#### SECOND REGULAR SESSION

### HOUSE COMMITTEE SUBSTITUTE FOR

# **HOUSE BILL NO. 1576**

## 99TH GENERAL ASSEMBLY

4190H.05C

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D. ADAM CRUMBLISS, Chief Clerk

## AN ACT

To repeal section 536.205, RSMo, and to enact in lieu thereof two new sections relating to administrative procedures.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 536.205, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 536.013 and 536.205, to read as follows:

536.013. No agency shall implement or enforce any standard, requirement, or threshold, including a term or condition of any license issued by the agency, unless that standard, requirement, or threshold is explicitly required or permitted by statute or by a rule that has been promulgated in accordance with this chapter. Any rule promulgated under this chapter shall be accompanied by a citation that explicitly references the portion of statute or rule under which the agency is required or permitted to act.

536.205. 1. Any state agency filing a notice of proposed rulemaking, as required by section 536.021, whereby the adoption, amendment, or rescission of the rule would require an expenditure of money by or a reduction in income for any person, firm, corporation, association, partnership, proprietorship or business entity of any kind or character which is estimated to cost more than five hundred dollars in the aggregate, shall at the time of filing the notice with the secretary of state file a fiscal note containing the following information and estimates of cost:

- (1) An estimate of the number of persons, firms, corporations, associations, partnerships, proprietorships or business entities of any kind or character by class which would likely be affected by the adoption of the proposed rule, amendment or rescission of a rule;
- 10 (2) A classification by types of the business entities in such manner as to give reasonable 11 notice of the number and kind of businesses which would likely be affected;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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- 12 (3) An estimate in the aggregate as to the cost of compliance with the rule, amendment 13 or rescission of a rule by the affected persons, firms, corporations, associations, partnerships, 14 proprietorships or business entities of any kind or character.
  - 2. The fiscal note shall be published in the Missouri Register contemporary with and adjacent to the notice of proposed rulemaking, and failure to do so shall render any rule promulgated thereunder void and of no force and effect.
  - 3. Any challenge to a rule based on failure to meet the requirements of this section shall be commenced no later than five years after the effective date of the rule.
  - 4. In the event that any rule published prior to June 3, 1994, shall have failed to provide a fiscal note as required by this section, such agency shall publish the required fiscal note prior to August 28, 1995, and in that event the rule shall not be void. Any such rule shall be deemed to have met the requirements of this section until that date.
  - 5. If the fiscal note estimates that the proposed rule would require an expenditure of moneys by or a reduction in income for any person, firm, corporation, association, partnership, proprietorship, or business entity of any kind or character that is estimated to cost more than five hundred thousand dollars in the aggregate, the fiscal note and proposed rule shall be submitted in a report to the general assembly. The agency shall send a notice of the proposed rulemaking to all affected persons, firms, corporations, associations, partnerships, proprietorships, and business entities identified as likely being affected under subdivision (1) of subsection 1 of this section.

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