

SENATE BILL 2652

By Watson

AN ACT to amend Tennessee Code Annotated, Title 4,
Chapter 5, relative to relative to the Uniform
Administrative Procedures Act.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 4-5-226(i)(1), is amended by adding the following as a new subdivision:

(J) An economic impact analysis of the rule on persons residing in or doing business in this state, as prescribed in Section 2 of this act.

SECTION 2. Tennessee Code Annotated, Title 4, Chapter 5, Part 2, is amended by adding the following as a new section:

(a) Prior to filing a rule with the secretary of state under § 4-5-206, an agency shall submit to the members of the fiscal review committee and members of the government operations committees of the senate and house of representatives an economic impact analysis of the rule on persons residing in or doing business in this state and who are subject to compliance with the rule. The economic impact analysis shall also include the agency's assumptions and reasons upon which the analysis is based. Pursuant to the submission of the economic impact analysis, the agency shall determine whether the rule has one million dollars (\$1,000,000) or more in implementation and compliance costs over the three-year period that begins on the effective date of the rule. If the implementation and compliance costs are determined to be equal to or greater than one million dollars (\$1,000,000), then the agency shall not promulgate the rule without authorizing legislation or a germane modification to the proposed rule to reduce costs below the one million dollar (\$1,000,000) threshold.

(b) Prior to the review of a rule in accordance with § 4-5-226, the chair of the government operations committee of the house of representatives, the chair of the government operations committee of the senate, or, pursuant to a motion, a majority of the members of either committee may request the preparation of an independent economic impact analysis of the rule by the fiscal review committee. If the economic impact analysis of the rule's implementation and compliance costs varies by less than ten percent (10%) of the agency's analysis, then the cost of the analysis, if any, shall be borne by the general assembly from funds appropriated to it. If the economic impact analysis of the rule's implementation and compliance costs varies by ten percent (10%) or more of the agency's analysis, then the cost of the analysis, if any, shall be borne by the agency.

(c) Any agency submitting an economic impact analysis under subsection (a) shall provide all information used in making the analysis to members of the general assembly upon written request.

(d) This section shall not apply to:

(1) Institutions of postsecondary and higher education, created in title 49;

or

(2) Emergency rules promulgated under § 4-5-208.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.