

## HB0175S04 compared with HB0175S03

~~text~~ shows text that was in HB0175S03 but was deleted in HB0175S04.

Inserted text shows text that was not in HB0175S03 but was inserted into HB0175S04.

**DISCLAIMER:** This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Keven J. Stratton proposes the following substitute bill:

### LEGISLATIVE OVERSIGHT ~~COMMITTEE~~ ~~CREATION~~ AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Keven J. Stratton**

Senate Sponsor: \_\_\_\_\_

---

---

#### LONG TITLE

##### General Description:

This bill creates the Joint Committee on Governmental Oversight and ~~establishes provisions related to~~ addresses the Legislature's constitutional role of oversight ~~of an administrative rule~~.

##### Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ creates the Joint Committee on Governmental Oversight and establishes the committee's membership ~~;~~

~~establishes that the purpose of the Joint Committee on Governmental Oversight is~~

## HB0175S04 compared with HB0175S03

~~to increase the transparency, efficiency, effectiveness, and accountability of state and local governmental entities;~~

~~requires the committee to receive certain approval before proceeding with a~~

~~duties, authority, and requirements;~~

provides for certain direction or approval to initiate a committee study, investigation, or audit;

~~establishes powers and requirements for the committee;~~

grants the committee existing legislative investigatory powers;

requires the committee to create certain reports;

allows the governor, upon recommendation from the committee, to direct an agency to repeal an administrative rule that the agency made;

allows for certain ~~{persons to refer}~~ referral of a proposed administrative rule to the Legislature for approval before the rule takes effect;

establishes sunset dates; and

makes conforming changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### Utah Code Sections Affected:

#### AMENDS:

**36-14-2**, as last amended by Laws of Utah 2014, Chapter 339

**63G-3-301**, as last amended by Laws of Utah 2017, Chapter 255

**63G-6a-204**, as last amended by Laws of Utah 2015, Chapter 218

**63I-1-236**, as last amended by Laws of Utah 2017, Chapter 192

**63I-1-263**, as last amended by Laws of Utah 2017, Chapters 23, 47, 95, 166, 205, 469, and 470

#### ENACTS:

**36-31-101**, Utah Code Annotated 1953

**36-31-102**, Utah Code Annotated 1953

**36-31-103**, Utah Code Annotated 1953

## HB0175S04 compared with HB0175S03

36-31-104, Utah Code Annotated 1953

36-31-105, Utah Code Annotated 1953

36-31-106, Utah Code Annotated 1953

63G-3-503, Utah Code Annotated 1953

---

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **36-14-2** is amended to read:

**36-14-2. Issuers.**

(1) Any of the following persons is an issuer, who may issue legislative subpoenas by following the procedures set forth in this chapter:

(a) the speaker of the House of Representatives;

(b) the president of the Senate;

(c) a chair of any legislative standing committee;

(d) a chair of any legislative interim committee;

(e) a chair of any special committee established by the Legislative Management Committee, the speaker of the House, or the president of the Senate;

(f) a chair of any subcommittee of the Legislative Management Committee;

(g) a chair of a special investigative committee;

(h) a chair of a Senate or House Ethics Committee;

(i) a chair of the Executive Appropriations Committee as created in JR3-2-401;

(j) a chair of an appropriations subcommittee as created in JR3-2-302;

(k) ~~the~~ a chair of the Joint Committee on Governmental Oversight created in Section

36-31-103;

~~(k)~~ (l) the director of the Office of Legislative Research and General Counsel;

~~(l)~~ (m) the legislative auditor general;

~~(m)~~ (n) the director of the Office of Legislative Fiscal Analyst; and

~~(n)~~ (o) the legislative general counsel.

(2) A legislative body, a legislative office, an issuer, or a legislative staff member designated by an issuer may:

(a) administer an oath or affirmation; and

(b) take evidence, including testimony.

## HB0175S04 compared with HB0175S03

Section 2. Section **36-31-101** is enacted to read:

### CHAPTER 31. JOINT COMMITTEE ON GOVERNMENTAL OVERSIGHT

#### **36-31-101. Title.**

This chapter is known as "Joint Committee on Governmental Oversight."

Section 3. Section **36-31-102** is enacted to read:

#### **36-31-102. Definitions.**

As used in this chapter:

(1) "Committee" means the Joint Committee on Governmental Oversight created under Section 36-31-103.

(2) (a) "~~{Local}~~ State governmental entity" means ~~{ the following, or any of the following}~~:

(i) ~~an agency,~~ department, division, office, institution, bureau, ~~{governing board, or committee}~~:

~~—— (i) a county;~~

~~—— (ii) a city;~~

~~—— (iii) a town;~~

~~—— (iv) a metro township;~~

~~—— (v) a local district governed by Title 17B, Limited Purpose Local Government Entities - Local Districts;~~

~~—— (vi) a special service district governed by Title 17D, Chapter 1, Special Service District Act;~~

~~—— (vii) an interlocal entity or a joint or cooperative undertaking, governed by Title 11, Chapter 13, Interlocal Cooperation Act;~~

~~—— (viii) a community reinvestment agency governed by Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act;~~

~~—— (ix) a local building authority governed by Title 17D, Chapter 2, Local Building Authority Act;~~

~~—— (x) a conservation district governed by Title 17D, Chapter 3, Conservation District Act;~~

~~—— (xi) a school district;~~

~~—— (xii) a local school board;~~

## HB0175S04 compared with HB0175S03

- ~~\_\_\_\_\_ (xiii) a public school;~~
- ~~\_\_\_\_\_ (xiv) any other political subdivision} or any other division of the executive branch of state {or an organization within a political subdivision of the state} government; and~~
- ~~\_\_\_\_\_ (xv) ii) an employee of an entity described in {Subsections} Subsection (2)(a)(i) through (xiv)} when acting as an employee of that entity.~~
- ~~\_\_\_\_\_ (b) "{Local} State governmental entity" does not include:~~
  - ~~\_\_\_\_\_ (i) the Legislature or an entity within the legislative branch of state government;~~
  - ~~\_\_\_\_\_ (ii) the judicial branch of state government or an entity within the judicial branch of state government; or~~
  - ~~\_\_\_\_\_ (iii) a justice court.~~
- ~~\_\_\_\_\_ (3) (a) "State governmental entity" means the following, or any of the following department, division, office, institution, bureau, governing board, or committee:~~
  - ~~\_\_\_\_\_ (i) an agency, department, division, office, institution, bureau, or any other division of the executive branch of state government;~~
  - ~~\_\_\_\_\_ (ii) an executive branch board, commission, task force, committee, or council;~~
  - ~~\_\_\_\_\_ (iii) an independent entity, as that term is defined in Section 63E-1-102;~~
  - ~~\_\_\_\_\_ (iv) a public corporation;~~
  - ~~\_\_\_\_\_ (v) the State Board of Education;~~
  - ~~\_\_\_\_\_ (vi) the State Charter School Board;~~
  - ~~\_\_\_\_\_ (vii) a charter school governing board;~~
  - ~~\_\_\_\_\_ (viii) a charter school;~~
  - ~~\_\_\_\_\_ (ix) an association, as that term is defined in Section 53A-1-1601;~~
  - ~~\_\_\_\_\_ (x) an association governed by Title 53G, Chapter 4, Part 5, Utah School Boards Association;~~
  - ~~\_\_\_\_\_ (xi) the Utah Schools for the Deaf and the Blind;~~
  - ~~\_\_\_\_\_ (xii) the State Board of Regents;~~
  - ~~\_\_\_\_\_ (xiii) the Utah System of Technical Colleges Board of Trustees;~~
  - ~~\_\_\_\_\_ (xiv) an institution within the state system of higher education described in Section 53B-1-102; and~~
  - ~~\_\_\_\_\_ (xv) an employee of an entity described in Subsections (3)(a)(i) through (xiv) when acting as an employee of that entity.~~

## HB0175S04 compared with HB0175S03

- ~~(b) "State governmental entity" does not include:~~
- ~~(i) the Legislature or an entity within the legislative branch of state government; or~~
- ~~(ii) the judicial branch of state government or an entity within the judicial branch of state government;~~ local entity governed by:
- (A) Title 10, Utah Municipal Code;
- (B) Title 11, Cities, Counties, and Local Taxing Units;
- (C) Title 17B, Limited Purpose Local Government Entities - Local Districts;
- (D) Title 17C, Limited Purpose Local Government Entities - Community Reinvestment Agency Act; or
- (E) Title 17D, Limited Purpose Local Government Entities - Other Entities.

Section 4. Section **36-31-103** is enacted to read:

### **36-31-103. Creation of Joint Committee on Governmental Oversight.**

- (1) There is created the Joint Committee on Governmental Oversight composed of the following nine members:
- (a) six members of the House of Representatives, appointed by the speaker of the House, not more than four of whom may be from the same political party; and
- (b) three members of the Senate, appointed by the president of the Senate, not more than two of whom may be from the same political party.
- (2) The speaker of the House and president of the Senate shall each select a member of the committee who will serve as cochair of the committee.
- (3) The applicable appointing or selecting authority may replace a member of the committee, or select a new cochair, at any time.
- (4) For the purpose of determining a quorum for the conduct of committee business, a majority is at least 50% of the committee members from one house of the Legislature and more than 50% from the other.
- (5) Compensation and expenses of a committee member are governed by Section 36-2-2 and Legislative Joint Rules, Title 5, Legislative Compensation and Expenses.
- (6) The Office of Legislative Research and General Counsel and the Office of the Legislative Auditor General shall jointly provide staff support to the committee.

Section 5. Section **36-31-104** is enacted to read:

### **36-31-104. Initiating a study or investigation.**

## HB0175S04 compared with HB0175S03

(1) The committee may study or investigate ~~{ or study }~~ an issue related to an item described in Subsection 36-31-105(1) after:

(a) receiving an assignment:

(i) by resolution from the Legislature;

(ii) from the Legislative Management Committee ~~{, created under Section 36-12-6};~~

(iii) from the Legislative Audit Subcommittee; or

~~{(iii)}iv~~ from the speaker of the House or president of the Senate; or

(b) ~~{requesting and }~~receiving approval ~~{ under Subsection (2) }~~ from the Legislative Management Committee of a request that the committee makes under Subsection (2).

(2) ~~{(a)}~~ The committee may request approval from the Legislative Management Committee to investigate or study an issue related to an item described in Subsection 36-31-105(1).

~~{~~ ~~(b) The committee may proceed with investigation or study that the committee requests under Subsection (2)(a) if the Legislative Management Committee:~~

~~(i) approves the request; or~~

~~(ii) does not reject the request within 30 days after the date on which the Legislative Management Committee receives the request.~~

~~{~~ (3) The committee may hear a report from the Office of the Legislative Auditor General or the Office of the Utah State Auditor on an audit the respective office completes.

Section 6. Section **36-31-105** is enacted to read:

### **36-31-105. Purpose and powers.**

(1) ~~{Subject to Section}~~ After receiving an assignment or approval described in Subsection 36-31-104(1), the committee shall ~~{increase}~~ fulfill the Legislature's responsibility to ensure the transparency, efficiency, effectiveness, and accountability of state governmental entities ~~{and local governmental entities by:~~

~~(a) investigating waste, fraud, misconduct, or abuse by a}~~ by studying and investigating the funds, functions, and other duties as prescribed by law of any state governmental entity ~~{;~~

~~(b) investigating, in relation to the use of state legislative approved funding, the accounting, expenditure, and handling of a state governmental entity's funds;~~

~~(c) studying a state governmental entity's application, administration, or execution of a law that the Legislature passes;~~

## HB0175S04 compared with HB0175S03

~~— (d) investigating whether a state governmental entity complies with an applicable state law or administrative rule;~~

~~— (e) investigating whether a state governmental entity creates and implements an administrative rule in accordance with law;~~

~~— (f) investigating an action that a state governmental entity takes in response to state law or administrative rule to determine whether the action is in accordance with state law or administrative rule; or~~

~~— (g) within the stewardship and authority granted to the Legislature by the Utah Constitution and state law, and in coordination with appropriate standing and interim committees of the Legislature, examining an action of a local governmental entity in relation to the local governmental entity's:~~

~~— (i) use of legislatively approved funding; or~~

~~— (ii) application of a law passed or rule authorized by the Legislature}.~~

(2) Subject to Section 36-31-104, the committee may, in relation to a duty described in Subsection (1):

(a) meet as necessary to accomplish the committee's purpose;

~~{ (b) perform an audit, subject to the prioritization of the Legislative Audit Subcommittee, and take an action described in Subsection (4) in relation to the audit;~~

~~‡ (f)c}b) perform an investigation or study;~~

(f)d}c) recommend that a person that is the subject of the committee's investigation or study take an action that the committee specifies;

(f)e}d) issue a legislative subpoena in accordance with Title 36, Chapter 14, Legislative Subpoena Powers{;

~~— (i) issue a subpoena;~~

~~— (ii) compel the attendance of witnesses; or~~

~~— (iii) compel a person to produce evidence or testimony};~~

~~(ff)e) refer a person to the applicable { county} attorney for possible prosecution;~~

(fg}f) after reviewing an administrative rule, except for an administrative rule described in Subsection 63G-3-502(2)(b):

(i) recommend the rule for repeal and refer the rule to the governor for action in accordance with Section 63G-3-503; or



## HB0175S04 compared with HB0175S03

(ii) recommend to the Legislative Management Committee that the Legislative Management Committee direct the legislative general counsel to initiate litigation to challenge or enjoin the rule;

(~~fi~~g) make a recommendation to the Administrative Rules Review Committee of the Legislature;

(~~fi~~h) open a bill file and recommend legislation for the Legislature's consideration;

(~~fi~~i) propose reforms to state law or administrative rules; or

(~~fk~~j) take other appropriate action in accordance with applicable law or rule.

(3) After the committee recommends a rule for repeal in accordance with Subsection (2)(g), the committee shall send a letter notifying the governor of the recommendation.

(4) After receiving an assignment or approval under Section 36-31-104 to investigate or study an issue ~~for perform an audit~~ in accordance with Subsection (2)(b), the chairs of the committee may, before convening a meeting of the committee to discuss the issue:

(a) send a written request to the person or entity that the committee is studying~~for~~ ~~or~~ investigating, ~~for auditing,~~ or to the person or entity that is responsible for the issue the committee is studying~~for~~ ~~or~~ investigating, ~~for auditing,~~ that:

(i) describes the scope and reason for the study~~for~~ ~~or~~ investigation~~for~~, ~~or audit~~; and

(ii) requests that the person or entity provide evidence or explanation that might clarify or resolve the issue before the committee meets to discuss the issue; and

(b) decide not to proceed with the study~~for~~ ~~or~~ investigation~~for~~, ~~or audit~~ if the person or entity to whom the committee sends a request under Subsection (4)(a) provides satisfactory explanation or evidence to indicate that the study~~for~~ ~~or~~ investigation~~for~~, ~~or audit~~ is not needed.

(5) The committee may coordinate with the following regarding an issue the committee is studying or investigating when the issue is applicable to a matter over which the following may have jurisdiction:

(a) the Administrative Rules Review Committee created under Section 63G-3-501;

(b) the Legislative Audit Subcommittee created under Section 36-12-18;

(c) the Political Subdivisions Ethics Review Commission created under Section 11-49-201;

(d) a local political subdivision ethics commission established under Section 11-49-103;

## HB0175S04 compared with HB0175S03

(e) the Independent Legislative Ethics Commission; or

(f) a legislative standing or interim committee.

Section 7. Section **36-31-106** is enacted to read:

### **36-31-106. Report of committee findings -- Annual report.**

(1) For each item the committee studies or investigates under Subsection 36-31-105(1),

the committee shall issue a report that:

(a) establishes the committee's findings;

(b) describes any actions the committee takes; and

(c) (i) describes any recommendations the committee makes; or

(ii) explains why the committee does not make any recommendations.

(2) The committee shall ensure that a recommendation described in Subsection

(1)(c)(i):

(a) identifies a person that the committee recommends should take the action; and

(b) establishes a deadline and method by which the committee requests that the person described in Subsection (2)(a) report to the committee on whether the person has taken the action that the committee recommends.

(3) Each year, the committee shall submit a written report to the Legislative Management Committee detailing:

(a) the issues the committee investigated or studied since the last annual report the committee submitted to the Legislative Management Committee;

(b) any apparent violations of law, ordinance, or rule that the committee discovers in relation to an issue the committee investigated or studied;

(c) any action that the committee takes with regards to an issue the committee investigated or studied; and

(d) any other recommendations that the committee makes, including recommendations on proposed legislation.

Section 8. Section **63G-3-301** is amended to read:

### **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, and except for a rule the

## HB0175S04 compared with HB0175S03

governor directs an agency to repeal under Section 63G-3-503, 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) Before filing a rule with the office, the agency shall conduct a thorough analysis, consistent with the criteria established by the Governor's Office of Management and Budget, of the fiscal impact a rule may have on businesses, which criteria may include:

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

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

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

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

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

## **HB0175S04 compared with HB0175S03**

(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

## HB0175S04 compared with HB0175S03

about the rule;

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

(k) the ~~[date]~~ day on which the rule may become effective ~~[following the public comment period]~~;

(l) the agency's analysis on the fiscal impact of the rule as required under Subsection (5);

(m) any additional comments the department head may choose to submit regarding the fiscal impact the rule may have on businesses; and

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

(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]~~ The agency shall mail a copy of the rule analysis ~~[shall be mailed]~~ to:

(a) each currently seated legislator who sponsored the legislation that delegated the rulemaking authority to the agency upon which the agency relies to make the rule;

(b) the current members of a legislative committee that, based on the subject matter of the proposed rule and in the determination of the agency, should consider the proposed rule;

(c) all persons who have made timely request of the agency for advance notice of its rulemaking proceedings; and ~~[to]~~

(d) 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

## HB0175S04 compared with HB0175S03

the agency within the time period under Subsection (11)(a).

(12) Within seven calendar days after the day on which an agency completes the public comment period for a proposed rule, or, if the agency makes a change to the proposed rule under Section 63G-3-303, within seven calendar days after the day on which the agency makes the change, the agency shall submit the final text of the proposed rule to:

(a) the Office of Legislative Research and General Counsel;

(b) the governor; and

(c) the office.

~~[(12)]~~ (13) (a) Except as provided in Sections 63G-3-303 and 63G-3-304 or Subsection ~~(12)]~~ (13)(b), 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]~~ agency submits the final text of the rule under Subsection ~~[(11)]~~ (12), nor more than 120 days after the publication date.

(b) If the governor, the agency making the rule, or the office makes a request for legislative approval of a rule in accordance with Subsection (14)(a), the proposed rule becomes effective in accordance with Subsection ~~(15)]~~ (14)(c).

~~[(b)]~~ (c) The agency shall provide notice of the rule's effective date to the office in the form ~~[required by]~~ the department requires.

~~[(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) Within seven calendar days after the day on which an agency completes the public comment period for a proposed rule, or, if the agency makes a change to the proposed rule under Section 63G-3-303, within seven calendar days after the day on which the agency makes the change, the agency shall submit the final text of the proposed rule to:

~~\_\_\_\_\_~~ (a) the Office of Legislative Research and General Counsel;

~~\_\_\_\_\_~~ (b) the governor; and

~~\_\_\_\_\_~~ (c) the office.

## HB0175S04 compared with HB0175S03

~~†~~ (14) (a) After the agency submits a proposed rule under Subsection (~~†13†~~12) and before the rule takes effect, the governor, the agency making the rule, or the office may make a request to the Joint Committee on Governmental Oversight for legislative approval of a rule ~~†~~ in accordance with this Subsection (14) and Subsections (15) and (16).

~~———— (b) If the governor, the agency making the rule, or the office makes a request described in†.~~

(b) If a request is made under Subsection (14)(a), the rule may not take effect until:

(i) (A) the Legislature, through a concurrent resolution and without amendment, approves the proposed rule before the end of the earlier of the next special session of the Legislature for which the governor's call lists the proposed rule for the Legislature's consideration or annual general session of the Legislature; and

(B) the governor signs the concurrent resolution; or

(ii) for a rule for which the ~~†governor or the†~~ office makes a request described in Subsection (14)(a), the head of the agency that proposes the rule:

(A) finds a clear and convincing need for the rule to take expedited effect without the Legislature's and governor's approval under Subsection (14)(b)(i):

(B) creates a written statement detailing the head's finding under Subsection (14)(~~†c†~~b)(~~††~~ii)(A):

(C) posts the statement described in Subsection (14)(~~†c†~~b)(ii)(B) on the agency's website in a conspicuous location; and

(D) submits the statement described in Subsection (14)(~~†c†~~b)(ii)(B) to the Office of Legislative Research and General Counsel, the governor, and the office.

~~(c) † An agency may not set a special effective date for a rule described in Subsection (14)(a) that falls:~~

~~———— (i) (A) before the rule is approved by†(i) If the Legislature and governor †under this Subsection (14); or~~

~~———— (B) before the head of the agency that proposes the rule complies with Subsection (14)(b)(ii); or~~

~~———— (ii) more than 45 days after the effective date of the concurrent resolution described in Subsection (15):~~

~~———— (15) A proposed rule takes effect:~~

## HB0175S04 compared with HB0175S03

~~\_\_\_\_\_ (a) if approve the proposed rule ~~{ is approved }~~ under Subsection (14)(b)(i), the rule takes effect on the later of the effective date:~~

~~(~~{i}~~A) of the concurrent resolution approving the proposed rule; or~~

~~(~~{ii}~~B) established in the proposed rule ~~{; or}~~;~~

~~(~~{b}~~ii) ~~{if}~~ If the head of the agency ~~{complies}~~ bypasses legislative and gubernatorial approval by complying with ~~{the requirements described in}~~ Subsection (14)(b)(ii), ~~{on}~~ the rule takes effect:~~

~~(A) if the effective date established in the proposed rule ~~{;}~~~~

~~\_\_\_\_\_ (16) If a rule takes effect without the Legislature's and governor's approval under Subsection (14)(b)(ii), the rule is repealed one year} falls after the day on which the ~~{rule takes effect unless, within one year after}~~ head of the agency bypasses approval, on the established effective date; or~~

~~(B) if the effective date established in the proposed rule falls before the day on which the ~~{rule takes effect}~~:~~

~~\_\_\_\_\_ (a) the Legislature, through a concurrent resolution and without amendment, approves the rule; and~~

~~\_\_\_\_\_ (b) the governor signs the concurrent resolution} head of the agency bypasses approval, an effective date that the head of the agency establishes in the written statement described in Subsection (14)(b)(ii).~~

[~~{13}~~] (~~{17}~~15) (a) As used in this Subsection [~~{13}~~] (~~{17}~~15), "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}~~] (~~{17}~~15)(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}~~] (~~{17}~~15)(b), the state agency shall appear before the



## HB0175S04 compared with HB0175S03

legislative Administrative Rules Review Committee and provide the reasons for the delay.

Section 9. Section **63G-3-503** is enacted to read:

### Part 5. Oversight

#### **63G-3-503. Repeal of rule referred by oversight committee.**

(1) (a) If the Joint Committee on Governmental Oversight recommends the repeal of an administrative rule under Subsection 36-31-105(2)(g), the governor may direct an agency to repeal the administrative rule in accordance with this section.

(b) Nothing in this section prohibits the governor from independently recommending that an agency repeal an administrative rule.

(2) Within 45 days after the day on which the governor receives a letter from the Joint Committee on Governmental Oversight recommending the repeal of an administrative rule in accordance with Subsection 36-31-105(3), after completing a review of the rule, the governor may direct the agency that made the rule to repeal the rule.

(3) Notwithstanding Subsection (2), the governor may direct the agency to establish a delayed effective date for the repeal of an administrative rule of up to 60 days after the day on which the governor directs the agency to execute the repeal if a delayed effective date is necessary to allow a state agency or a person that the rule affects time to prepare for the rule's repeal.

~~{ (4) After taking an action under Subsection (2) or (3), the governor shall:~~

~~— (a) create a written statement that describes the governor's action;~~

~~— (b) immediately publish the statement on the governor's website; and~~

~~— (c) immediately send the statement to:~~

~~— (i) the office; and~~

~~— (ii) the Joint Committee on Governmental Oversight.~~

‡ Section 10. Section **63G-6a-204** is amended to read:

#### **63G-6a-204. Applicability of rules and regulations of Utah State Procurement Policy Board and State Building Board -- Report to interim committee.**

(1) Except as provided in Subsection (2), rules made by the board under this chapter shall govern all procurement units for which the board is the applicable rulemaking authority.

(2) The building board rules governing procurement of construction, design professional services, and leases apply to the procurement of construction, design professional

## HB0175S04 compared with HB0175S03

services, and leases of real property by the Division of Facilities Construction and Management.

(3) An applicable rulemaking authority may make its own rules, consistent with this chapter, governing procurement by a person over which the applicable rulemaking authority has rulemaking authority.

(4) The board shall make a report on or before July 1 of each year to a legislative interim committee, designated by the Legislative Management Committee created under Section 36-12-6, on the establishment, implementation, and enforcement of the rules made under Section 63G-6a-203.

(5) Notwithstanding Subsection 63G-3-301~~[(13)]~~~~(17)~~(15)(b), an applicable rulemaking authority is required to initiate rulemaking proceedings, for rules required to be made under this chapter, on or before:

- (a) May 13, 2014, if the applicable rulemaking authority is the board; or
- (b) January 1, 2015, for each other applicable rulemaking authority.

Section 11. Section **63I-1-236** is amended to read:

### **63I-1-236. Repeal dates, Title 36.**

- (1) Section 36-12-20 is repealed June 30, 2018.
- (2) Sections 36-26-101 through 36-26-104 are repealed December 31, 2027.

(3) On June 30, 2023:

- (a) Title 36, Chapter 31, Joint Committee on Governmental Oversight, is repealed; and
- (b) Subsection 36-14-2(1)(k) is repealed and the remaining subsections are renumbered

accordingly.

Section 12. Section **63I-1-263** is amended to read:

### **63I-1-263. Repeal dates, Titles 63A to 63N.**

- (1) Subsection 63A-5-104(4)(h) is repealed on July 1, 2024.
- (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2023.
- (3) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July 1, 2018.

(4) Title 63C, Chapter 4b, Commission for the Stewardship of Public Lands, is repealed November 30, 2019.

(5) Title 63C, Chapter 16, Prison Development Commission Act, is repealed July 1,

## HB0175S04 compared with HB0175S03

2020.

(6) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is repealed July 1, 2021.

(7) Title 63C, Chapter 18, Mental Health Crisis Line Commission, is repealed July 1, 2018.

(8) On June 30, 2023:

(a) in Subsection 63G-3-301(2) the language that states "and except for a rule the governor directs an agency to repeal under Section 63G-3-503," is repealed;

(b) Subsection 63G-3-301(8)(k) is amended to read "(8)(k) the date on which the rule may become effective following the public comment period;"

(c) Subsection 63G-3-301(10) is amended to read "(10) The agency shall mail a copy of the rule analysis 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.";

(d) Subsection 63G-3-301(12) is amended to read:

"(12) (a) Except as provided in Sections 63G-3-303 and 63G-3-304, a proposed rule becomes effective on ~~ff~~ 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 ~~f,ff~~;"

(b) The agency shall provide notice of the rule's effective date to the office in the form the department requires.

(c) The notice of effective date may not provide for an effective date prior to the date the office receives the notice.

(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.";

(e) Subsections 63G-3-301(13) ~~f, (14), (15),~~ and (~~f16~~; 14) are repealed and the remaining subsections are renumbered accordingly; and

(f) Section 63G-3-503 is repealed.

[~~(8)~~] (9) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July

## HB0175S04 compared with HB0175S03

1, 2023.

~~[(9)]~~ (10) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1, 2020.

~~[(10)]~~ (11) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1, 2026.

~~[(11)]~~ (12) On July 1, 2025:

(a) in Subsection 17-27a-404(3)(c)(ii), the language that states "the Resource Development Coordinating Committee," is repealed;

(b) Subsection 23-14-21(2)(c) is amended to read "(c) provide notification of proposed sites for the transplant of species to local government officials having jurisdiction over areas that may be affected by a transplant.";

(c) in Subsection 23-14-21(3), the language that states "and the Resource Development Coordinating Committee" is repealed;

(d) in Subsection 23-21-2.3(1), the language that states "the Resource Development Coordinating Committee created in Section 63J-4-501 and" is repealed;

(e) in Subsection 23-21-2.3(2), the language that states "the Resource Development Coordinating Committee and" is repealed;

(f) Subsection 63J-4-102(1) is repealed and the remaining subsections are renumbered accordingly;

(g) Subsections 63J-4-401(5)(a) and (c) are repealed;

(h) Subsection 63J-4-401(5)(b) is renumbered to Subsection 63J-4-401(5)(a) and the word "and" is inserted immediately after the semicolon;

(i) Subsection 63J-4-401(5)(d) is renumbered to Subsection 63J-4-401(5)(b);

(j) Sections 63J-4-501, 63J-4-502, 63J-4-503, 63J-4-504, and 63J-4-505 are repealed;  
and

(k) Subsection 63J-4-603(1)(e)(iv) is repealed and the remaining subsections are renumbered accordingly.

~~[(12)]~~ (13) (a) Subsection 63J-1-602.4(15) is repealed July 1, 2022.

(b) When repealing Subsection 63J-1-602.4(15), the Office of Legislative Research and General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make necessary changes to subsection numbering and cross references.

## HB0175S04 compared with HB0175S03

~~[(13)]~~ (14) The Crime Victim Reparations and Assistance Board, created in Section 63M-7-504, is repealed July 1, 2027.

~~[(14)]~~ (15) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2027.

~~[(15)]~~ (16) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2018.

~~[(16)]~~ (17) (a) Title 63N, Chapter 2, Part 4, Recycling Market Development Zone Act, is repealed January 1, 2021.

(b) Subject to Subsection ~~[(16)]~~ (17)(c), Sections 59-7-610 and 59-10-1007 regarding tax credits for certain persons in recycling market development zones, are repealed for taxable years beginning on or after January 1, 2021.

(c) A person may not claim a tax credit under Section 59-7-610 or 59-10-1007:

(i) for the purchase price of machinery or equipment described in Section 59-7-610 or 59-10-1007, if the machinery or equipment is purchased on or after January 1, 2021; or

(ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if the expenditure is made on or after January 1, 2021.

(d) Notwithstanding Subsections ~~[(16)]~~ (17)(b) and (c), a person may carry forward a tax credit in accordance with Section 59-7-610 or 59-10-1007 if:

(i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

(ii) (A) for the purchase price of machinery or equipment described in Section 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before December 31, 2020; or

(B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the expenditure is made on or before December 31, 2020.

~~[(17)]~~ (18) Section 63N-2-512 is repealed on July 1, 2021.

~~[(18)]~~ (19) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed January 1, 2021.

(b) Section 59-9-107 regarding tax credits against premium taxes is repealed for calendar years beginning on or after January 1, 2021.

(c) Notwithstanding Subsection ~~[(18)]~~ (19)(b), an entity may carry forward a tax credit in accordance with Section 59-9-107 if:

(i) the person is entitled to a tax credit under Section 59-9-107 on or before December

## **HB0175S04 compared with HB0175S03**

31, 2020; and

(ii) the qualified equity investment that is the basis of the tax credit is certified under Section 63N-2-603 on or before December 31, 2023.

~~[(19)]~~ (20) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program, is repealed January 1, 2023.

~~[(20)]~~ (21) Title 63N, Chapter 12, Part 3, Utah Broadband Outreach Center, is repealed July 1, 2018.

~~[(21)]~~ (22) Title 63N, Chapter 12, Part 4, Career and Technical Education Board, is repealed July 1, 2018.