

(Draft – Awaiting Formal Approval)
**MINUTES OF THE
ADMINISTRATIVE RULES REVIEW COMMITTEE**
Monday, July 11, 2016 – 9:00 a.m. – Room 445 State Capitol

Members Present:

Sen. Howard A. Stephenson, Senate Chair
Rep. Curtis Oda, House Chair
Sen. J. Stuart Adams
Rep. LaVar Christensen
Rep. Carol Spackman Moss
Rep. R. Curt Webb
Rep. Mark A. Wheatley

Members Absent:

Sen. Jim Dabakis
Sen. Gene Davis
Sen. Mark B. Madsen

Staff Present:

Mr. Arthur L. Hunsaker, Policy Analyst
Ms. Christine R. Gilbert, Associate General Counsel
Ms. Tracey Fredman, Legislative Assistant

Note: A list of others present, a copy of related materials, and an audio recording of the meeting can be found at www.le.utah.gov.

1. Committee Business

Chair Oda called the meeting to order at 9:15 a.m. Sen. Davis and Rep. Webb were excused from the meeting.

2. Impact of Administrative Rules on Businesses

Mr. Michael Parker, Public Policy Area Director, Salt Lake Chamber, distributed "Getting Our Rules Right: Smart Regulation Reform for Federal, State, and Local Government" and "Utah Business Friendly Cities, Starter Kit." Mr. Parker also presented "Getting Our Rules Right, Improving the Best State for Business" and stated that regulations appear to be among the top three factors impeding economic growth in Utah. He suggested that the rules process in the state could be improved by establishing a central review process where all rules submitted would be evaluated as to the rule's potential impact on Utah businesses prior to the public comment process.

Mr. Jonathan Ball, Director, Office of the Legislative Fiscal Analyst, explained that a full cost analysis on each bill would provide more accurate information about the impact of legislation on businesses. He cited as an example 2015 General Session H.B. 415, "Regulation of Electronic Cigarettes," which had a fiscal note stating that the fiscal impact on individual businesses in fiscal year 2016 would be \$3,000.00 and discussed the difference between the amount on the fiscal note and the higher amount that appeared in administrative rule. Mr. Ball described potential changes to the fiscal note process for bills, which would help to correct such problems, including a fiscal note response system that enables outside entities to provide information helpful to a more accurate fiscal note. He suggested that a similar system might be helpful in the administrative rulemaking process with regard to the proposed rule's impact on businesses in Utah.

Mr. Mike Broschinsky, Coordinator, Office of Administrative Rules, responded to a question about the discontinuation of WebWatch notification, which would notify subscribers of changes on the Administrative Rules website. He explained that the program was discontinued by the Department of Technology Services.

Committee discussion followed during which Sen. Stephenson asked Mr. Broschinsky to check with the Department of Administrative Services about the feasibility of doing something similar with help from legislative staff offices, if needed, and without legislative funding for the project and to report back to the committee on his findings.

3. Broad Grants of Rulemaking Authority in Statute

Mr. Hunsaker referred committee members to "Examples of Broad Statutory Grants to Make Administrative Rules," which was distributed in the mailing packet, and identified examples of broad rulemaking authority given to agencies or boards in statute. Mr. Hunsaker included in his discussion grants of authority to implement code titles and grants of authority to implement code chapters.

Ms. Gilbert discussed the needed balance between making the grant of rulemaking authority as narrow as possible while providing reasonable latitude for agencies to implement unforeseen but needed rules.

Sen. Stephenson asked for committee discussion about asking staff to prepare examples of grants of authority to implement a section and to provide the committee with recommendations of how such grants of authority may be limited in statute and to begin a review of state agency policies and practices currently in place that may have the effect of law.

Ms. Gilbert responded to Sen. Stephenson's request and indicated that it would be critical to receive input from the agencies in determining how the Legislature could narrow existing broad grants of rulemaking authority.

4. Committee Business

Future meetings were scheduled for Monday, August 1, 2016, and Wednesday, August 24, 2015, at 9 a.m.

5. Adjournment

Chair Oda adjourned the meeting at 11:27 a.m.