

1 ENGROSSED SENATE AMENDMENT
TO
2 ENGROSSED HOUSE
BILL NO. 2728

By: Kendrix, Maynard,
Crosswhite Hader, Lepak,
Moore, Caldwell (Trey),
Boles, Hill, Hildebrant,
Steagall, and Kane of the
House

and

Bergstrom and Jett of the
Senate

An Act relating to administrative rule processes;
enacting the Regulations from the Executive in Need
of Scrutiny (REINS) Act of 2025; *** imposing duties
with respect to analysis of rules; requiring
independent analysis; *** providing for
noncodification; providing for codification; and
providing an effective date.

AUTHOR: Add the following House Coauthors: Cornwell, Kerbs, and
Hasenbeck

AUTHOR: Add the following Senate Coauthors: Woods, Prieto,
Daniels, Alvord, Sacchieri, Standridge, Murdock, Wingard,
Hamilton, Stewart, Weaver, Bullard, Deevers, Guthrie,
Stanley, McIntosh, Grellner, Hines, Frix, Burns, Reinhardt,
Gillespie, Pederson, Pugh, Gollihare, Seifried, Kern, and
Green

AMENDMENT NO. 1. Page 1, strike the title, enacting clause and
entire bill and insert

"An Act relating to administrative rules; enacting
the Regulations from the Executive in Need of
Scrutiny (REINS) Act of 2025; providing short title;

1 amending 62 O.S. 2021, Section 8012, which relates to
2 duties of the Legislative Office of Fiscal
3 Transparency (LOFT); modifying duties of LOFT;
4 requiring LOFT to provide certain analysis and report
5 relating to administrative rules; specifying date for
6 report submissions; requiring compliance with LOFT by
7 state agencies; requiring submission and publication
8 of annual report; specifying content of annual
9 report; amending 75 O.S. 2021, Section 250.1, which
10 relates to composition of the Administrative
11 Procedures Act; updating statutory references;
12 amending 75 O.S. 2021, Section 250.3, as amended by
13 Section 1, Chapter 38, O.S.L. 2023 (75 O.S. Supp.
14 2024, Section 250.3), which relates to definitions;
15 modifying definitions and defining terms; amending 75
16 O.S. 2021, Section 253, as amended by Section 2,
17 Chapter 38, O.S.L. 2023 (75 O.S. Supp. 2024, Section
18 253), which relates to emergency rules; modifying
19 contents of rule impact statement; providing waiver
20 of certain requirements under certain circumstances;
21 amending 75 O.S. 2021, Section 303, which relates to
22 permanent rules; requiring agencies to consult with
23 certain entities prior to rule adoption; modifying
24 contents of rule impact statement; amending 75 O.S.
2021, Section 308, as amended by Section 5, Chapter
38, O.S.L. 2023 (75 O.S. Supp. 2024, Section 308);
updating statutory language; requiring certain rules
to be addressed in certain legislative manner;
providing for noncodification; providing for
codification; providing an effective date; and
declaring an emergency.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. NEW LAW A new section of law not to be
codified in the Oklahoma Statutes reads as follows:

This act shall be known and may be cited as the "Regulations
from the Executive in Need of Scrutiny (REINS) Act of 2025".

SECTION 2. AMENDATORY 62 O.S. 2021, Section 8012, is
amended to read as follows:

1 Section 8012. A. The Legislative Office of Fiscal Transparency
2 (LOFT) shall:

3 1. Gather information regarding the proposed budgets of
4 executive branch agencies each fiscal year;

5 2. Analyze the information and evaluate the extent to which the
6 agency budget does or does not fulfill the agency's primary duties
7 and responsibilities under applicable provisions of federal, state,
8 or other law;

9 3. Analyze and forecast all revenues available to the agency
10 from appropriations, fees, dedicated revenue, or any other source;

11 4. Compare the agency budget information to the comparable
12 information contained in that agency's budget requests from prior
13 fiscal years; ~~and~~

14 5. Conduct such investigations regarding the operations of the
15 agency as required in order to fulfill the duties imposed upon the
16 Office by law or as otherwise directed by the oversight committee;
17 and

18 6. Conduct rule impact analyses for major rules, as defined in
19 Section 250.3 of Title 75 of the Oklahoma Statutes.

20 The oversight committee, subject to the direction of the
21 President Pro Tempore of the Senate and the Speaker of the House of
22 Representatives, shall ensure that the functions performed by the
23 Office pursuant to the provisions of this subsection do not
24 duplicate those of the ~~Senate Committee on Appropriations~~ Committee

1 of the Senate and the ~~House Committee on~~ Appropriations and Budget
2 Committee of the House of Representatives and their respective
3 staffs.

4 B. The Office shall further conduct performance evaluations and
5 may conduct independent comprehensive performance audits. The
6 oversight committee created in Section ~~3~~ 8013 of this ~~act~~ title may
7 periodically identify specific executive branch agencies, or
8 programs, activities, or functions within executive branch agencies,
9 for which the Office shall conduct a performance evaluation or
10 independent comprehensive performance audit.

11 C. As used in Section 8011 et seq. of this act title,
12 "performance evaluation" means an examination of a program,
13 activity, or function of an executive branch agency, conducted in
14 accordance with applicable government auditing standards or auditing
15 and evaluation standards of other appropriate authoritative bodies.
16 The term includes, but is not limited to, an examination of issues
17 related to:

18 1. Economy, efficiency, or effectiveness of the agency or
19 program, including any revenue sources used to fund or support the
20 agency or program;

21 2. Structure or design of the agency or program to accomplish
22 its goals and objectives;

23 3. Adequacy of the agency or program to meet the needs or
24 policy goals identified by the Legislature;

1 4. Alternative methods of providing agency or program services
2 or products;

3 5. Goals, objectives, and performance measures used by the
4 agency to monitor and report agency or program accomplishments;

5 6. The accuracy or adequacy of public documents, reports, or
6 requests prepared by or in relation to the agency or program;

7 7. Compliance with appropriate policies, rules, or laws related
8 to the agency or program; and

9 8. Any other issues related to such agencies or programs as
10 directed by the oversight committee.

11 D. As used in Section 8011 et seq. of this act title,
12 "independent comprehensive performance audit (ICPA)" audit" (ICPA)
13 includes, but is not limited to, a review and analysis of the
14 economy, efficiency, effectiveness, and compliance of the policies,
15 management, fiscal affairs, and operations of state agencies,
16 divisions, programs, and accounts. The results of an ICPA may be
17 used by the Legislature to implement the best budgeting and policy-
18 making practices for government services to run in the most cost-
19 effective way. The Office may, at the direction of the oversight
20 committee and subject to the approval of the President Pro Tempore
21 of the Senate and the Speaker of the House of Representatives,
22 contract with a private company, nonprofit organization, or academic
23 institution to assist with an independent comprehensive performance
24 audit or for professional consulting and administrative support

1 services. The Office may, but shall not be required to, contract
2 with the Office of the State Auditor and Inspector to conduct any
3 ICPA. ~~The Office~~ LOFT shall develop the scope of services for a
4 request for proposals issued, for professional services necessary to
5 complete each ICPA. Prior to entering into any contract, ~~the Office~~
6 LOFT shall obtain no ~~less~~ fewer than three separate bids for the
7 auditing services, unless ~~the Office~~ LOFT determines that fewer than
8 three entities meet the qualifications to bid to perform such
9 services as set forth by ~~the Office~~ LOFT. The cost of the contract
10 shall be paid by the Legislative ~~Services~~ Service Bureau.

11 An independent comprehensive performance audit shall address,
12 but not be limited to, the following topics:

13 1. Policies which shall include constitutional mandates, if
14 any, statutory mandates, statutory authorizations, administrative
15 rules or policies of the affected agency reflected in internal
16 agency documents, or agency practices;

17 2. All sources of funding received by the agency, inclusive of
18 federal funds, state appropriations, state-dedicated revenues, fee
19 revenue sources, the use of agency revolving funds, or any other
20 fund or revenue source which is used to pay the expenses of the
21 agency;

22 3. Management of the agency which shall include, but not be
23 limited to, its governance, capacity, divisions, programs, accounts,
24 information technology systems, and policies and agency operations

1 which include objective analysis of the roles and functions of the
2 department; and

3 4. A schedule for implementation of agency-specific
4 recommendations.

5 SECTION 3. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 8016 of Title 62, unless there
7 is created a duplication in numbering, reads as follows:

8 A. The Legislative Office of Fiscal Transparency (LOFT) shall
9 provide independent and reliable economic analysis to assist the
10 Legislature in reviewing proposed administrative rules of state
11 agencies classified as major rules pursuant to the Administrative
12 Procedures Act. Unless otherwise approved by the President Pro
13 Tempore of the Senate and the Speaker of the House of
14 Representatives, the duties prescribed by this section shall be
15 accomplished within the existing full-time-employee count of LOFT.

16 B. 1. Within twenty-one (21) calendar days of receiving a
17 proposed rule and its supporting documents, LOFT shall analyze
18 whether the proposing agency has complied with the requirements of
19 Section 303 of Title 75 of the Oklahoma Statutes. LOFT shall assess
20 whether the proposed rule could result in implementation and
21 compliance costs of more than One Million Dollars (\$1,000,000.00)
22 over the initial five-year period after implementation.

1 2. The reporting requirements of this section shall not be
2 construed to prevent the approval and promulgation of emergency
3 rules pursuant to Section 253 of Title 75 of the Oklahoma Statutes.

4 C. 1. LOFT shall furnish a report on each major rule to the
5 chairs of the committees designated by the President Pro Tempore of
6 the Senate and the Speaker of the House of Representatives by the
7 end of the twenty-first calendar day after its submission.

8 2. LOFT shall inform the chairs of the designated committees if
9 the rule impact statement from the agency is incomplete or contains
10 substantive inaccuracies.

11 D. If a chair of a committee designated under subsection C of
12 this section reasonably believes that the provisions of a proposed
13 nonmajor rule may constitute designation as a major rule, the chair
14 may request that LOFT analyze the rule pursuant to the provisions of
15 this section.

16 E. State agencies shall cooperate fully with LOFT and the
17 Legislature in providing data, documentation, and analysis required
18 under this act.

19 F. LOFT shall make all analyses and determinations publicly
20 available on its website upon completion.

21 G. An annual report summarizing the year's evaluations and
22 findings shall be submitted electronically to the Governor, the
23 President Pro Tempore of the Senate, and the Speaker of the House of
24 Representatives and shall be published on LOFT's website. Within

1 the annual report, LOFT shall quantify the impact of its work,
2 including reductions in regulations, cost savings, and other
3 measurable benefits to the economy.

4 SECTION 4. AMENDATORY 75 O.S. 2021, Section 250.1, is
5 amended to read as follows:

6 Section 250.1. A. The Administrative Procedures Act shall be
7 composed of two ~~Articles~~ articles. Sections 250, 250.1, 250.3,
8 250.4, 250.5, and 250.8 of this title are applicable to both
9 Articles I and II. Article I relating to agency filing and
10 publication requirements for rules shall consist of Sections 250.2,
11 250.4, 250.4a, 250.6, 250.7, and 250.9 through 308.2 308.3 of this
12 title ~~and Section 5 of this act~~. Article II relating to agency
13 notice and hearing requirements for individual proceedings shall
14 consist of Sections 308a through 323 of this title.

15 B. Except as otherwise specifically provided in Section 250.4
16 of this title, all agencies shall comply with the provisions of
17 Article I and Article II of the Administrative Procedures Act.

18 SECTION 5. AMENDATORY 75 O.S. 2021, Section 250.3, as
19 amended by Section 1, Chapter 38, O.S.L. 2023 (75 O.S. Supp. 2024,
20 Section 250.3), is amended to read as follows:

21 Section 250.3. As used in the Administrative Procedures Act:

22 1. "Administrative head" means an official or agency body
23 responsible pursuant to law for issuing final agency orders;
24

1 2. "Adopted" means a proposed emergency rule which has been
2 approved by the agency but has not been approved or disapproved by
3 the Governor as an emergency rule as provided by Section 253 of this
4 title, or a proposed permanent rule which has been approved by the
5 agency and not disapproved by the Governor pursuant to paragraph 6
6 of subsection A of Section 303 of this title, but has not been
7 finally approved or disapproved by the Legislature or the Governor;

8 3. "Agency" includes, but is not limited to, any
9 constitutionally or statutorily created state agency, board, bureau,
10 commission, office, authority, institution, public trust in which
11 the state is a beneficiary, ~~or~~ interstate commission, or any
12 instrumentality thereof, except:

- 13 a. the Legislature or any branch, committee, or officer
14 thereof, and
15 b. the courts;

16 4. "Emergency rule" means a rule that is made pursuant to
17 Section 253 of this title;

18 5. "Final rule" or "finally adopted rule" means a rule other
19 than an emergency rule, which has not been published pursuant to
20 Section 255 of this title but is otherwise in compliance with the
21 requirements of the Administrative Procedures Act, and is:

- 22 a. approved by the Legislature pursuant to Section 308.3
23 of this title, provided that any such joint resolution
24

1 becomes law in accordance with Section 11 of Article
2 VI of the Oklahoma Constitution,

3 b. approved by the Governor pursuant to subsection C of
4 Section 308.3 of this title,

5 c. approved by a joint resolution pursuant to subsection
6 B of Section 308 of this title, provided that any such
7 resolution becomes law in accordance with Section 11
8 of Article VI of the Oklahoma Constitution, or

9 d. disapproved by a joint resolution pursuant to
10 subsection B of Section 308 of this title or Section
11 308.3 of this title, which has been vetoed by the
12 Governor in accordance with Section 11 of Article VI
13 of the Oklahoma Constitution and the veto has not been
14 overridden;

15 6. "Final agency order" means an order that includes findings
16 of fact and conclusions of law pursuant to Section 312 of this
17 title, is dispositive of an individual proceeding unless there is a
18 request for rehearing, reopening, or reconsideration pursuant to
19 Section 317 of this title, and which is subject to judicial review;

20 7. "Hearing examiner" means a person meeting the qualifications
21 specified by Article II of the Administrative Procedures Act and who
22 has been duly appointed by an agency to hold hearings and, as
23 required, render orders or proposed orders;

1 8. "Implementation and compliance costs" means direct costs
2 that are readily ascertainable based upon standard business
3 practices, including, but not limited to, fees, the cost to obtain a
4 license or registration, the cost of equipment required to be
5 installed or used, additional operating costs incurred, the cost of
6 monitoring and reporting, and any other costs to comply with the
7 requirements of the proposed rule;

8 9. "Individual proceeding" means the formal process employed by
9 an agency having jurisdiction by law to resolve issues of law or
10 fact between parties and which results in the exercise of discretion
11 of a judicial nature;

12 ~~9.~~ 10. "License" includes the whole or part of any agency
13 permit, certificate, approval, registration, charter, or similar
14 form of permission required by law;

15 ~~10.~~ 11. "Major rule" means any administrative rule, whether
16 emergency or permanent in nature, that will result in or is likely
17 to result in One Million Dollars (\$1,000,000.00) or more over the
18 initial five-year period in implementation and compliance costs that
19 are reasonably expected to be incurred by or passed along to
20 businesses, state or local government units, and individuals as a
21 result of the proposed rule following the promulgation of such rule;

22 12. "Nonmajor rule" means any rule that is not a major rule;

23 13. "Office" means the Office of the Secretary of State;
24

~~11.~~ 14. "Order" means all or part of a formal or official decision made by an agency including, but not limited to, final agency orders;

~~12.~~ 15. "Party" means a person or agency named and participating, or properly seeking and entitled by law to participate, in an individual proceeding;

~~13.~~ 16. "Permanent rule" means a rule that is made pursuant to Section 303 of this title;

~~14.~~ 17. "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than an agency;

~~15.~~ 18. "Political subdivision" means a county, city, incorporated town, or school district within this state;

~~16.~~ 19. "Promulgated" means a finally adopted rule which has been filed and published in accordance with the provisions of the Administrative Procedures Act, or an emergency rule or preemptive rule which has been approved by the Governor;

~~17.~~ 20. "Rule" means any agency statement or group of related statements of general applicability and future effect that implements, interprets, or prescribes law or policy, or describes the procedure or practice requirements of the agency. The term rule includes the amendment or revocation of an effective rule but does not include:

- 1 a. the issuance, renewal, denial, suspension or
2 revocation or other sanction of an individual specific
3 license,
4 b. the approval, disapproval, or prescription of rates.
5 For purposes of this subparagraph, the term "rates"
6 shall not include fees or charges fixed by an agency
7 for services provided by that agency including, but
8 not limited to, fees charged for licensing,
9 permitting, inspections, or publications,
10 c. statements and memoranda concerning only the internal
11 management of an agency and not affecting private
12 rights or procedures available to the public,
13 d. declaratory rulings issued pursuant to Section 307 of
14 this title,
15 e. orders by an agency, or
16 f. press releases or "agency news releases", provided
17 such releases are not for the purpose of interpreting,
18 implementing, or prescribing law or agency policy;

19 ~~18.~~ 21. "Rulemaking" means the process employed by an agency
20 for the formulation of a rule;

21 ~~19.~~ 22. "Secretary" means the Secretary of State;

22 ~~20.~~ 23. "Small business" means a for-profit enterprise
23 consisting of fifty or fewer full-time or part-time employees; and
24

1 ~~21.~~ 24. "Technical legal defect" means an error that would
2 otherwise invalidate an action by a court of law.

3 SECTION 6. AMENDATORY 75 O.S. 2021, Section 253, as
4 amended by Section 2, Chapter 38, O.S.L. 2023 (75 O.S. Supp. 2024,
5 Section 253), is amended to read as follows:

6 Section 253. A. 1. If an agency finds that a rule is
7 necessary as an emergency measure, the rule may be promulgated
8 pursuant to the provisions of this section, if the rule is first
9 approved by the Governor. The Governor shall not approve the
10 adoption, amendment, revision, or revocation of a rule as an
11 emergency measure unless the agency submits substantial evidence
12 that the rule is necessary as an emergency measure to do any of the
13 following:

- 14 a. protect the public health, safety, or welfare,
- 15 b. comply with deadlines in amendments to an agency's
- 16 governing law or federal programs,
- 17 c. avoid violation of federal law or regulation or other
- 18 state law,
- 19 d. avoid imminent reduction to the agency's budget, or
- 20 e. avoid serious prejudice to the public interest.

21 As used in this subsection, "substantial evidence" shall mean
22 credible evidence which is of sufficient quality and probative value
23 to enable a person of reasonable caution to support a conclusion.

1 2. In determining whether a rule is necessary as an emergency
2 measure, the Governor shall consider whether the emergency situation
3 was created due to the agency's delay or inaction and could have
4 been averted by timely compliance with the provisions of this
5 chapter.

6 B. An emergency rule adopted by an agency shall:

7 1. Be prepared in the format required by Section 251 of this
8 title;

9 2. a. Include an impact statement which meets the
10 requirements set forth in subparagraph b of this
11 paragraph, unless the Governor waives the initial
12 requirement in writing upon a finding that the rule
13 impact statement or the specified contents thereof are
14 unnecessary or contrary to the public interest.
15 Provided, the rule impact statement shall be submitted
16 no more than forty-five (45) days from the date of
17 such waiver.

18 b. The rule impact statement shall include, but not be
19 limited to:

20 (1) a statement of the need for the rule and legal
21 basis supporting it,

22 (2) a classification of the rule as major or
23 nonmajor, with a justification for the
24 classification, including an estimate of the

1 total annual implementation and compliance costs
2 that are reasonably expected to be incurred by or
3 passed along to businesses, state or local
4 government units, or individuals and a
5 determination of whether those costs will exceed
6 One Million Dollars (\$1,000,000.00) over the
7 initial five-year period following the
8 promulgation of the proposed rule. Provided, if
9 the costs exceed One Million Dollars
10 (\$1,000,000.00), the agency shall classify the
11 rule as a major rule,

12 (3) a brief description of the proposed rule,
13 including a determination of whether the proposed
14 rule is mandated by federal law, or as a
15 requirement for participation in or
16 implementation of a federally subsidized or
17 assisted program, and whether the proposed rule
18 exceeds the requirements of the applicable
19 federal law,

20 ~~(2)~~

21 (4) a description of the classes of persons who most
22 likely will be affected by the proposed rule,
23 including classes that will bear the costs of the
24 proposed rule, and any information on cost

1 impacts received by the agency from any private
2 or public entities,

3 ~~(3)~~

4 (5) a description of the classes of persons who will
5 benefit from the proposed rule,

6 ~~(4) a description of the probable~~

7 (6) a comprehensive analysis of the rule's economic
8 impact of the proposed rule upon affected classes
9 of persons or political subdivisions, including
10 any anticipated impacts on the full-time-employee
11 count of the agency, any costs or benefits, and a
12 detailed quantification of implementation and
13 compliance costs on the affected businesses,
14 business sectors, public utility ratepayers,
15 individuals, state or local government units, and
16 on the state economy as a whole. The analysis
17 shall include a listing of all fee changes and,
18 whenever possible, a separate justification for
19 each fee change,

20 ~~(5) the probable costs and benefits to the agency and~~
21 ~~to any other agency of the implementation and~~
22 ~~enforcement of the proposed rule, and any~~
23 ~~anticipated effect on state revenues, including a~~
24

1 ~~projected net loss or gain in such revenues if it~~
2 ~~can be projected by the agency,~~

3 (7) a detailed explanation of the methodology and
4 assumptions used to determine the economic
5 impact, including the dollar amounts calculated,

6 ~~(6)~~

7 (8) a determination of whether implementation of the
8 proposed rule will have an economic impact on any
9 political subdivisions or require their
10 cooperation in implementing or enforcing the
11 rule,

12 (9) a determination of whether implementation of the
13 proposed rule may have an adverse economic effect
14 on small business as provided by the Oklahoma
15 Small Business Regulatory Flexibility Act,

16 ~~(7) an explanation of the measures the agency has~~
17 ~~taken to minimize compliance costs and a~~
18 ~~determination of whether there are less costly or~~
19 ~~nonregulatory methods or less intrusive methods~~
20 ~~for achieving the purpose of the proposed rule,~~

21 (10) any measures taken by the agency to minimize the
22 cost and impact of the proposed rule on business
23 and economic development in this state, local
24 government units of this state, and individuals,

~~(8)~~

(11) a determination of the effect of the proposed rule on the public health, safety, and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety, and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk,

~~(9)~~

(12) a determination of any detrimental effect on the public health, safety, and environment if the proposed rule is not implemented, and

~~(10)~~

(13) the date the rule impact statement was prepared and, if modified, the date modified.

c. The rule impact statement shall be prepared on or before the date the emergency rule is adopted; and

3. Be transmitted pursuant to Section 464 of Title 74 of the Oklahoma Statutes to the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the chief legislative officer of each chamber, along with the information required by this subsection within ten (10) days after the rule is adopted; ~~and~~

1 ~~4. Not be invalidated on the ground that the contents of the~~
2 ~~rule impact statement are insufficient or inaccurate.~~

3 C. 1. Within forty-five (45) calendar days of receipt of a
4 proposed emergency rule filed with the Governor, the Speaker of the
5 House of Representatives, the President Pro Tempore of the Senate,
6 and the chief legislative officer of each chamber, the Governor
7 shall review the demonstration of emergency pursuant to subsection A
8 of this section, and shall separately review the rule in accordance
9 with the standards prescribed in paragraph 3 of this subsection.

10 2. Prior to approval of emergency rules, the Governor shall
11 submit the emergency rule to the Secretary of State for review of
12 proper formatting.

13 3. If the Governor determines the agency has established the
14 rule is necessary as an emergency measure pursuant to subsection A
15 of this section, the Governor shall approve the proposed emergency
16 rule if the rule is:

- 17 a. clear, concise, and understandable,
- 18 b. within the power of the agency to make and within the
19 enacted legislative standards, and
- 20 c. made in compliance with the requirements of the
21 Administrative Procedures Act.

22 4. If an emergency rule is adopted under this section due to a
23 declared state of emergency pursuant to Section 683.1 et seq. of
24 Title 63 of the Oklahoma Statutes, an agency may request the

1 Governor waive the provisions of subsection B of this section. Such
2 request shall be in writing and shall state the agency's findings
3 and the justification for such findings. The agency shall have
4 forty-five (45) days to comply with the provisions of subsection B
5 of this section for any adopted emergency rules where such
6 provisions are waived. Any rules which do not comply with the
7 requirements of this section shall expire following such time
8 period. Nothing in this paragraph shall be construed to waive any
9 other requirements of this section for emergency rule promulgation
10 by an agency.

11 D. 1. Within the forty-five-calendar-day period set forth in
12 paragraph 1 of subsection C of this section, the Governor may
13 approve the emergency rule or disapprove the emergency rule.
14 Failure of the Governor to approve an emergency rule within the
15 specified period shall constitute disapproval of the emergency rule.

16 2. If the Governor disapproves the adopted emergency rule, the
17 Governor shall return the entire document to the agency with reasons
18 for the disapproval. If the agency elects to modify the rule, the
19 agency shall adopt the modifications, and shall file the modified
20 rule in accordance with the requirements of subsection B of this
21 section.

22 3. Upon disapproval of an emergency rule, the Governor shall,
23 within fifteen (15) days, make written notification to the Speaker
24 of the House of Representatives, the President Pro Tempore of the

1 Senate, the chief legislative officer of each chamber, and the
2 Office of Administrative Rules.

3 E. 1. Upon approval of an emergency rule, the Governor shall
4 immediately make written notification to the agency, the Speaker of
5 the House of Representatives, the President Pro Tempore of the
6 Senate, the chief legislative officer of each chamber, and the
7 Office of Administrative Rules. Upon receipt of the notice of the
8 approval, the agency shall file with the Office of Administrative
9 Rules as many copies of the notice of approval and the emergency
10 rule as required by the Secretary.

11 2. Emergency rules shall be subject to legislative review
12 pursuant to Section 308 of this title.

13 3. The emergency rule shall be published in accordance with the
14 provisions of Section 255 of this title in "The Oklahoma Register"
15 following the approval by the Governor. The Governor's approval and
16 the approved rules shall be retained as official records by the
17 Office of Administrative Rules.

18 F. 1. Upon approval by the Governor, an emergency rule shall
19 be considered promulgated and shall be in force immediately, or on
20 such later date as specified therein. An emergency rule shall only
21 be applied prospectively from its effective date.

22 2. Except as otherwise provided in this subsection, the
23 emergency rule shall remain in full force and effect through the
24 first day of the next succeeding regular session of the Legislature

1 following promulgation of such emergency rule until September 14
2 following such session, unless it is made ineffective pursuant to
3 subsection H of this section.

4 G. No agency shall adopt any emergency rule which establishes
5 or increases fees, except during such times as the Legislature is in
6 session, unless specifically mandated by the Legislature or federal
7 legislation, or when the failure to establish or increase fees would
8 conflict with an order issued by a court of law.

9 H. 1. If an emergency rule is of a continuing nature, the
10 agency promulgating such emergency rule shall initiate proceedings
11 for promulgation of a permanent rule pursuant to Sections 303
12 through ~~308.2~~ 308.3 of this title. If an emergency rule is
13 superseded by another emergency rule prior to the enactment of a
14 permanent rule, the latter emergency rule shall retain the same
15 expiration date as the superseded emergency rule, unless otherwise
16 authorized by the Legislature.

17 2. Any promulgated emergency rule shall be made ineffective if:

- 18 a. disapproved by the Legislature,
- 19 b. superseded by the promulgation of permanent rules,
- 20 c. any adopted rules based upon such emergency rules are
21 subsequently disapproved pursuant to Section 308 of
22 this title, or
- 23 d. an earlier expiration date is specified by the agency
24 in the rules.

1 3. a. Emergency rules in effect on the first day of the
2 session shall be null and void on September 15
3 following sine die adjournment of the Legislature
4 unless otherwise specifically provided by the
5 Legislature.

6 b. Unless otherwise authorized by the Legislature, an
7 agency shall not adopt any emergency rule, which has
8 become null and void pursuant to subparagraph a of
9 this paragraph, as a new emergency rule or adopt any
10 emergency rules of similar scope or intent as the
11 emergency rules which became null and void pursuant to
12 subparagraph a of this paragraph.

13 I. Emergency rules shall not become effective unless approved
14 by the Governor pursuant to the provisions of this section.

15 J. 1. The requirements of Section 303 of this title relating
16 to notice and hearing shall not be applicable to emergency rules
17 promulgated pursuant to the provisions of this section. Provided,
18 this shall not be construed to prevent an abbreviated notice and
19 hearing process determined to be necessary by an agency.

20 2. The rule report required pursuant to Section 303.1 of this
21 title shall not be applicable to emergency rules promulgated
22 pursuant to the provisions of this section. Provided, this shall
23 not be construed to prevent an agency from complying with such
24 requirements at the discretion of such agency.

1 3. The statement of submission required by Section 303.1 of
2 this title shall not be applicable to emergency rules promulgated
3 pursuant to the provisions of this section.

4 K. Prior to approval or disapproval of an emergency rule by the
5 Governor, an agency may withdraw from review an emergency rule
6 submitted pursuant to the provisions of this section. Notice of
7 such withdrawal shall be given to the Governor, the Speaker of the
8 House of Representatives, the President Pro Tempore of the Senate in
9 accordance with the requirements set forth in Section 464 of Title
10 74 of the Oklahoma Statutes, and to the Office of Administrative
11 Rules as required by the Secretary of State. In order to be
12 promulgated as emergency rules, any replacement rules shall be
13 resubmitted pursuant to the provisions of this section.

14 L. Upon completing the requirements of this section, an agency
15 may promulgate a proposed emergency rule. No emergency rule is
16 valid unless promulgated in substantial compliance with the
17 provisions of this section.

18 M. Emergency rules adopted by an agency or approved by the
19 Governor shall be subject to review pursuant to the provisions of
20 Section 306 of this title.

21 SECTION 7. AMENDATORY 75 O.S. 2021, Section 303, is
22 amended to read as follows:

23 Section 303. A. Prior to the adoption of any rule or amendment
24 or revocation of a rule ~~and except as provided for pursuant to the~~

1 ~~expedited rule repeal process provided in Section 9 of this act~~, the
2 agency shall:

3 1. Cause notice of any intended action to be published in "The
4 Oklahoma Register" pursuant to subsection B of this section;

5 2. For at least thirty (30) days after publication of the
6 notice of the intended rulemaking action, afford a comment period
7 for all interested persons to submit data, views, or arguments,
8 orally or in writing. The agency shall consider fully all written
9 and oral submissions respecting the proposed rule;

10 3. Hold a hearing, if required, as provided by subsection C of
11 this section;

12 4. Consider the effect its intended action may have on the
13 various types of business and governmental entities. Except where
14 such modification or variance is prohibited by statute or
15 constitutional constraints, if an agency finds that its actions may
16 adversely affect any such entity, the agency may modify its actions
17 to exclude that type of entity, or may "tier" its actions to allow
18 rules, penalties, fines, or reporting procedures and forms to vary
19 according to the size of a business or governmental entity or its
20 ability to comply or both. For business entities, the agency shall
21 include a description of the probable quantitative and qualitative
22 impact of the proposed rule, economic or otherwise, and use
23 quantifiable data to the extent possible, taking into account both
24 short-term and long-term consequences;

1 5. Consider the effect its intended action may have on the
2 various types of consumer groups. If an agency finds that its
3 actions may adversely affect such groups, the agency may modify its
4 actions to exclude that type of activity; and

5 6. When an agency provides notice pursuant to paragraph 1 of
6 this subsection, the agency shall provide one ~~(1)~~ electronic copy of
7 the complete text of the proposed rule, amendment or revocation and
8 a copy of the notice to the Governor and to the appropriate cabinet
9 secretary. No agency may adopt any proposed rule, amendment or
10 revocation if, within thirty (30) days from providing notice to the
11 Governor and the appropriate cabinet secretary, the agency receives
12 express written disapproval from the Governor or the cabinet
13 secretary. If the Governor or the cabinet secretary disapproves a
14 rule, the affected agency shall be notified in writing of the
15 reasons for disapproval. If, after thirty (30) days of providing
16 the notice to the Governor and the cabinet secretary, the agency has
17 not received an express written disapproval, the agency may proceed
18 with the rulemaking process.

19 B. The notice required by paragraph 1 of subsection A of this
20 section shall include, but not be limited to:

- 21 1. In simple language, a brief summary of the rule;
- 22 2. The proposed action being taken;
- 23 3. The circumstances which created the need for the rule;

1 4. The specific legal authority, including statutory citations,
2 authorizing the proposed rule;

3 5. The intended effect of the rule;

4 6. If the agency determines that the rule affects business
5 entities, a request that such entities provide the agency, within
6 the comment period, in dollar amounts if possible, the increase in
7 the level of direct costs such as fees, and indirect costs such as
8 reporting, recordkeeping, equipment, construction, labor,
9 professional services, revenue loss, or other costs expected to be
10 incurred by a particular entity due to compliance with the proposed
11 rule;

12 7. The time when, the place where, and the manner in which
13 interested persons may present their views thereon pursuant to
14 paragraph 3 of subsection A of this section;

15 8. Whether or not the agency intends to issue a rule impact
16 statement according to subsection D of this section and where copies
17 of such impact statement may be obtained for review by the public;

18 9. The time when, the place where, and the manner in which
19 persons may demand a hearing on the proposed rule if the notice does
20 not already provide for a hearing. If the notice provides for a
21 hearing, the time and place of the hearing shall be specified in the
22 notice; and
23
24

1 10. Where copies of the proposed rules may be obtained for
2 review by the public. An agency may charge persons for the actual
3 cost of mailing a copy of the proposed rules to such persons.

4 The number of copies of such notice as specified by the
5 Secretary of State shall be submitted to the Secretary of State who
6 shall publish the notice in "The Oklahoma Register" pursuant to the
7 provisions of Section 255 of this title.

8 Prior to or within three (3) days after publication of the
9 notice in "The Oklahoma Register", the agency shall cause a copy of
10 the notice of the proposed rule adoption and the rule impact
11 statement, if available, to be mailed to all persons who have made a
12 timely request of the agency for advance notice of its rulemaking
13 proceedings. Provided, in lieu of mailing copies, an agency may
14 electronically notify interested persons that a copy of the proposed
15 rule and the rule impact statement, if available, may be viewed on
16 the agency's website. If an agency posts a copy of the proposed
17 rule and rule impact statement on its website, the agency shall not
18 charge persons for the cost of downloading or printing the proposed
19 rule or impact statement. Each agency shall maintain a listing of
20 persons or entities requesting such notice.

21 C. 1. If the published notice does not already provide for a
22 hearing, an agency shall schedule a hearing on a proposed rule if,
23 within thirty (30) days after the published notice of the proposed
24 rule adoption, a written request for a hearing is submitted by:

- a. at least ten persons,
- b. a political subdivision,
- c. an agency, or
- d. an association having not less than twenty-five members.

At that hearing persons may present oral argument, data, and views on the proposed rule.

2. A hearing on a proposed rule may not be held earlier than thirty (30) days after notice of the hearing is published pursuant to subsection B of this section.

3. The provisions of this subsection shall not be construed to prevent an agency from holding a hearing or hearings on the proposed rule although not required by the provisions of this subsection; provided, that notice of such hearing shall be published in "The Oklahoma Register" at least thirty (30) days prior to such hearing.

D. 1. Except as otherwise provided in this subsection, an agency shall issue a rule impact statement of a proposed rule prior to or within fifteen (15) days after the date of publication of the notice of proposed rule adoption. The rule impact statement may be modified after any hearing or comment period afforded pursuant to the provisions of this section.

2. The agency shall consult with counties, municipalities, and school boards, as necessary, when preparing the rule impact statement of a proposed rule which increases or decreases the

1 revenue of counties, cities, or school districts, or imposes
2 functions or responsibilities on such entities which may increase
3 the expenditures or fiscal liability of the entity. The agency
4 shall consult and solicit information from businesses, business
5 associations, local government units, state agencies, or members of
6 the public that may be affected by the proposed rule or that may
7 provide relevant information to the agency.

8 3. Except as otherwise provided in this subsection, the rule
9 impact statement shall include, but not be limited to:

- 10 a. a statement of the need for the rule and legal basis
11 supporting it,
- 12 b. a classification of the rule as major or nonmajor,
13 with a justification for the classification, including
14 an estimate of the total annual implementation and
15 compliance costs that are reasonably expected to be
16 incurred by or passed along to businesses, state or
17 local government units, or individuals and a
18 determination of whether those costs will exceed One
19 Million Dollars (\$1,000,000.00) over the initial five-
20 year period following the promulgation of the proposed
21 rule. Provided, if the costs exceed One Million
22 Dollars (\$1,000,000.00), the agency shall classify the
23 rule as a major rule,

1 c. a ~~brief~~ description of the purpose of the proposed
2 rule, including a determination of whether the
3 proposed rule is mandated by federal law, or as a
4 requirement for participation in or implementation of
5 a federally subsidized or assisted program, and
6 whether the proposed rule exceeds the requirements of
7 the applicable federal law,

8 ~~b.~~

9 d. a description of the classes of persons who most
10 likely will be affected by the proposed rule,
11 including classes that will bear the costs of the
12 proposed rule, and any information on cost impacts
13 received by the agency from any private or public
14 entities,

15 ~~e.~~

16 e. a description of the classes of persons who will
17 benefit from the proposed rule,

18 ~~d. — a description of the probable~~

19 f. a comprehensive analysis of the rule's economic impact
20 ~~of the proposed rule upon affected classes of persons~~
21 ~~or political subdivisions, including any anticipated~~
22 impacts on the full-time-employee count of the agency,
23 any costs or benefits, and a detailed quantification
24 of implementation and compliance costs on the affected

1 businesses, business sectors, public utility
2 ratepayers, individuals, state or local government
3 units, and on the state economy as a whole. The
4 analysis shall include a listing of all fee changes
5 and, whenever possible, a separate justification for
6 each fee change,

7 ~~e. the probable costs and benefits to the agency and to~~
8 ~~any other agency of the implementation and enforcement~~
9 ~~of the proposed rule, the source of revenue to be used~~
10 ~~for implementation and enforcement of the proposed~~
11 ~~rule, and any anticipated effect on state revenues,~~
12 ~~including a projected net loss or gain in such~~
13 ~~revenues if it can be projected by the agency,~~

14 ~~f.~~

15 g. a detailed explanation of the methodology and
16 assumptions used to determine the economic impact,
17 including the dollar amounts calculated,

18 h. a determination of whether implementation of the
19 proposed rule will have an economic impact on any
20 political subdivisions or require their cooperation in
21 implementing or enforcing the rule,

22 ~~g.~~

23 i. a determination of whether implementation of the
24 proposed rule may have an adverse economic effect on

1 small business as provided by the Oklahoma Small
2 Business Regulatory Flexibility Act,

3 ~~h. an explanation of the measures the agency has taken to~~
4 ~~minimize compliance costs and a determination of~~
5 ~~whether there are less costly or nonregulatory methods~~
6 ~~or less intrusive methods for achieving the purpose of~~
7 ~~the proposed rule~~

8 j. any measures taken by the agency to minimize the cost
9 and impact of the proposed rule on business and
10 economic development in this state, local government
11 units of this state, and individuals,

12 ~~i.~~

13 k. a determination of the effect of the proposed rule on
14 the public health, safety, and environment and, if the
15 proposed rule is designed to reduce significant risks
16 to the public health, safety, and environment, an
17 explanation of the nature of the risk and to what
18 extent the proposed rule will reduce the risk,

19 ~~j.~~

20 l. a determination of any detrimental effect on the
21 public health, safety, and environment if the proposed
22 rule is not implemented, and

23 ~~k.~~

24

1 m. the date the rule impact statement was prepared and,
2 if modified, the date modified.

3 ~~3.~~ 4. To the extent an agency for good cause finds the
4 preparation of a rule impact statement or the specified contents
5 thereof are unnecessary or contrary to the public interest in the
6 process of adopting a ~~particular~~ nonmajor rule, the agency may
7 request the Governor to waive such requirement. Such request shall
8 be in writing and shall state the agency's findings and the
9 justification for such findings. Upon request by an agency, the
10 Governor may also waive the rule impact statement requirements for a
11 nonmajor rule if the agency is required to implement a statute or
12 federal requirement that does not require an agency to interpret or
13 describe the requirements, such as federally mandated provisions
14 which afford the agency no discretion to consider less restrictive
15 alternatives. If the Governor fails to waive such requirement, in
16 writing, prior to publication of the notice of the intended
17 rulemaking action, the rule impact statement shall be completed.
18 The determination to waive the rule impact statement shall not be
19 subject to judicial review.

20 ~~4. The rule shall not be invalidated on the ground that the~~
21 ~~contents of the rule impact statement are insufficient or~~
22 ~~inaccurate.~~

1 E. Upon completing the requirements of this section, an agency
2 may adopt a proposed rule. No rule is valid unless adopted in
3 substantial compliance with the provisions of this section.

4 SECTION 8. AMENDATORY 75 O.S. 2021, Section 308, as
5 amended by Section 5, Chapter 38, O.S.L. 2023 (75 O.S. Supp. 2024,
6 Section 308), is amended to read as follows:

7 Section 308. A. Upon receipt of any proposed permanent rules,
8 the Speaker of the House of Representatives and the President Pro
9 Tempore of the Senate shall assign such rules to the appropriate
10 committees of each house of the Legislature for review. Except as
11 otherwise provided by this section:

12 1. If such rules are received on or before ~~April 1~~ February 1,
13 the Legislature shall have until the last day of the regular
14 legislative session of that year to review such rules. ~~Provided,~~
15 ~~proposed permanent rules for consideration by the 2nd Session of the~~
16 ~~59th Legislature shall be submitted on or before March 1. For each~~
17 ~~legislative session thereafter, proposed permanent rules shall be~~
18 ~~submitted on or before February 1 of the given year; and~~

19 2. If such rules are received after the date established
20 pursuant to paragraph 1 of this subsection, the Legislature shall
21 have until the last day of the regular legislative session of the
22 next year to act on such rules.

23 B. By the adoption of joint resolutions during the review
24 period specified in subsection A of this section, the Legislature

1 may disapprove or approve any rule and disapprove all or part of a
2 rule or rules.

3 C. Unless otherwise authorized by the Legislature, whenever a
4 rule is disapproved as provided in subsection B of this section, the
5 agency adopting such rules shall not have authority to resubmit an
6 identical rule, except during the first sixty (60) calendar days of
7 the next regular legislative session. Any effective emergency rule
8 which would have been superseded by a disapproved permanent rule
9 shall be deemed null and void on the date the Legislature
10 disapproves the permanent rule. Rules may be disapproved in part or
11 in whole by the Legislature. Upon enactment of any joint resolution
12 disapproving a rule, the agency shall file notice of such
13 legislative disapproval with the Secretary of State for publication
14 in "The Oklahoma Register".

15 D. Unless otherwise provided by specific vote of the
16 Legislature, joint resolutions introduced for purposes of
17 disapproving or approving a rule or the omnibus joint resolution
18 ~~described in Section 308.3 of this title~~ shall not be subject to
19 regular legislative cutoff dates, shall be limited to such
20 provisions as may be necessary for disapproval or approval of a
21 rule, and any such other direction or mandate regarding the rule
22 deemed necessary by the Legislature. The resolution shall contain
23 no other provisions.

24

1 E. A proposed permanent rule shall be deemed finally adopted
2 if:

3 1. Approved by the Legislature pursuant to Section 308.3 of
4 this title, provided that any such joint resolution becomes law in
5 accordance with Section 11 of Article VI of the Oklahoma
6 Constitution;

7 2. Approved by a joint resolution pursuant to subsection B of
8 this section, provided that any such resolution becomes law in
9 accordance with Section 11 of Article VI of the Oklahoma
10 Constitution; or

11 3. Disapproved by a joint resolution pursuant to subsection B
12 of this section or Section 308.3 of this title which has been vetoed
13 by the Governor in accordance with Section 11 of Article VI of the
14 Oklahoma Constitution and the veto has not been overridden.

15 Provided, major rules shall be addressed in one or more joint
16 resolutions only addressing major rules, regardless of if the joint
17 resolution is to approve or disapprove such rules.

18 F. Prior to final adoption of a rule, an agency may withdraw a
19 rule from legislative review. Notice of such withdrawal shall be
20 given to the Governor, the Speaker of the House of Representatives,
21 the President Pro Tempore of the Senate, and to the Secretary of
22 State for publication in "The Oklahoma Register".

23 G. An agency may promulgate an emergency rule only pursuant to
24 Section 253 of this title.

1 H. Any rights, privileges, or interests gained by any person by
2 operation of an emergency rule, shall not be affected by reason of
3 any subsequent disapproval or rejection of such rule by either house
4 of the Legislature.

5 SECTION 9. This act shall become effective July 1, 2025.

6 SECTION 10. It being immediately necessary for the preservation
7 of the public peace, health or safety, an emergency is hereby
8 declared to exist, by reason whereof this act shall take effect and
9 be in full force from and after its passage and approval."

10 Passed the Senate the 1st day of May, 2025.

11
12
13 _____
Presiding Officer of the Senate

14 Passed the House of Representatives the ____ day of _____,
15 2025.

16
17
18 _____
Presiding Officer of the House
19 of Representatives

20
21
22
23
24

1 ENGROSSED HOUSE
2 BILL NO. 2728

By: Kendrix, Maynard,
Crosswhite Hader, Lepak,
Moore, Caldwell (Trey),
Boles, Hill, Hildebrant,
Steagall, and Kane of the
House

5 and

6 Bergstrom and Jett of the
7 Senate

8
9
10 An Act relating to administrative rule processes;
11 enacting the Regulations from the Executive in Need
12 of Scrutiny (REINS) Act of 2025; defining terms;
13 imposing duties on agencies with respect to rules;
14 prescribing procedures; requiring economic impact
15 analysis; requiring consultation with political
16 subdivisions; requiring solicitation of information
17 from certain entities; establishing the Legislative
18 Economic Analysis Unit within the Legislative Office
19 of Fiscal Transparency; imposing duties with respect
20 to analysis of rules; prescribing limit on full-time-
equivalent employees; requiring independent analysis;
requiring reports; requiring cooperation by state
agencies; providing for evaluation of rules at
request of certain officials; requiring public
availability of information; requiring annual report;
requiring quantification of certain results;
prohibiting certain rule from taking effect without
specific approval pursuant to legislative measure;
providing for noncodification; providing for
codification; and providing an effective date.

21
22 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

23 SECTION 11. NEW LAW A new section of law not to be
24 codified in the Oklahoma Statutes reads as follows:

1 This act shall be known and may be cited as the "Regulations
2 from the Executive in Need of Scrutiny (REINS) Act of 2025".

3 SECTION 12. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 601 of Title 75, unless there is
5 created a duplication in numbering, reads as follows:

6 As used in this act:

7 1. "Agency" means any officer, department, bureau, division,
8 board, commission, authority, agency, or institution of this state,
9 except the judicial and legislative branches, authorized by law to
10 promulgate rules and regulations concerning the administration,
11 enforcement, or interpretation of any law of this state;

12 2. "Implementation and compliance costs" means direct costs
13 that are readily ascertainable based upon standard business
14 practices, including, but not limited to, fees, the cost to obtain a
15 license or registration, the cost of equipment required to be
16 installed or used, additional operating costs incurred, the cost of
17 monitoring and reporting, and any other costs to comply with the
18 requirements of the proposed rule and regulation; and

19 3. "Major rule" means any administrative rule, whether
20 emergency or permanent in nature, that will result in or is likely
21 to result in One Million Dollars (\$1,000,000.00) or more over the
22 initial five-year period in implementation and compliance costs are
23 reasonably expected to be incurred by or passed along to businesses,
24

1 local government units, and individuals as a result of the proposed
2 rule and regulation following the adoption of such rule.

3 SECTION 13. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 602 of Title 75, unless there is
5 created a duplication in numbering, reads as follows:

6 A. Each state agency promulgating a major rule shall provide:

7 1. Whether the proposed rule and regulation is mandated by
8 federal law as a requirement for participating in or implementing a
9 federally subsidized or assisted program and whether the proposed
10 rule and regulation exceeds the requirements of the applicable
11 federal law; and

12 2. An analysis specifically addressing the following factors:

13 a. a comprehensive analysis of the rule's economic
14 impact, including any costs or benefits including a
15 detailed quantification of implementation and
16 compliance costs, on the specific businesses, business
17 sectors, public utility ratepayers, individuals, and
18 local government units that will be affected by the
19 proposed rule and regulation and on the state economy
20 as a whole,

21 b. a detailed explanation of the methodology and
22 assumptions used to determine the economic impact,
23 including the dollar amounts calculated,

- c. an estimate of the total annual implementation and compliance costs that are reasonably expected to be incurred by or passed along to businesses, local government units, or individuals and a determination of whether those costs will exceed One Million Dollars (\$1,000,000.00) over the initial five-year period following the adoption of the proposed rule and regulation,
- d. a statement of the need for the rule and the legal basis supporting it,
- e. any measures taken by the agency to minimize the cost and impact of the proposed rule and regulation on business and economic development within the State of Oklahoma, local government, and individuals, and
- f. a classification of the rule as major or nonmajor, with a justification for the classification.

B. No agency shall submit a major rule and regulation to the Secretary of State for filing without completing an economic impact analysis for the proposed rule and regulation and providing the analysis to the Legislative Economic Analysis Unit as created pursuant to Section 4 of this act.

C. The agency shall consult with counties, municipalities, and school boards, as appropriate, when preparing the economic impact statement of a proposed rule and regulation which increases or

1 decreases revenue of counties, cities, or school districts or
2 imposes functions or responsibilities on counties, cities, or school
3 districts which may increase their expenditures or fiscal liability.
4 The agency shall consult and solicit information from businesses,
5 business associations, local government units, state agencies, or
6 members of the public that may be affected by the proposed rule and
7 regulation or that may provide relevant information.

8 SECTION 14. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 603 of Title 75, unless there is
10 created a duplication in numbering, reads as follows:

11 A. The LEAU is hereby established to assist the Administrative
12 Rules Committee in evaluating major rules proposed by state
13 agencies.

14 B. A Legislative Economic Analysis Unit (LEAU) shall be created
15 within the Legislative Office of Fiscal Transparency (LOFT) to
16 provide independent and reliable economic analysis and other
17 information relevant to the conduct of the Legislature's oversight
18 and legislative duties.

19 1. The Legislative Office of Fiscal Transparency shall, within
20 ninety (90) days of the effective date of this act, establish a
21 division within the Office for the purpose of reviewing the Oklahoma
22 Administrative Code and proposed administrative rules of state
23 agencies.

1 2. The Office may employ no more than five full-time-equivalent
2 employees (FTEs) to serve the division and carry out the functions
3 in this section.

4 3. Within twenty-one (21) calendar days of receiving the
5 proposed rules and regulations, the LEAU shall conduct an
6 independent analysis to determine that the agency has complied with
7 the requirements for the economic impact statement. The LEAU will
8 assess whether the proposed rule and regulation will result in
9 implementation and compliance costs of more than One Million Dollars
10 (\$1,000,000.00) over the initial five-year period after
11 implementation.

12 4. The LEAU shall provide a report on each major rule and
13 regulation to the committees of jurisdiction by the end of the
14 twenty-first calendar day after its submission.

15 5. The LEAU shall inform the committee if the economic impact
16 statement from the agency is incomplete or contains substantive
17 inaccuracies.

18 6. The LEAU shall report to the committee designated by the
19 President Pro Tempore of the Oklahoma State Senate and the Speaker
20 of the Oklahoma House of Representatives.

21 C. State agencies shall cooperate fully with the LEAU and the
22 Legislature in providing data, documentation, and analysis required
23 under this act.

1 D. The President Pro Tempore of the Oklahoma State Senate,
2 Speaker of the Oklahoma House of Representatives, and committee
3 chairs of the Administrative Rules Committees may also direct the
4 division to conduct evaluations of proposed major rules or existing
5 provisions of the administrative code.

6 E. Reporting and Transparency:

7 1. The LEAU shall make all analyses and determinations publicly
8 available on its website upon completion.

9 2. An annual report summarizing the year's evaluations and
10 findings shall be submitted to the President Pro Tempore of the
11 Oklahoma State Senate and the Speaker of the Oklahoma House of
12 Representatives and published on its website.

13 3. Within the annual report, the LEAU shall quantify the impact
14 of its work, including reductions in regulations, cost savings, and
15 other measurable benefits to the economy.

16 SECTION 15. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 604 of Title 75, unless there is
18 created a duplication in numbering, reads as follows:

19 A major rule shall not take effect unless specifically approved
20 by the Legislature through a measure receiving a constitutional
21 majority in each chamber.

22 SECTION 16. This act shall become effective November 1, 2025.
23
24

1 Passed the House of Representatives the 20th day of February,
2 2025.

3
4 Presiding Officer of the House
5 of Representatives

6 Passed the Senate the ____ day of _____, 2025.

7
8 Presiding Officer of the Senate