

**Effective 5/10/2016**

**63G-3-301 Rulemaking procedure.**

- (1) An agency authorized to make rules is also authorized to amend or repeal those rules.
- (2) Except as provided in Sections 63G-3-303 and 63G-3-304, when making, amending, or repealing a rule agencies shall comply with:
  - (a) the requirements of this section;
  - (b) consistent procedures required by other statutes;
  - (c) applicable federal mandates; and
  - (d) rules made by the department to implement this chapter.
- (3) Subject to the requirements of this chapter, each agency shall develop and use flexible approaches in drafting rules that meet the needs of the agency and that involve persons affected by the agency's rules.
- (4)
  - (a) Each agency shall file its proposed rule and rule analysis with the office.
  - (b) Rule amendments shall be marked with new language underlined and deleted language struck out.
  - (c)
    - (i) The office shall publish the information required under Subsection (8) on the rule analysis and the text of the proposed rule in the next issue of the bulletin.
    - (ii) For rule amendments, only the section or subsection of the rule being amended need be printed.
    - (iii) If the executive director or the executive director's designee determines that the rule is too long to publish, the office shall publish the rule analysis and shall publish the rule by reference to a copy on file with the office.
- (5) Prior to filing a rule with the office, the department head shall consider and comment on the fiscal impact a rule may have on businesses.
- (6) If the agency reasonably expects that a proposed rule will have a measurable negative fiscal impact on small businesses, the agency shall consider, as allowed by federal law, each of the following methods of reducing the impact of the rule on small businesses:
  - (a) establishing less stringent compliance or reporting requirements for small businesses;
  - (b) establishing less stringent schedules or deadlines for compliance or reporting requirements for small businesses;
  - (c) consolidating or simplifying compliance or reporting requirements for small businesses;
  - (d) establishing performance standards for small businesses to replace design or operational standards required in the proposed rule; and
  - (e) exempting small businesses from all or any part of the requirements contained in the proposed rule.
- (7) If during the public comment period an agency receives comment that the proposed rule will cost small business more than one day's annual average gross receipts, and the agency had not previously performed the analysis in Subsection (6), the agency shall perform the analysis described in Subsection (6).
- (8) The rule analysis shall contain:
  - (a) a summary of the rule or change;
  - (b) the purpose of the rule or reason for the change;
  - (c) the statutory authority or federal requirement for the rule;
  - (d) the anticipated cost or savings to:
    - (i) the state budget;
    - (ii) local governments;

- (iii) small businesses; and
  - (iv) persons other than small businesses, businesses, or local governmental entities;
  - (e) the compliance cost for affected persons;
  - (f) how interested persons may review the full text of the rule;
  - (g) how interested persons may present their views on the rule;
  - (h) the time and place of any scheduled public hearing;
  - (i) the name and telephone number of an agency employee who may be contacted about the rule;
  - (j) the name of the agency head or designee who authorized the rule;
  - (k) the date on which the rule may become effective following the public comment period; and
  - (l) comments by the department head on the fiscal impact the rule may have on businesses.
- (9)
- (a) For a rule being repealed and reenacted, the rule analysis shall contain a summary that generally includes the following:
    - (i) a summary of substantive provisions in the repealed rule which are eliminated from the enacted rule; and
    - (ii) a summary of new substantive provisions appearing only in the enacted rule.
  - (b) The summary required under this Subsection (9) is to aid in review and may not be used to contest any rule on the ground of noncompliance with the procedural requirements of this chapter.
- (10) A copy of the rule analysis shall be mailed to all persons who have made timely request of the agency for advance notice of its rulemaking proceedings and to any other person who, by statutory or federal mandate or in the judgment of the agency, should also receive notice.
- (11)
- (a) Following the publication date, the agency shall allow at least 30 days for public comment on the rule.
  - (b) The agency shall review and evaluate all public comments submitted in writing within the time period under Subsection (11)(a) or presented at public hearings conducted by the agency within the time period under Subsection (11)(a).
- (12)
- (a) Except as provided in Sections 63G-3-303 and 63G-3-304, a proposed rule becomes effective on any date specified by the agency that is no fewer than seven calendar days after the close of the public comment period under Subsection (11), nor more than 120 days after the publication date.
  - (b) The agency shall provide notice of the rule's effective date to the office in the form required by the department.
  - (c) The notice of effective date may not provide for an effective date prior to the date it is received by the office.
  - (d) The office shall publish notice of the effective date of the rule in the next issue of the bulletin.
  - (e) A proposed rule lapses if a notice of effective date or a change to a proposed rule is not filed with the office within 120 days of publication.
- (13)
- (a) As used in this Subsection (13), "initiate rulemaking proceedings" means the filing, for the purposes of publication in accordance with Subsection (4), of an agency's proposed rule that is required by state statute.
  - (b) A state agency shall initiate rulemaking proceedings no later than 180 days after the effective date of the statutory provision that specifically requires the rulemaking, except under Subsection (13)(c).

- (c) When a statute is enacted that requires agency rulemaking and the affected agency already has rules in place that meet the statutory requirement, the agency shall submit the rules to the Administrative Rules Review Committee for review within 60 days after the statute requiring the rulemaking takes effect.
- (d) If a state agency does not initiate rulemaking proceedings in accordance with the time requirements in Subsection (13)(b), the state agency shall appear before the legislative Administrative Rules Review Committee and provide the reasons for the delay.

Amended by Chapter 193, 2016 General Session