

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 2nd Session of the 55th Legislature (2016)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 2688

By: Brumbaugh

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8 COMMITTEE SUBSTITUTE

9
10 An Act relating to state government; creating the
11 Modernization of Agency Creation Process and Sunrise
12 Act; defining terms; prohibiting introduction of
13 certain bill; requiring number be printed on certain
14 bill; providing for certain time for introduction and
15 passing of bill; providing exception based on
16 supermajority vote; providing for consideration of
17 certain factors; requiring certain information be
18 provided in writing upon request; requiring
19 legislative staff provide certain information;
20 providing for determination of proposed legislation
21 when making certain recommendation; requiring
22 production of report; providing for codification; and
23 providing an effective date.
24

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

SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 3951 of Title 74, unless there
is created a duplication in numbering, reads as follows:

1 This act shall be known and may be cited as the "Modernization
2 of Agency Creation Process and Sunrise Act".

3 SECTION 2. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 3952 of Title 74, unless there
5 is created a duplication in numbering, reads as follows:

6 As used in the Modernization of Agency Creation Process and
7 Sunrise Act:

8 1. "Amendment" means any amendment, including a substitute
9 bill, made to a bill by any committee of the House or Senate, any
10 conference committee of the House or Senate or by the House or
11 Senate;

12 2. "SR number" means that number preceded by the letters "SR"
13 assigned to a bill by the respective staffs of the Oklahoma State
14 Senate and the Oklahoma House of Representatives when the respective
15 staff office prepares a bill for a member of the Legislature; and

16 3. "Sunrise bill" means any bill or joint resolution introduced
17 or any bill or joint resolution amended by a member of the Oklahoma
18 Legislature which proposes the creation of a new state agency.

19 SECTION 3. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 3953 of Title 74, unless there
21 is created a duplication in numbering, reads as follows:

22 A. No sunrise bill shall be introduced by any member of the
23 Legislature unless, at the time of its introduction, the bill has
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1 printed thereon in the upper right portion of each page of the bill
2 an SR number.

3 B. A measure that is not a sunrise bill when introduced but
4 becomes amended to become a sunrise bill shall have printed thereon
5 in the upper right corner of each page of the bill an SR number at
6 the time the measure is deemed to be a sunrise bill.

7 SECTION 4. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 3954 of Title 74, unless there
9 is created a duplication in numbering, reads as follows:

10 A. Any sunrise bill may be introduced according to the
11 applicable deadlines established by the Oklahoma State Senate and
12 the Oklahoma House of Representatives only in any odd-numbered year
13 during the regular session.

14 B. Except as provided by subsection C of this section, any such
15 sunrise bill may be passed by the Legislature only during an even-
16 numbered year of the regular session.

17 C. Upon a two-thirds (2/3) vote of each chamber of the
18 Legislature, a sunrise bill may be passed by the Legislature in an
19 odd-numbered year of the regular session.

20 SECTION 5. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 3955 of Title 74, unless there
22 is created a duplication in numbering, reads as follows:

23 A. In determining whether to create a new agency through the
24 approval of a sunrise bill, a legislative committee shall consider

1 the following factors over the course of not less than twelve (12)
2 months:

3 1. Whether the absence of the agency will substantially harm or
4 endanger the public health, safety or welfare, and whether the
5 potential for harm is recognizable and not remote;

6 2. Whether the creation of a new agency will have an
7 unreasonable effect on job creation or job retention in the state;

8 3. Whether the public is or can be effectively protected by
9 other means; and

10 4. Whether the overall cost-effectiveness and economic impact
11 of the new agency, including the indirect costs to consumers, will
12 be favorable.

13 B. The proponents of legislation that provides for the creation
14 of a new state agency shall provide, upon request, the following
15 information in writing to the legislative committees to which the
16 legislation is referred:

17 1. The number of individuals or businesses that would be
18 subject to regulation by the new agency;

19 2. The name of each association that represents members of the
20 industry or economic sector which would be affected by the powers of
21 the agency, together with a copy of its code of ethics or conduct;

22 3. Documentation of the nature and extent of the harm to the
23 public caused by the potentially unregulated activities of for-
24 profit business entities;

1 4. A list of states that regulate the activity or economic
2 transactions proposed to be subject to the jurisdiction of the
3 agency, and the dates of enactment of each law providing for such
4 regulation and a copy of each law;

5 5. A list and description of state and federal laws that have
6 been enacted to protect the public with respect to the activity or
7 economic sector and a statement of the reasons why these laws have
8 not proven adequate to protect the public;

9 6. A description of the voluntary efforts made by for-profit
10 business entities engaged in the business or economic practices that
11 could be subject to regulation to protect the public and a statement
12 of the reasons why these efforts are not adequate to protect the
13 public;

14 7. A copy of any federal legislation mandating regulation;

15 8. An explanation of the reasons why other types of less
16 restrictive regulation would not effectively protect the public;

17 9. The cost, availability and appropriateness of training and
18 examination requirements;

19 10. The cost of regulation, including the indirect cost to
20 consumers, and the method proposed to finance the regulation;

21 11. The cost imposed on applicants or practitioners or on
22 employers of applicants or practitioners as a result of the
23 regulation;

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1 12. The details of any previous efforts in this state to
2 implement regulation of the business activity or economic sector;
3 and

4 13. Any other information the agency or the committee considers
5 relevant to the analysis of the proposed legislation.

6 C. Legislative staff shall provide the legislative committee
7 with information concerning the effect of proposed legislation that
8 provides for the creation of a new agency regarding:

9 1. State resources necessary to implement and enforce the
10 proposed regulation;

11 2. The technical sufficiency of the proposal for regulation,
12 including its consistency with the regulation of other business
13 activity under existing law; and

14 3. If applicable, any alternatives to the proposed regulation
15 which may result in a less restrictive or more cost-effective
16 regulatory scheme.

17 D. When making a recommendation concerning proposed legislation
18 subject to this act, a legislative committee shall determine:

19 1. The least restrictive and most cost-effective regulatory
20 scheme that will adequately protect the public; and

21 2. The technical sufficiency of the proposed legislation.

22 E. Upon recommending passage of sunrise legislation, the
23 chairman of the legislative committee shall cause to be produced a
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1 report documenting that all criteria required by this section were
2 examined and shall detail the committee's findings.

3 SECTION 6. This act shall become effective November 1, 2016.
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5 COMMITTEE REPORT BY: COMMITTEE ON BUSINESS, LABOR AND RETIREMENT
6 LAWS, dated 02/24/2016 - DO PASS, As Amended.
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