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HOUSE BILL 614

48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008

INTRODUCED BY
Daniel R. Foley

AN ACT

RELATING TO STATE RULES; REQUIRING AN ECONOMIC IMPACT STUDY
BEFORE A RULE IS ADOPTED; REQUIRING LEGISLATIVE REVIEW OF
CERTAIN PROPOSED RULES; MAKING AN APPROPRIATION.

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

Section 1. RULEMAKING PREREQUISITES--ECONOMIC IMPACT
STUDY--LEGISLATIVE REVIEW.--

A. Prior to the adoption or amendment of any rule,
and in addition to any other rulemaking requirements imposed by
law, an agency shall conduct and review an economic impact
study of costs, benefits and impacts of the proposed rule. The
study shall include the following factors:

- (1) the need for the proposed rule;
- (2) the number and identity of municipalities,
counties or other entities that will be impacted by the

1 proposed rule;

2 (3) the cost of compliance with the proposed
3 rule;

4 (4) the anticipated benefit derived from
5 compliance with the proposed rule;

6 (5) the nature of complaints or comments
7 received from the public concerning the proposed rule;

8 (6) the complexity of the proposed rule; and

9 (7) the extent to which the proposed rule
10 overlaps, duplicates or conflicts with other federal, state and
11 local government rules.

12 B. A proposed rule that has an annual negative
13 fiscal impact of twenty million dollars (\$20,000,000) or more,
14 either in revenue to the general fund or in expenditures from
15 the general fund, shall not be adopted unless it is first
16 reviewed by the legislative finance committee, and then by the
17 legislature pursuant to Subsection C of this section.

18 C. Each house of the legislature by rule shall
19 establish a process under which the presiding officer of each
20 house refers proposed agency rules that have an annual negative
21 fiscal impact of twenty million dollars (\$20,000,000) or more,
22 either in revenue to the general fund or expenditures from the
23 general fund, to the appropriate standing committee for review
24 before the rule is adopted. An agency shall deliver to the
25 president pro tempore of the senate and the speaker of the

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1 house of representatives a copy of the proposed rule no later
2 than ninety days prior to filing of the rule pursuant to the
3 State Rules Act. On the vote of a majority of its members, a
4 standing committee may send to a state agency a statement
5 supporting or opposing adoption of a proposed rule.

6 D. For the purposes of this section:

7 (1) "agency" means every department, agency,
8 board, commission, committee or institution of the executive
9 branch of state government; and

10 (2) "rule" means any rule, regulation, order,
11 standard or statement of policy issued or promulgated by an
12 agency and purporting to affect one or more agencies besides
13 the agency issuing the rule or to affect persons not members or
14 employees of the issuing agency. An order or decision or other
15 document issued or promulgated in connection with the
16 disposition of any case or agency decision upon a particular
17 matter as applied to a specific set of facts shall not be
18 deemed a rule nor shall it constitute specific adoption of a
19 rule by the agency. "Rule" does not include rules relating to
20 the management, confinement, discipline or release of inmates
21 of any penal or charitable institution, the New Mexico boys'
22 school, the girls' welfare home or a public hospital; or rules
23 made relating to the management of any particular educational
24 institution, whether elementary or otherwise; or rules made
25 relating to admissions, discipline, supervision, expulsion or

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1 graduation of students from an educational institution.

2 Section 2. APPROPRIATION.--One hundred fifty thousand
3 dollars (\$150,000) is appropriated from the general fund to the
4 board of regents of the university of New Mexico for
5 expenditure in fiscal year 2009 for the bureau of business and
6 economic research at the university of New Mexico to conduct
7 economic impact studies of proposed agency rules. Any
8 unexpended or unencumbered balance remaining at the end of
9 fiscal year 2009 shall revert to the general fund.

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