

SENATE BILL 1643

By Watson

AN ACT to amend Tennessee Code Annotated, Title 4,
Chapter 5, Part 2, relative to state agency rules
and regulations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-5-228, is amended by deleting the section in its entirety and by substituting instead the following:

(a) Upon filing any rule or regulation with the secretary of state, an agency shall include:

(1) A written justification for the proposed rule or regulation to be promulgated;

(2) A statement of financial impact that describes the financial impact in terms of increase in expenditures or decrease in revenues. The statement shall include monetary estimates for the three (3) years immediately following the effective date of the rule or regulation. Any anticipated change in revenue, expenditures, or fiscal liability, regardless of the amount, shall be included in the statement. If the statement indicates that the rule or regulation has a financial impact on local governments, the general assembly may request representatives of any affected local government to testify concerning its impact; and

(3) A cost-benefit analysis of the proposed rule or regulation which, at a minimum, shall include:

(A) A comparison of the effect of action to non-action on the state agency, any affected local government and any private person or entity;

(B) A determination that the action is the least-cost method for achieving the stated purpose; and

(C) A determination that the action represents the most efficient allocation of public and private resources.

(b) The proposing agency shall submit a copy of the statement provided in subsection (a) to the secretary of state.

SECTION 2. This act shall take effect on upon becoming a law, the public welfare requiring it.