## STATE OF OKLAHOMA 2 2nd Session of the 55th Legislature (2016) 3 SENATE BILL 1130 By: Dahm 4 5 6 AS INTRODUCED 7 An Act relating to state agency rules; amending

An Act relating to state agency rules; amending 75 O.S. 2011, Sections 250.2, 250.4a, 250.10, as amended by Section 49, Chapter 227, O.S.L. 2013, 251, 253, as amended by Section 3, Chapter 357, O.S.L. 2013, 255, 257.1, 302, 305, 307.1, 308 and 308.1, as amended by Sections 4 and 5, Chapter 357, O.S.L. 2013, 308.2, Section 6, Chapter 357, O.S.L. 2013 and 317 (75 O.S. Supp. 2015, Sections 250.10, 253, 308, 308.1 and 308.3), which relate to the Administrative Procedures Act; modifying legislative intent; requiring state agencies and Secretary of State to publish certain documents on websites; deleting deadlines for certain duties; requiring agency response to rule review request and modifying deadline therefor; prohibiting adoption of certain emergency rules; allowing certain documents to be provided electronically or on website; allowing certain documents to be provided on certain digital media; requiring agencies to act upon certain petitions within certain time period; deleting provision relating to function of certain committees; modifying duties of certain committees; granting Legislature authority to amend or repeal proposed and effective agency rules with or without instructions; providing procedures; modifying time by which certain proceeding must be commenced; modifying duty of Legislature to have certain resolution prepared and modifying contents thereof; specifying requirements for such resolutions; modifying time for certain rehearings; and declaring an emergency.

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

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SECTION 1. AMENDATORY 75 O.S. 2011, Section 250.2, as amended by Section 1, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2015, Section 250.2), is amended to read as follows:
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- Section 250.2. A. Article V of the Oklahoma Constitution vests in the Legislature the power to make laws, and thereby to establish agencies and to designate agency functions, budgets and purposes.

  Article VI of the Oklahoma Constitution charges the Executive Branch of Government with the responsibility to implement all measures enacted by the Legislature.
- B. In creating agencies and designating their functions and purposes, the Legislature may delegate rulemaking authority to executive branch agencies to facilitate administration of legislative policy. The delegation of rulemaking authority is intended to eliminate the necessity of establishing every administrative aspect of general public policy by legislation. In so doing, however, the Legislature reserves to itself:
- 1. The right to retract any delegation of rulemaking authority unless otherwise precluded by the Oklahoma Constitution;
- 2. The right to establish any aspect of general policy by legislation, notwithstanding any delegation of rulemaking authority;
- 3. The right and responsibility to designate the method for rule promulgation, review and modification;
- 4. The right to approve, amend or disapprove any adopted rule by joint resolution; and

5. The right to disapprove a proposed permanent, promulgated or emergency rule at any time if the Legislature determines such rule to be an imminent harm to the health, safety or welfare of the public or the state or if the Legislature determines that a rule is not consistent with legislative intent;

- 6. The right to amend any rules as they proceed through the legislative review process; and
- 7. The right to establish a new agency rule directly through enactment of a joint resolution.
- SECTION 2. AMENDATORY 75 O.S. 2011, Section 250.4a, is amended to read as follows:
  - Section 250.4a. A. Any agency exempt from all or part of the Administrative Procedures Act pursuant to subsection A of Section 250.4 of this title shall maintain and make available for public inspection its exempt rules at its principal place of business, and shall also publish its exempt rules on its website.
  - B. It is recognized by the Oklahoma Legislature that agencies specified by subsection A of this section have published rules containing obsolete rules or internal policy statements or agency statements which do not meet the Administrative Procedures Act definition of rules. Therefore, by December 31, 2005, of each year each such agency shall conduct an internal review of its rules to determine whether each of its rules is current and is a rule as such term is defined by the Administrative Procedures Act. Any rule

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determined by an agency to be obsolete or an internal policy

statement or any agency statement which does not meet the definition

of a rule pursuant to the Administrative Procedures Act shall be

deleted by the agency. Notice of such deletion shall be submitted

to the Speaker of the House of Representatives, the President Pro
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C. The provisions of this section shall not be construed to authorize any agency to amend any rule or to delete any rule which affects any private rights or procedures available to the public.

Tempore of the Senate and the Governor for informational purposes.

SECTION 3. AMENDATORY 75 O.S. 2011, Section 250.10, as amended by Section 49, Chapter 227, O.S.L. 2013 (75 O.S. Supp. 2015, Section 250.10), is amended to read as follows:

Section 250.10. The Governor by Executive Order or either house of the Legislature or both houses of the Legislature by resolution, or a small business, may request an agency to review its rules to determine whether or not the rules in question should be amended, repealed or redrafted. The agency shall respond to <a href="such requests">such requests</a> from the Governor or the Legislature within <a href="mailto:ninety">ninety</a> (90) thirty (30) calendar days of such request.

SECTION 4. AMENDATORY 75 O.S. 2011, Section 251, is amended to read as follows:

Section 251. A. 1. Upon the request of the Secretary, each agency shall furnish to the Office a complete set of its permanent

rules in such form as is required by the Secretary or as otherwise provided by law.

- 2. The Secretary shall promulgate rules to ensure the effective administration of the provisions of Article I of the Administrative Procedures Act. The rules shall include, but are not limited to, rules prescribing paper size, numbering system, and the format of documents required to be filed pursuant to the provisions of the Administrative Procedures Act or such other requirements as deemed necessary by the Secretary to implement the provisions of the Administrative Procedures Act.
- B. 1. Each agency shall file the number of copies specified by the Secretary of all new rules, and all amendments, revisions or revocations of existing rules attested to by the agency, pursuant to the provisions of Section 254 of this title, with the Office within thirty (30) calendar days after they become finally adopted.
- 2. An agency filing rules pursuant to the provisions of this subsection:
  - a. shall prepare the rules in plain language which can be easily understood,
  - b. shall not unnecessarily repeat statutory language.
    Whenever it is necessary to refer to statutory
    language in order to effectively convey the meaning of
    a rule interpreting that language, the reference shall
    clearly indicate the portion of the language which is

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statutory and the portion which is the agency's amplification or interpretation of that language,

- c. shall indicate whether a rule is new, amends an existing permanent rule or repeals an existing permanent rule. If a rule amends an existing rule, the rule shall indicate the language to be deleted typed with a line through the language and language to be inserted typed with the new language underscored,
- d. shall state if the rule supersedes an existing emergency rule,
- e. shall include a reference to any rule requiring a new or revised form in a note to the rule. The Secretary shall insert that reference in "The Oklahoma Register" as a notation to the affected rule,
- f. shall prepare, in plain language, an analysis of new or amended rules. The analysis shall include but not be limited to a reference to any statute that the rule interprets, any related statute or any related rule,
- g. may include with its rules, brief notes, illustrations, findings of facts, and references to digests of Supreme Court cases, other court decisions, or Attorney General's opinions, and other explanatory material. Such material may be included if the

1 material is labeled or set forth in a manner which clearly distinguishes it from the rules,

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- shall include other information, in such form and in h. such manner as is required by the Secretary, and
- i. may change the format of existing rules without any rulemaking action by the agency in order to comply with the standard provisions established by the Secretary for "Code" and "The Oklahoma Register" publication so long as there is no substantive change to the rule.
- The Secretary is authorized to determine a numbering system and other standardized format for documents to be filed and may refuse to accept for publication any document that does not substantially conform to the promulgated rules of the Secretary.
- In order to avoid unnecessary expense, an agency may use the published standards established by organizations and technical societies of recognized national standing, other state agencies, or federal agencies by incorporating the standards or rules in its rules or regulations by reference to the specific issue or issues of publications in which the standards are published, without reproducing the standards in full. The standards shall be readily available to the public for examination at the administrative offices of the agency, and shall also be published on the agency's website. In addition, a copy of such standards shall be kept and

1 maintained by the agency pursuant to the provisions of the 2 Preservation of Essential Records Act.

- E. The Secretary shall provide for the publication of all Executive Orders received pursuant to the provisions of Section 664 of Title 74 of the Oklahoma Statutes.
- F. The Secretary may authorize or require the filing of rules or Executive Orders by or through electronic data or machine readable equipment in such form and manner as is required by the Secretary.
- 10 SECTION 5. AMENDATORY 75 O.S. 2011, Section 253, as
  11 amended by Section 3, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2015,
  12 Section 253), is amended to read as follows:
  - Section 253. A. 1. If an agency finds that a rule is necessary as an emergency measure, the rule may be promulgated pursuant to the provisions of this section, if the rule is first approved by the Governor. The Governor shall not approve the adoption, amendment, revision or revocation of a rule as an emergency measure unless the agency submits substantial evidence that the rule is necessary as an emergency measure to do any of the following:
    - a. protect the public health, safety or welfare,
    - b. comply with deadlines in amendments to an agency's governing law or federal programs,

c. avoid violation of federal law or regulation or other state law,

- d. avoid imminent reduction to the agency's budget, or
- e. avoid serious prejudice to the public interest.

As used in this subsection, "substantial evidence" shall mean credible evidence which is of sufficient quality and probative value to enable a person of reasonable caution to support a conclusion.

- 2. In determining whether a rule is necessary as an emergency measure, the Governor shall consider whether the emergency situation was created due to the agency's delay or inaction and could have been averted by timely compliance with the provisions of this chapter.
  - B. An emergency rule adopted by an agency shall:
- 1. Be prepared in the format required by Section 251 of this title;
  - 2. a. Include an impact statement which meets the requirements set forth in subparagraph b of this paragraph unless the Governor waives the requirement in writing upon a finding that the rule impact statement or the specified contents thereof are unnecessary or contrary to the public interest.
    - b. The rule impact statement shall include, but not be limited to:
      - (1) a brief description of the proposed rule,

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- (2) a description of the persons who most likely will be affected by the proposed rule, including classes that will bear the costs of the proposed rule, and any information on cost impacts received by the agency from any private or public entities,
- (3) a description of the classes of persons who will benefit from the proposed rule,
- (4) a description of the probable economic impact of the proposed rule upon affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change,
- (5) the probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rule, and any anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency,
- (6) a determination of whether implementation of the proposed rule may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act,

1 (7) an explanation of the measures the agency has
2 taken to minimize compliance costs and a
3 determination of whether there are less costly or
4 nonregulatory methods or less intrusive methods
5 for achieving the purpose of the proposed rule,
6 (8) a determination of the effect of the proposed
7 rule on the public health, safety and environment

- (8) a determination of the effect of the proposed rule on the public health, safety and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk,
- (9) a determination of any detrimental effect on the public health, safety and environment if the proposed rule is not implemented, and
- (10) the date the rule impact statement was prepared and if modified, the date modified.
- c. The rule impact statement shall be prepared on or before the date the emergency rule is adopted;
- 3. Be transmitted pursuant to Section 464 of Title 74 of the Oklahoma Statutes to the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the Senate, along with the information required by this subsection within ten (10) days after the rule is adopted; and

4. Not be invalidated on the ground that the contents of the rule impact statement are insufficient or inaccurate.

- C. 1. Within forty-five (45) calendar days of receipt of a proposed emergency rule filed with the Governor, the Speaker of the Oklahoma House of Representatives and the President Pro Tempore of the Senate, the Governor shall review the demonstration of emergency pursuant to subsection A of this section, and shall separately review the rule in accordance with the standards prescribed in paragraph 3 of this subsection.
- 2. Prior to approval of emergency rules, the Governor shall submit the emergency rule to the Secretary of State for review of proper formatting.
- 3. If the Governor determines the agency has established the rule is necessary as an emergency measure pursuant to subsection A of this section, the Governor shall approve the proposed emergency rule if the rule is:
  - a. clear, concise and understandable,
  - b. within the power of the agency to make and within the enacted legislative standards, and
  - c. made in compliance with the requirements of the Administrative Procedures Act.
- D. 1. Within the forty-five-calendar-day period set forth in paragraph 1 of subsection C of this section, the Governor may approve the emergency rule or disapprove the emergency rule.

Failure of the Governor to approve an emergency rule within the specified period shall constitute disapproval of the emergency rule.

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- If the Governor disapproves the adopted emergency rule, the Governor shall return the entire document to the agency with reasons for the disapproval. If the agency elects to modify the rule, the agency shall adopt the modifications, and shall file the modified rule in accordance with the requirements of subsection B of this section.
- 3. Upon disapproval of an emergency rule, the Governor shall, within fifteen (15) days, make written notification to the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the Office of Administrative Rules.
- Upon approval of an emergency rule, the Governor shall Ε. immediately make written notification to the agency, the Speaker of the House of Representatives, the President Pro Tempore of the Senate and the Office of Administrative Rules. Upon receipt of the notice of the approval, the agency shall file with the Office of Administrative Rules as many copies of the notice of approval and the emergency rule as required by the Secretary.
- Emergency rules shall be subject to legislative review pursuant to Section 308 of this title.
- The emergency rule shall be published in accordance with the 22 provisions of Section 255 of this title in "The Oklahoma Register" following the approval by the Governor. The Governor's approval and

the approved rules shall be retained as official records by the
Office of Administrative Rules.

- F. 1. Upon approval by the Governor, an emergency rule shall be considered promulgated and shall be in force immediately, or on such later date as specified therein. An emergency rule shall only be applied prospectively from its effective date.
- 2. The emergency rule shall remain in full force and effect through the first day of the next succeeding regular session of the Legislature following promulgation of such emergency rule until September 14 following such session, unless it is made ineffective pursuant to subsection H of this section.
- G. 1. No agency shall adopt any emergency rule which establishes or increases fees, except during such times as the Legislature is in session, unless specifically mandated by the Legislature or federal legislation, or when the failure to establish or increase fees would conflict with an order issued by a court of law.
- 2. No agency shall adopt any emergency rule which is identical to or substantially similar to any rule that has been disapproved by the Legislature within the previous twenty-four (24) months.
- H. 1. If an emergency rule is of a continuing nature, the agency promulgating such emergency rule shall initiate proceedings for promulgation of a permanent rule pursuant to Sections 303 through 308.2 of this title. If an emergency rule is superseded by

another emergency rule prior to the enactment of a permanent rule, the latter emergency rule shall retain the same expiration date as the superseded emergency rule, unless otherwise authorized by the Legislature.

- 2. Any promulgated emergency rule shall be made ineffective if:
  - a. disapproved by the Legislature,

- b. superseded by the promulgation of permanent rules,
- c. any adopted rules based upon such emergency rules are subsequently disapproved pursuant to Section 308 of this title, or
- d. an earlier expiration date is specified by the agency in the rules.
- 3. a. Emergency rules in effect on the first day of the session shall be null and void on September 15 following sine die adjournment of the Legislature unless otherwise specifically provided by the Legislature.
  - b. Unless otherwise authorized by the Legislature, an agency shall not adopt any emergency rule, which has become null and void pursuant to subparagraph a of this paragraph, as a new emergency rule or adopt any emergency rules of similar scope or intent as the emergency rules which became null and void pursuant to subparagraph a of this paragraph.

I. Emergency rules shall not become effective unless approved by the Governor pursuant to the provisions of this section.

- J. 1. The requirements of Section 303 of this title relating to notice and hearing shall not be applicable to emergency rules promulgated pursuant to the provisions of this section. Provided this shall not be construed to prevent an abbreviated notice and hearing process determined to be necessary by an agency.
- 2. The rule report required pursuant to Section 303.1 of this title shall not be applicable to emergency rules promulgated pursuant to the provisions of this section. Provided this shall not be construed to prevent an agency from complying with such requirements at the discretion of such agency.
- 3. The statement of submission required by Section 303.1 of this title shall not be applicable to emergency rules promulgated pursuant to the provisions of this section.
- K. Prior to approval or disapproval of an emergency rule by the Governor, an agency may withdraw from review an emergency rule submitted pursuant to the provisions of this section. Notice of such withdrawal shall be given to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate in accordance with the requirements set forth in Section 464 of Title 74 and to the Office of Administrative Rules as required by the Secretary. In order to be promulgated as emergency rules, any

replacement rules shall be resubmitted pursuant to the provisions of this section.

Secretary of State.

- L. Upon completing the requirements of this section, an agency may promulgate a proposed emergency rule. No emergency rule is valid unless promulgated in substantial compliance with the provisions of this section.
- M. Emergency rules adopted by an agency or approved by the Governor shall be subject to review pursuant to the provisions of Section 306 of this title.
- SECTION 6. AMENDATORY 75 O.S. 2011, Section 255, is amended to read as follows:
- Section 255. A. 1. The Secretary is hereby authorized, directed, and empowered to publish "The Oklahoma Register" not less than monthly for the publication of new rules, any amendment, revision or revocation of an existing rule, emergency rules, any notices of such rulemaking process and Executive Orders as are required by law to be published in "The Oklahoma Register". Said rules or amendments, revisions, or revocations of existing rules shall be published in the first issue of "The Oklahoma Register" published pursuant to Sections 251, 253, 256, 303, 303.1, 303.2 and 308 of this title after the date of acceptance by the Secretary. Such publications may be made electronically on the website of the

2. The Secretary shall cause a copy of each publication of "The Oklahoma Register" to be sent to those county clerks who request it, to members of the Legislature upon request, and to such other agencies, libraries, and officials as the Secretary may select. The Secretary may charge recipients of the publication a cost sufficient to defray the cost of publication and mailing. Such copies may be be provided electronically.

- 3. The Secretary shall cause a copy of all rules, all new rules, and all amendments, revisions, or revocations of existing rules to be on file and available for public examination in the Office during normal office hours.
- 4. The Secretary shall promulgate rules to systematize the designations of rules. To establish said system or to preserve uniformity of designations, the Secretary may require the agency to change the title or numbering of any rule or any amendment, revision, or revocation thereof.
- B. The Secretary is authorized to provide for the publication of rules in summary form when the rules are of such length that publication of the full text would be too costly. The summary shall be prepared by the agency submitting the rules and shall state where the full text of the rule may be obtained, either physically or on the website of the Secretary of State or the submitting agency.
- C. The notice required pursuant to the provisions of Section 303 of this title shall be published in "The Oklahoma Register"

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prior to the adoption of a new rule, or amendment, revision or revocation of any existing rule. The notice shall include the
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- 3 | information required by Section 303 of this title.
- 4 SECTION 7. AMENDATORY 75 O.S. 2011, Section 257.1, is 5 amended to read as follows:
- Section 257.1. A. The Secretary is authorized to enter into and make reciprocal agreements with other states to allow exchanges of administrative codes of such states.
  - B. 1. Each of the following offices shall be entitled to receive, as soon as available from the Secretary, without cost, one copy of the printed volumes of the "Code" and the supplements thereto or, upon request from an office, one copy of the "Code" and the supplements thereto on compact disc or other digital media:
    - a. County clerk of each county;
    - b. Clerk of the Supreme Court;
    - c. Attorney General;
    - d. Governor;

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- e. Speaker of the House of Representatives and the President Pro Tempore of the Senate;
- f. the Research, Legal and Fiscal Divisions of the House of Representatives;
- g. the Legislative Division of the Senate; and
- h. the Department of Libraries for the Law Library.

2. The Department of Libraries is authorized to obtain number of copies of the "Code" and the supplements thereto necessary for use for deposit with the Publications Clearinghouse pursuant to Sections 3-113.1 through 3-115 of Title 65 of the Oklahoma Statutes. The Secretary is authorized to retain sufficient copies for exchange purposes with other states for copies of their rules.

SECTION 8. AMENDATORY 75 O.S. 2011, Section 302, is amended to read as follows:

Section 302. A. In addition to other rulemaking requirements imposed by law, each agency which has rulemaking authority, shall:

- 1. Promulgate as a rule a description of the organization of the agency, stating the general course and method of the operations of the agency and the methods whereby the public may obtain information or make submissions or requests;
- 2. Promulgate rules of practice setting forth the nature and requirements of all formal and informal procedures available, including a description of all forms and instructions issued by the agency for use by the public;
- 3. Make available for public inspection and publish on its website all rules and all other written statements of policy or interpretations formulated, adopted, promulgated or used by the agency in the discharge of its functions;

- 4. Make available for public inspection and publish on its website pursuant to the provisions of the Open Records Act all final orders, decisions and opinions.
- B. 1. An agency shall maintain an official rulemaking record for each proposed rule or promulgated rule. The record and materials incorporated by reference shall be available for public inspection and shall be published on the agency's website.
  - 2. The agency rulemaking record shall contain:

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- a. copies of all publications in "The Oklahoma Register" with respect to the rule or the proceeding upon which the rule is based,
- b. copies of any portions of the agency's public rulemaking docket containing entries relating to the rule or the proceeding upon which the rule is based,
- c. all written petitions, requests, submissions, and comments received by the agency and all other written materials considered by the agency in connection with the formulation, proposal, or adoption of the rule or the proceeding upon which the rule is based,
- d. any official transcript of oral presentations made in the proceeding upon which the rule is based or, if not transcribed, any tape recording or stenographic record of those presentations, and any memorandum prepared by

a presiding official summarizing the contents of those presentations,

- e. a copy of any regulatory analysis prepared for the proceeding upon which the rule is based,
- f. a copy of the rule and analysis of each such rule filed with the Office pursuant to Section 251 of this title,
- g. all petitions for exceptions to, amendments of, or repeal or suspension of, the rule,
- h. a copy of the rule impact statement, if made, and
- i. such other information concerning such rules as may be determined necessary by the agency.
- 3. Upon judicial review, the record required by this section constitutes the official agency rulemaking record with respect to a rule. Except as otherwise required by a provision of law, the agency rulemaking record need not constitute the exclusive basis for agency action on that rule or for judicial review thereof.
- C. 1. By December 31, 2002, each Each agency that issues precedent-setting orders shall maintain and index all such orders that the agency intends to rely upon as precedent. The index and the orders shall be available for public inspection and copying in the main office and each regional or district office of the agency and shall be published on the agency's website. The orders shall be indexed by subject.

2. After December 31, 2002, an An order shall not be relied upon as precedent by an agency to the detriment of any person until it has been made available for public inspection and, indexed and published in the manner described in this subsection.

- 3. An agency shall consistently apply rules to each person subject to the jurisdiction of the agency regarding issuance of orders.
- D. An agency shall not by internal policy, memorandum, or other form of action not otherwise authorized by the Administrative Procedures Act:
  - 1. Amend, interpret, implement, or repeal a statute or a rule;
  - 2. Expand upon or limit a statute or a rule; and
- 3. Except as authorized by the Constitution of the United States, the Oklahoma Constitution or a statute, expand or limit a right guaranteed by the Constitution of the United States, the Oklahoma Constitution, a statute, or a rule.
- E. Any agency memorandum, internal policy, or other form of action violative of this section or the spirit thereof is null, void, and unenforceable.
- F. This section shall not be construed to prohibit an agency issuing an opinion or administrative decision which is authorized by statute provided that, unless such opinion or administrative decision is issued pursuant to the procedures required pursuant to

- 1 the Administrative Procedures Act, such decision or opinion shall
- 2 | not have the force and effect of law.
- 3 SECTION 9. AMENDATORY 75 O.S. 2011, Section 305, is
- 4 amended to read as follows:
- 5 Section 305. An interested person may petition an agency
- 6 requesting the promulgation, amendment, or repeal of a rule. Each
- 7 agency shall prescribe by rule the form for petitions and the
- 8 procedure for their submission, consideration, and disposition. The
- 9 agency shall act upon said petition within a reasonable time. If,
- 10 | within thirty (30) calendar days after submission of a petition, the
- 11 agency has not initiated rulemaking proceedings in accordance with
- 12 the Administrative Procedures Act, the petition shall be deemed to
- 13 have been denied.
- 14 SECTION 10. AMENDATORY 75 O.S. 2011, Section 307.1, is
- 15 amended to read as follows:
- Section 307.1. A. The Speaker of the House of Representatives
- 17 and the President Pro Tempore of the Senate may each establish a
- 18 | rule review committee or designate standing committees of each such
- 19 house to review administrative rules.
- B. Such committees may meet separately or jointly at any time,
- 21 during sessions of the Legislature and in the interim.
- 22 C. The function of the committees so established or designated
- 23 | shall be the review and promotion of adequate and proper rules by

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agencies and developing an understanding on the part of the public respecting such rules. Such function shall be advisory only.

Each committee may review all adopted rules and such other rules the committee deems appropriate and may make recommendations concerning such rules to their respective house of the Legislature, or to the agency adopting the rule, or to both their respective house of the Legislature and the agency.

- D. In addition to the review of agency-adopted rules pursuant to this act, each such committee shall have the power and duty to:
- 1. Conduct a continuous study and investigations as to whether additional legislation or changes in legislation are needed based on various factors, including but not limited to, review of proposed rules, review of existing rules including but not limited to consideration of amendments to or repeal of existing rules, the lack of rules, the ability of agencies to promulgate such rules, and the needs of administrative agencies;
- 2. Conduct a continuous study of the existing rules of each agency under its jurisdiction to determine if such rules should be amended or repealed by the Legislature as provided by law;
- 3. Conduct a continuous study of the rulemaking process of all state agencies including those agencies exempted by Section 250.4 of this title for the purpose of improving the rulemaking process;
- $\frac{3.}{4.}$  Conduct such other studies and investigations relating to rules as may be determined to be necessary by the committee; and

4. 5. Monitor and investigate compliance of agencies with the provisions of the Administrative Procedures Act, make periodic investigations of the rulemaking activities of all agencies and evaluate and report on all rules in terms of their propriety, legal adequacy, relation to statutory authorization, economic and budgetary effects and public policy.

SECTION 11. AMENDATORY 75 O.S. 2011, Section 308, as amended by Section 4, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2015, Section 308), is amended to read as follows:

Section 308. A. Upon receipt of any adopted rules, the Speaker of the House of Representatives and the President Pro Tempore of the Senate shall assign such rules to the appropriate committees of each house of the Legislature for review. Except as otherwise provided by this section:

- 1. If such rules are received on or before April 1 February 1, the Legislature shall have until the last day of the regular legislative session of that year to review such rules; and
- 2. If such rules are received after April 1 February 1, the Legislature shall have until the last day of the regular legislative session of the next year to review such rules.
- B. By the adoption of a joint resolution during the review period specified in subsection A of this section, the Legislature may disapprove or, approve, repeal or amend any rule. Any such action may apply to any rule in whole or in part. The Legislature

may also take any such action and provide further instructions to the agency that promulgated the rule.

- C. Unless otherwise authorized by the Legislature, whenever a rule is disapproved as provided in subsection B of this section, the agency adopting such rules shall not have authority to resubmit an identical rule, except during the first sixty (60) calendar days of the next regular legislative session. Any effective emergency rule which would have been superseded by a disapproved permanent rule shall be deemed null and void on the date the Legislature disapproves the permanent rule. Rules may be disapproved in part or in whole by the Legislature. Upon enactment of any joint resolution disapproving, repealing or amending a rule, the agency shall file notice of such legislative disapproval, repeal or amendment with the Secretary for publication in "The Oklahoma Register".
- D. Unless otherwise provided by specific vote of the Legislature, joint resolutions introduced for purposes of disapproving er, approving, repealing or amending a rule or the omnibus joint resolution described in Section 6 308.3 of this act title shall not be subject to regular legislative cutoff dates, shall be limited to such provisions as may be necessary for disapproval er, approval, repeal or amendment of a rule, and any such other direction or mandate regarding the rule deemed necessary by the Legislature. The resolution shall contain no other provisions.

E. A proposed permanent rule shall be deemed finally adopted if:

- 1. Approved <u>or amended</u> by the Legislature pursuant to Section 6

  308.3 of this <u>act title</u>, provided that any such joint resolution

  becomes law in accordance with Section 11 of Article VI of the

  Oklahoma Constitution;
- 2. Approved by the Governor pursuant to subsection D of Section 6 308.3 of this act title;
- 3. Approved <u>or amended</u> by a joint resolution pursuant to subsection B of this section, provided that any such resolution becomes law in accordance with Section 11 of Article VI of the Oklahoma Constitution; or
- 4. Disapproved by a joint resolution pursuant to subsection B of this section or Section  $\frac{6}{308.3}$  of this  $\frac{1}{308.3}$  of this  $\frac{1}{308.3}$  of this  $\frac{1}{308.3}$  of this  $\frac{1}{308.3}$  of the Oklahoma Constitution and the veto has not been overridden.
- F. Prior to final adoption of a rule, an agency may withdraw a rule from legislative review. Notice of such withdrawal shall be given to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and to the Secretary for publication in "The Oklahoma Register".
- G. An agency may promulgate an emergency rule only pursuant to Section 253 of this title.

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H. Any rights, privileges, or interests gained by any person by operation of an emergency rule, shall not be affected by reason of any subsequent disapproval or, rejection or amendment of such rule by either house of the Legislature.
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- SECTION 12. AMENDATORY 75 O.S. 2011, Section 308.1, as amended by Section 5, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2015, Section 308.1), is amended to read as follows:
- Section 308.1. A. Upon final adoption, the agency shall submit the rule to the Secretary for filing and publishing such rule pursuant to Sections 251 and 255 of this title.
- B. The text of the rule submitted for publication shall be the same as the text of the rule that has been finally adopted.
- C. After final adoption, filing, and publication, an effective agency rule may be amended by the Legislature in a joint resolution if such resolution becomes law in accordance with Section 11 of Article VI of the Oklahoma Constitution. Unless otherwise provided by specific vote of the Legislature, joint resolutions introduced for purposes of amending a rule shall not be subject to regular legislative cutoff dates, shall be limited to such provisions as may be necessary for amendment of a rule, and any such other direction or mandate regarding the rule deemed necessary by the Legislature.

  The resolution shall contain no other provisions.
- 23 SECTION 13. AMENDATORY 75 O.S. 2011, Section 308.2, is 24 amended to read as follows:

Section 308.2. A. No agency rule is valid or effective against any person or party, or may be invoked by the agency for any purpose, until it has been promulgated as required in the Administrative Procedures Act.

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SECTION 14.

- B. A proceeding to contest any promulgated rule on the ground of noncompliance with the procedural requirements of Article I of the Administrative Procedures Act must be commenced within two (2) years from the effective date of the promulgated rule may be commenced at any time.
- C. Rules shall be valid and binding on persons they affect, and shall have the force of law unless amended or revised or unless a court of competent jurisdiction determines otherwise. Except as otherwise provided by law, rules shall be prima facie evidence of the proper interpretation of the matter to which they refer.
- Section 6, Chapter 357, O.S.L. 2013 (75 O.S. Supp. 2015, Section 308.3), is amended to read as 16 17 follows:

AMENDATORY

- Section 308.3. Α. The Legislature shall may have an omnibus 18 joint resolution prepared for consideration each session. 19
- The joint resolution shall be substantially in the following 20 form: "All proposed permanent rules of Oklahoma state agencies 21 filed on or before April 1 February 1 are hereby approved 22 disapproved except for the following:". 23

- C. For the purpose of this section, a proposed permanent rule may be disapproved, in whole or in part, repealed or amended, in the omnibus joint resolution considered by the Legislature.
- D. 1. If an agency believes that a rule has not been approved been disapproved by the Legislature pursuant to this section and should be approved and finally adopted, the agency may seek the Governor's declaration approving the rule.
- 2. In seeking the approval of a proposed permanent rule, the agency shall submit a petition to the Governor that affirmatively states:
  - a. the rule is necessary, and

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- b. a citation to the source of its authority to make the rule.
- 3. a. If the Governor finds that the necessity does exist, and that the agency has the authority to make the rule, the Governor may declare the rule to be approved and finally adopted by publishing that declaration in "The Oklahoma Register" on or before July 17 June 30 of that year.
  - b. The declaration shall set forth the rule to be approved, the reasons the approval is necessary, and a citation to the source of the agency's authority to make the rule.

4. If the omnibus joint resolution fails to pass both houses of the Legislature and be signed by the Governor or is found by the Governor to have a technical legal defect nonsubstantive error preventing approval of administrative rules intended to be approved by the Legislature, the Governor may declare all rules to be approved and finally adopted by publishing a single declaration in "The Oklahoma Register" on or before July 17 without meeting requirements of paragraphs 2 and 3 of this subsection. If the Governor finds that the joint resolution has a technical legal defect nonsubstantive error, the Governor shall make the finding in writing and submit the finding to the Legislature.

SECTION 15. AMENDATORY 75 O.S. 2011, Section 317, is amended to read as follows:

Section 317. A. A final agency order issued by an administrative head of an agency shall be subject to rehearing, reopening or reconsideration by such administrative head. Any application or request for such rehearing, reopening or reconsideration shall be made by any party aggrieved by the final agency order within ten (10) thirty (30) days from the date of the entry of such final agency order. The grounds for such action shall be either:

1. Newly discovered or newly available evidence, relevant to the issues;

- 2. Need for additional evidence adequately to develop the facts essential to proper decision;
- 3. Probable error committed by the agency in the proceeding or in its decision such as would be ground for reversal on judicial review of the final agency order;
- 4. Need for further consideration of the issues and the evidence in the public interest; or

- 5. A showing that issues not previously considered ought to be examined in order properly to dispose of the matter.
- B. The order of the agency granting rehearing, reconsideration or review, or the petition of a party therefor, shall set forth the grounds which justify such action.
- C. Nothing in this section shall prevent rehearing, reopening or reconsideration of a matter by any agency in accordance with other statutory provisions applicable to such agency, or, at any time, on the ground of fraud practiced by the prevailing party or of procurement of the order by perjured testimony or fictitious evidence.
- D. On reconsideration, reopening, or rehearing, the matter may be heard by the agency, or it may be referred to a hearing examiner. The hearing shall be confined to those grounds upon which the reconsideration, reopening or rehearing was ordered.
- E. If an application for rehearing shall be timely filed, the period within which judicial review, under the applicable statute,

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    must be sought, shall run from the final disposition of such
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    application.
        SECTION 16. It being immediately necessary for the preservation
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    of the public peace, health and safety, an emergency is hereby
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    declared to exist, by reason whereof this act shall take effect and
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    be in full force from and after its passage and approval.
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