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## 49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

### INTRODUCED BY

### Mary Helen Garcia

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# FOR THE ECONOMIC AND RURAL DEVELOPMENT COMMITTEE AND THE RADIOACTIVE AND HAZARDOUS MATERIALS COMMITTEE

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### AN ACT

RELATING TO STATE RULES; AMENDING AND ENACTING SECTIONS OF THE STATE RULES ACT TO REQUIRE REGULATORY IMPACT STATEMENTS UNDER CERTAIN CIRCUMSTANCES; AMENDING THE SMALL BUSINESS REGULATORY RELIEF ACT; MAKING AN APPROPRIATION.

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### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

- Section 1. Section 14-4-2 NMSA 1978 (being Laws 1967, Chapter 275, Section 2, as amended) is amended to read:
  - "14-4-2. DEFINITIONS.--As used in the State Rules Act:
- "agency" means any agency, board, commission, department, institution or officer of the state government except the judicial and legislative branches of the state government;
- "person" includes individuals, associations, В. partnerships, companies, business trusts and corporations; .174935.1

1	i ( <del>and</del> )		
2	C. "regulatory impact statement" means a document,		
3	for informational purposes only, that pertains to a rule and		
4	that contains:		
5	(1) a summary of the rule;		
6	(2) a description of any person, resources,		
7	classes of persons and political subdivisions that would be		
8	affected by the rule;		
9	(3) the probable negative and positive		
10	impacts, including the economic, social, environmental and any		
11	other relevant impacts, of the rule on affected persons,		
12	resources, classes of persons and political subdivisions;		
13	(4) a comparison of the costs and benefits of		
14	the rule to the costs and benefits of inaction;		
15	(5) the probable negative or positive impact		
16	to the state general fund, the state budget and any state		
17	special fund of taking the intended action;		
18	(6) a statement on whether there are means for		
19	achieving the purpose of the rule with fewer adverse effects;		
20	<u>and</u>		
21	(7) a summary of public comments or other		
22	evidence submitted during rulemaking;		
23	[ <del>C.</del> ] <u>D.</u> "rule" means any rule, regulation, order,		
24	standard <u>or</u> statement of policy, including amendments thereto		
25	or repeals thereof, issued or promulgated by any agency and		
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purporting to affect one or more agencies besides the agency issuing [such] the rule or to affect persons not members or employees of [such] the issuing agency. An order or decision or other document issued or promulgated in connection with the disposition of any case or agency decision upon a particular matter as applied to a specific set of facts shall not be deemed such a rule, nor shall it constitute specific adoption thereof by the agency. [Such term shall] "Rule" does not include rules relating to the management, confinement, discipline or release of inmates of any penal or charitable institution, the [Springer] New Mexico boys' school or the girls' welfare home [of] or to any hospital [nor to] or rules made relating to the management of any particular educational institution, whether elementary or otherwise, [nor to] or rules made relating to admissions, discipline, supervision, expulsion or graduation of students therefrom; and

E. "rulemaking" means the process for adopting, promulgating, amending or repealing a rule."

Section 2. Section 14-4-3 NMSA 1978 (being Laws 1967, Chapter 275, Section 3, as amended) is amended to read:

"14-4-3. FORMAT OF RULES--FILING--DISTRIBUTION.--[Each]

An agency promulgating [any] a rule shall place the rule in the format and style required by [rule of] the records center and shall deliver one original paper copy and one electronic copy to the records center. The records center shall [note thereon]

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bracketed material] = delete

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record the date and hour of filing. The records center shall maintain the original copy as a permanent record open to public inspection during office hours and shall have the rule published in a timely manner in the New Mexico register and compiled into the New Mexico administrative code. At the time of filing, an agency may submit to the records center an additional paper copy, for annotation with the date and hour of filing, to be returned to the agency."

Section 3. Section 14-4-5 NMSA 1978 (being Laws 1967, Chapter 275, Section 6, as amended) is amended to read:

"14-4-5. FILING AND COMPLIANCE REQUIRED FOR VALIDITY.--

A. Unless otherwise provided in the State Rules Act, no rule shall be valid or enforceable until [it is] the rule and the final regulatory impact statement are filed with the records center and the rule is published in the New Mexico register as provided by the State Rules Act. Unless a later date is otherwise provided by law, the effective date of a rule shall be the date of publication in the New Mexico register.

Emergency [regulations] rules may go into effect immediately upon filing with the records center, but emergency <u>rules</u> shall be effective no more than thirty days unless [they] emergency rules are published in the New Mexico register and a final regulatory impact statement is filed with the records center.

C. Notwithstanding Subsection D of Section 14-4-2 .174935.1

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NMSA 1978, a regulatory impact statement shall not be required for an order or statement of policy."

Section 4. A new section of the State Rules Act is enacted to read:

"[NEW MATERIAL] REGULATORY IMPACT STATEMENT--REQUIRED.--

- At the beginning of rulemaking procedures, an agency shall prepare a draft regulatory impact statement on any proposed rule and make the document available for public inspection during office hours. At the time of notice of a public hearing on a rule, an agency shall include in the notice a public announcement that a draft regulatory impact statement is available for inspection and comment. At the end of rulemaking procedures and upon filing a rule, an agency shall prepare a final regulatory impact statement and file the final regulatory impact statement with the records center. An agency shall prepare the regulatory impact statement in the format and style established by the state records administrator.
- If an agency is unable to complete all or part of a regulatory impact statement due to hardship, including lack of agency resources or unavailable information, the agency shall indicate the reason for the hardship in lieu of completing all or part of the regulatory impact statement.
- The state records administrator shall maintain and make available to the public a list of all regulatory impact statements filed with the records center and any notices .174935.1

of exemption. The state records administrator shall also maintain and file the original copy of any regulatory impact statement as a permanent, public record. The state records administrator shall provide the list of all regulatory impact statements filed with the records center on July 1 of each year to the governor, the president pro tempore of the senate and the speaker of the house of representatives for distribution to the appropriate standing or interim legislative committee.

D. Notwithstanding other provisions of the State Rules Act, the public regulation commission shall be exempt from preparing and filing regulatory impact statements."

Section 5. Section 14-4A-4 NMSA 1978 (being Laws 2005, Chapter 244, Section 4) is amended to read:

"14-4A-4. RULES AFFECTING SMALL BUSINESS.--

A. Prior to the adoption of a proposed rule that may have an adverse effect on small business, an agency shall provide a copy of the proposed rule and a draft regulatory impact statement pursuant to the State Rules Act to the commission at the same time as persons who have requested advance notice of rulemaking.

B. Prior to the adoption of a proposed rule that the agency deems to have an adverse effect on small business, the agency shall consider regulatory methods that accomplish the objectives of the applicable law while minimizing the adverse effects on small business."

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Section 6. APPROPRIATION.--Ten thousand dollars (\$10,000) is appropriated from the general fund to the state commission of public records for expenditure in fiscal year 2010 to establish a filing system for regulatory impact statements. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

Section 7. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2009.

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