

**REGULATORY IMPACT AMENDMENTS**

2017 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brad R. Wilson**

Senate Sponsor: Daniel Hemmert

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**LONG TITLE**

**General Description:**

This bill modifies the Administrative Rules Act and provisions governing the Office of the Legislative Fiscal Analyst.

**Highlighted Provisions:**

This bill:

- ▶ requires the legislative fiscal analyst, when evaluating proposed legislation, to indicate whether the legislation would make changes in the regulatory burden for state residents or businesses;
- ▶ requires agencies to conduct ~~§~~ **→ [a-quantitative]** an ~~←~~ **§** analysis before submitting new administrative rules in order to show the regulatory impact the rule would have on state residents or businesses;
- ▶ provides requirements for the contents of the analysis; and
- ▶ requires agencies to submit a summary of efforts made to comply with obligations to assure that new administrative rules minimize negative fiscal impacts on small businesses.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**



121 (c) (i) The office shall publish the information required under Subsection (8) on the  
122 rule analysis and the text of the proposed rule in the next issue of the bulletin.

123 (ii) For rule amendments, only the section or subsection of the rule being amended  
124 need be printed.

125 (iii) If the executive director or the executive director's designee determines that the  
126 rule is too long to publish, the office shall publish the rule analysis and shall publish the rule by  
127 reference to a copy on file with the office.

128 (5) [~~Prior to~~] Before filing a rule with the office, the [~~department head shall consider~~  
129 ~~and comment~~] agency shall conduct a ~~H→~~ thorough analysis, consistent  
129a with the criteria established by the Governor's Office of Management and Budget, of ~~←H~~  
129b the fiscal impact a rule may have

130 on businesses[-], which ~~H→~~ criteria may ~~←H~~ include:

131 (a) the type of industries that will be impacted by the rule, and for each identified  
132 industry, an estimate of the total number of businesses within the industry, and an estimate of  
133 the number of those businesses that are small businesses;

134 (b) the individual fiscal impact that would incur to a typical business for a one-year  
135 period;

136 (c) the aggregated total fiscal impact that would incur to all businesses within the state  
137 for a one-year period;

138 (d) the total cost that would incur to all impacted entities over a five-year period; and

139 (e) the department head's comments on the analysis.

140 (6) If the agency reasonably expects that a proposed rule will have a measurable  
141 negative fiscal impact on small businesses, the agency shall consider, as allowed by federal  
142 law, each of the following methods of reducing the impact of the rule on small businesses:

143 (a) establishing less stringent compliance or reporting requirements for small  
144 businesses;

145 (b) establishing less stringent schedules or deadlines for compliance or reporting  
146 requirements for small businesses;

147 (c) consolidating or simplifying compliance or reporting requirements for small  
148 businesses;

149 (d) establishing performance standards for small businesses to replace design or  
150 operational standards required in the proposed rule; and

151 (e) exempting small businesses from all or any part of the requirements contained in

152 the proposed rule.

153 (7) If during the public comment period an agency receives comment that the proposed  
154 rule will cost small business more than one day's annual average gross receipts, and the agency  
155 had not previously performed the analysis in Subsection (6), the agency shall perform the  
156 analysis described in Subsection (6).

157 (8) The rule analysis shall contain:

158 (a) a summary of the rule or change;

159 (b) the purpose of the rule or reason for the change;

160 (c) the statutory authority or federal requirement for the rule;

161 (d) the anticipated cost or savings to:

162 (i) the state budget;

163 (ii) local governments;

164 (iii) small businesses; and

165 (iv) persons other than small businesses, businesses, or local governmental entities;

166 (e) the compliance cost for affected persons;

167 (f) how interested persons may review the full text of the rule;

168 (g) how interested persons may present their views on the rule;

169 (h) the time and place of any scheduled public hearing;

170 (i) the name and telephone number of an agency employee who may be contacted  
171 about the rule;

172 (j) the name of the agency head or designee who authorized the rule;

173 (k) the date on which the rule may become effective following the public comment  
174 period; ~~and~~

175 (l) the agency's ~~§~~ ~~→~~ [quantitative] ~~←~~ ~~§~~ analysis on the fiscal impact of the rule as required  
175a under

176 Subsection (5);

177 [~~(h)~~] (m) any additional comments [~~by~~] the department head [~~on~~] may choose to submit  
178 regarding the fiscal impact the rule may have on businesses[-]; and

179 (n) if applicable, a summary of the agency's efforts to comply with the requirements of  
180 Subsection (6).

181 (9) (a) For a rule being repealed and reenacted, the rule analysis shall contain a  
182 summary that generally includes the following: