative Code.
- C. At the time of filing, an agency may submit to the state records administrator or the administrator's designee a copy, for annotation with the date and hour of filing, to be returned to the agency.
- D. The state records administrator, after written notification to the filing agency, may make minor, nonsubstantive corrections in spelling, grammar and format in filed rules. The state records administrator shall make a record of the correction and shall deliver the record to the filing agency and issuing authority within ten days of the change. Within thirty days of receiving that state records administrator's record of a correction, the agency shall provide to the public notice of the correction in the same

manner as the agency used to give notice of the rulemaking proceeding pursuant to Section 4 of this 2017 act."

SECTION 3. Section 14-4-5 NMSA 1978 (being Laws 1967, Chapter 275, Section 6, as amended) is amended to read:

"14-4-5. TIME LIMIT ON ADOPTION OF A PROPOSED RULE-FILING AND COMPLIANCE REQUIRED FOR VALIDITY.--

A. Except in the case of an emergency rule, no rule shall be valid or enforceable until it is published in the New Mexico register as provided by the State Rules Act.

B. An agency shall not adopt a rule until the public comment period has ended. If the agency fails to take action on a proposed rule within two years after the notice of proposed rulemaking is published in the New Mexico register, the rulemaking is automatically terminated unless the agency takes action to extend the period. The agency may extend the period of time for adopting the proposed rule for an additional period of two years by filing a statement of good cause for the extension in the rulemaking record, but it shall provide for additional public participation, comments and rule hearings prior to adopting the rule.

- C. An agency may terminate a rulemaking at any time by publishing a notice of termination in the New Mexico register. If a rulemaking is terminated pursuant to this section, the agency shall provide notice to the public.
  - D. Within fifteen days after adoption of a rule,

1	an agency shall file the adopted rule with the state records
2	administrator or the administrator's designee and shall
3	provide to the public the adopted rule. The state records
4	administrator or the administrator's designee shall publish
5	rules as soon as practicable after filing, but in no case
6	later than ninety days after the date of adoption of the
7	proposed rule. Unless a later date is otherwise provided by
8	law or in the rule, the effective date of a rule shall be the
9	date of publication in the New Mexico register.

E. A proposed rule shall not take effect unless it is adopted and filed within the time limits set by this section."

**SECTION 4.** A new section of the State Rules Act is enacted to read:

## "NOTICE OF PROPOSED RULEMAKING. --

- A. Not later than thirty days before a public rule hearing, the agency proposing the rule shall provide to the public and publish in the New Mexico register a notice of proposed rulemaking. The notice shall include:
- (1) a summary of the full text of the proposed rule;
- (2) a short explanation of the purpose of the proposed rule;
- (3) a citation to the specific legal authority authorizing the proposed rule and the adoption of

the rule;

- (4) information on how a copy of the full text of the proposed rule may be obtained;
- (5) information on how a person may comment on the proposed rule, where comments will be received and when comments are due;
- (6) information on where and when a public rule hearing will be held and how a person may participate in the hearing; and
- (7) a citation to technical information, if any, that served as a basis for the proposed rule, and information on how the full text of the technical information may be obtained.
- B. An agency may charge a reasonable fee for providing any records in nonelectronic form when provided to a person pursuant to this section. An agency shall not charge a fee for providing any records in electronic form when provided to a person pursuant to this section.
- C. An internet link providing free access to the full text of the proposed rule shall be included on the notice of proposed rulemaking.
- D. If the agency changes the date of the public rule hearing or the deadline for submitting comments as stated in the notice, the agency shall provide notice to the public of the change.

E. The state records administrator or the administrator's designee shall timely publish the notice of proposed rulemaking in the next publication of the New Mexico register."

**SECTION 5.** A new section of the State Rules Act is enacted to read:

"PUBLIC PARTICIPATION, COMMENTS AND RULE HEARINGS. --

A. The notice of proposed rulemaking shall specify a public comment period of at least thirty days after publication in the New Mexico register during which a person may submit information and comment on the proposed rule. The information or comment may be submitted in an electronic or written format or at a public rule hearing pursuant to Subsection B of this section. The agency shall consider all information and comment on a proposed rule that is submitted within the comment period.

B. At the public rule hearing, members of the public shall be given a reasonable opportunity to submit data, views or arguments orally or in writing. Each agency shall determine, in accordance with governing statutory and case law, the manner in which parties to the proceeding and members of the public will be able to participate in public hearings. All public hearings shall be conducted in a fair and equitable manner. Except as otherwise provided by law, an agency representative or hearing officer shall preside

1 over a public rule hearing. 2 The public rule hearing shall be open to the C. 3 public and be recorded." SECTION 6. A new section of the State Rules Act is 4 5 enacted to read: "AGENCY RECORD IN RULEMAKING PROCEEDING. --6 7 An agency shall maintain a rulemaking record for each rule it proposes to adopt. The record and materials 8 incorporated by reference in the proposed rule shall be 9 10 readily available for public inspection in the central office of the agency and available for public display on the state 11 sunshine portal. If an agency determines that any part of 12 the rulemaking record cannot be practicably displayed or is 13 inappropriate for public display on the sunshine portal, the 14 15 agency shall describe that part of the record, shall note on the sunshine portal that the part of the record is not 16

displayed and shall provide instructions for accessing or inspecting that part of the record.

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- B. A rulemaking record shall contain:
- (1) a copy of all publications in the New Mexico register relating to the proposed rule;
- (2) a copy of any technical information that was relied upon in formulating the final rule;
- (3) any official transcript of a public rule  $$\rm HSIVC/$$  hearing or, if not transcribed, any audio recording or  $$\rm HB~58$$  Page 9

1	verbatim transcript of the hearing, and any memoranda	
2	summarizing the contents of the hearing prepared by the	
3	hearing officer or agency official who presided over the	
4	hearing;	
5	(4) a copy of all comments and other	
6	material received by the agency during the public comment	
7	period and at the public hearing;	
8	(5) a copy of the full text of the initial	
9	proposed rule and the full text of the final adopted rule and	
10	the concise explanatory statement filed with the state	
11	records administrator or the administrator's designee; and	
12	(6) any corrections made by the state	
13	records administrator pursuant to Section 14-4-3 NMSA 1978."	
14	SECTION 7. A new section of the State Rules Act is	
15	enacted to read:	
16	"CONCISE EXPLANATORY STATEMENTAt the time it adopts a	
17	rule, an agency shall provide to the public a concise	
18	explanatory statement containing:	
19	A. the date the agency adopted the rule;	
20	B. a reference to the specific statutory or other	
21	authority authorizing the rule; and	
22	C. any findings required by a provision of law for	
23	adoption of the rule."	
24	SECTION 8. A new section of the State Rules Act is	петис/
25	enacted to read:	HSIVC/ HB 58 Page 10

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An agency shall comply with the rulemaking procedures of the State Rules Act unless the agency finds that the time required to complete the procedures would:

- (1) cause an imminent peril to the public health, safety or welfare;
- cause the unanticipated loss of funding (2) for an agency program; or
- (3) place the agency in violation of federal law.
- В. The agency shall provide to the public a record of any finding pursuant to Subsection A of this section and a detailed justification for that finding before issuing an The record shall include a statement that emergency rule. the emergency rule is temporary. After such record has been provided to the public, the agency may issue the emergency rule immediately without a public rule hearing or with any abbreviated notice and hearing that it finds practicable.
- C. When an agency makes a finding pursuant to Subsection A of this section, the agency shall follow the provisions of this section in addition to any more specific requirements in statute that pertain to the agency regarding promulgating emergency or interim rules.
- Emergency rules may take effect immediately D. upon filing with the state records administrator or the

administrator's designee or at a later date specified in the emergency rule. Emergency rules shall be published in the New Mexico register.

E. No emergency rule shall permanently amend or repeal an existing rule. An emergency rule shall remain in effect until a permanent rule takes effect under the normal rulemaking process. If no permanent rule is adopted within one hundred eighty days from the effective date of the emergency rule, the emergency rule shall expire and may not be readopted as an emergency rule. If an expired emergency rule temporarily amended or repealed an existing rule, the rule shall revert to what it would have been had the emergency rule not been issued."

**SECTION 9.** A new section of the State Rules Act is enacted to read:

"CONFLICTS BETWEEN RULE AND STATUTE--VARIANCE BETWEEN PROPOSED AND FINAL ACTION.--

- A. No rule is valid or enforceable if it conflicts with statute. A conflict between a rule and a statute is resolved in favor of the statute.
- B. A word or phrase that is defined in an applicable statute should not be defined in rule. A conflict between a definition that appears in a rule and in an applicable statute is resolved in favor of the statute."

 ${\tt SECTION}\ 10.$  A new section of the State Rules Act is

enacted to read:

"PROCEDURAL RULES.--No later than January 1, 2018, the attorney general shall adopt default procedural rules for public rule hearings for use by agencies that have not adopted their own procedural rules consistent with the State Rules Act. Each agency may adopt its own procedural rules, or continue in effect existing rules, which shall provide at least as much opportunity for participation by parties and members of the public as is provided in the procedural rules adopted by the attorney general. An agency that adopts its own procedural rules shall send a copy of those procedural rules to the attorney general and shall maintain those procedural rules on the agency's website."

**SECTION 11.** EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2017.

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