HB2728 FULLPCS1 Gerrid Kendrix-MAH 1/29/2025 4:04:07 pm

COMMITTEE AMENDMENT HOUSE OF REPRESENTATIVES

State of Oklahoma

SPEAKER:

CHAIR:

I move to amend HB2728
Of the printed Bill
Page Section Lines
Of the Engrossed Bill

By deleting the content of the entire measure, and by inserting in lieu thereof the following language:

AMEND TITLE TO CONFORM TO AMENDMENTS

Amendment submitted by: Gerrid Kendrix

Adopted:

Reading Clerk

1	STATE OF OKLAHOMA
2	1st Session of the 60th Legislature (2025)
3	PROPOSED COMMITTEE SUBSTITUTE
4	FOR HOUSE BILL NO. 2728 By: Kendrix
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8	PROPOSED COMMITTEE SUBSTITUTE
9	An Act relating to administrative rule processes; enacting the Regulations from the Executive in Need
10	of Scruting (REINS) Act of 2025; defining terms; imposing duties on agencies with respect to rules;
11	prescribing procedures; requiring economic analysis; requiring consultation with political subdivisions;
12	requiring consultation with political subdivisions; requiring solicitation of information from certain entities; establishing the Legislative Economic
13	Analysis Unit within the Legislative Office of Fiscal
14	Transparency; imposing duties with respect to analysis of rules; prescribing limit on full-time-
15	equivalent employees; requiring independent analysis; requiring reports; requiring cooperation by state
16	agencies; providing for evaluation of rules at request of certain officials; requiring public
17	availability of information; requiring annual report; requiring quantification of certain results;
18	prohibiting certain rule from taking effect without specific approval pursuant to legislative measure;
19	providing for noncodification; providing for codification; and providing an effective date.
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22	BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:
23	SECTION 1. NEW LAW A new section of law not to be
24	codified in the Oklahoma Statutes reads as follows:

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This act shall be known and may be cited as the "Regulations
 from the Executive in Need of Scrutiny (REINS) Act of 2025".

3 SECTION 2. NEW LAW A new section of law to be codified 4 in the Oklahoma Statutes as Section 601 of Title 75, unless there is 5 created a duplication in numbering, reads as follows:

6 As used in this act:

1. "Agency" means any officer, department, bureau, division,
board, commission, authority, agency, or institution of this state,
except the judicial and legislative branches, authorized by law to
promulgate rules and regulations concerning the administration,
enforcement, or interpretation of any law of this state;

12 2. "Implementation and compliance costs" means direct costs 13 that are readily ascertainable based upon standard business 14 practices, including, but not limited to, fees, the cost to obtain a 15 license or registration, the cost of equipment required to be 16 installed or used, additional operating costs incurred, the cost of 17 monitoring and reporting, and any other costs to comply with the 18 requirements of the proposed rule and regulation; and

19 3. "Major rule" means any administrative rule, whether 20 emergency or permanent in nature, that will result in or is likely 21 to result in One Million Dollars (\$1,000,000.00) or more over the 22 initial five-year period in implementation and compliance costs are 23 reasonably expected to be incurred by or passed along to business,

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local government units, and individuals as a result of the proposed
 rule and regulation following the adoption of such rule.

3 SECTION 3. NEW LAW A new section of law to be codified 4 in the Oklahoma Statutes as Section 602 of Title 75, unless there is 5 created a duplication in numbering, reads as follows:

A. Each state agency promulgating a major rule shall provide:
1. Whether the proposed rule and regulation is mandated by
federal law as a requirement for participating in or implementing a
federally subsidized or assisted program and whether the proposed
rules and regulations exceeds the requirements of the applicable
federal law;

- 12 2. An analysis specifically addressing the following factors: 13 a. a comprehensive analysis of the rule's economic 14 impact, including any costs or benefits including a 15 detailed quantification of implementation and 16 compliance costs, on the specific businesses, business 17 sectors, public utility ratepayers, individuals, and 18 local government units that will be affected by the 19 proposed rule and regulation and on the state economy 20 as a whole, 21
- b. a detailed explanation of the methodology and
 assumptions used to determine the economic impact,
 including the dollar amounts calculated,
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1 с. an estimate of the total annual implementation and 2 compliance costs that are reasonably expected to be incurred by or passed along to business, local 3 government units, or individuals and a determination 4 5 of whether those costs will exceed One Million Dollars (\$1,000,000.00) over the initial five-year period 6 7 following the adoption of the proposed rule and regulation, 8

- 9 d. a statement of the need for the rule and the legal
 10 basis supporting it,
- e. any measures taken by the agency to minimize the cost
 and impact of the proposed rule and regulation on
 business and economic development within the State of
 Oklahoma, local government, and individuals, and
- f. a classification of the rule as major or nonmajor,
 with a justification for the classification.

B. No agency shall submit a major rule and regulation to the
Secretary of State for filing without completing an economic impact
analysis for the proposed rule and regulation, providing the
analysis to the Legislative Economic Analysis Unit.

C. The agency shall consult with counties, municipalities, and school boards, as appropriate, when preparing the economic impact statement of a proposed rule and regulation which increases or decreases revenue of counties, cities, or school districts or

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imposes functions or responsibilities on counties, cities, or school districts which may increase their expenditures or fiscal liability. The agency shall consult and solicit information from businesses, business associations, local government units, state agencies, or members of the public that may be affected by the proposed rule and regulation or that may provide relevant information.

SECTION 4. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 603 of Title 75, unless there is
created a duplication in numbering, reads as follows:

10 A. The LEAU is hereby established to assist the Administrative 11 Rules Committee in evaluating major rules proposed by state 12 agencies.

B. A Legislative Economic Analysis Unit (LEAU) shall be created within the Legislative Office of Fiscal Transparency (LOFT) to provide independent and reliable economic analysis and other information relevant to the conduct of the Legislature's oversight and legislative duties.

The Legislative Office of Fiscal Transparency shall, within
 ninety (90) days of the effective date of this act, establish a
 division within the Office for the purpose of reviewing the Oklahoma
 Administrative Code and proposed administrative rules of state
 agencies.

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2. The Office may employ no more than five full-time-equivalent
 employees (FTEs) to serve the division and carry out the functions
 in this section.

Within twenty-one (21) calendar days of receiving the 4 3. 5 proposed rules and regulations, the LEAU shall conduct an independent analysis to determine that the agency has complied with 6 7 the requirements for the economic impact statement. The LEAU will assess whether the proposed rule and regulation will result in 8 9 implementation and compliance costs of more than One Million Dollars 10 (\$1,000,000.00) over the initial five-year period after 11 implementation.

4. The LEAU shall provide a report on each major rule and
regulation to the committees of jurisdiction by the end of the
twenty-first calendar day after its submission.

15 5. Inform the committee if the economic impact statement from16 the agency is incomplete or contains substantive inaccuracies.

17 6. The LEAU shall report to the oversight committee designated
18 by the President Pro Tempore of the Oklahoma State Senate and the
19 Speaker of the Oklahoma House of Representatives.

B. State agencies shall cooperate fully with the LEAU and the Legislature in providing data, documentation, and analysis required under this act.

C. The President Pro Tempore of the Oklahoma State Senate,
Speaker of the Oklahoma House of Representatives, and committee

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chairs of the Administrative Rules Committee may also direct the
 division to conduct evaluations of proposed major rules or existing
 provisions of the administrative code.

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D. Reporting and Transparency:

5 1. The LEAU shall make all analyses and determinations publicly
6 available on its website upon completion.

7 2. An annual report summarizing the year's evaluations and
8 findings shall be submitted to the President Pro Tempore of the
9 Oklahoma State Senate and the Speaker of the Oklahoma House of
10 Representatives and published on its website.

Within the annual report, the LEAU shall quantify the impact
 of their work, including reductions in regulations, cost savings,
 and other measurable benefits to the economy.

14 SECTION 5. NEW LAW A new section of law to be codified 15 in the Oklahoma Statutes as Section 604 of Title 75, unless there is 16 created a duplication in numbering, reads as follows:

17 A major rule shall not take effect unless specifically approved
18 by the Legislature through a measure receiving a constitutional
19 majority in each chamber.

SECTION 6. This act shall become effective November 1, 2025.

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