

1 **SENATE FLOOR VERSION**

2 April 16, 2025

3 **AS AMENDED**

4 ENGROSSED HOUSE

5 BILL NO. 2728

6 By: Kendrix, Maynard,
7 Crosswhite Hader, Lepak,
8 Moore, Caldwell (Trey),
9 Boles, Hill, Hildebrant,
10 Steagall, and Kane of the
11 House

12 and

13 Bergstrom, Jett, Woods, and
14 Prieto of the Senate

15
16 [administrative rule processes - duties - procedures
17 - analysis - consultation - information - Legislative
18 Economic Analysis Unit - employees - reports -
19 cooperation - evaluation - quantification - approval
20 - noncodification - codification - effective date]
21

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

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

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

27 SECTION 2. NEW LAW A new section of law to be codified
28 in the Oklahoma Statutes as Section 601 of Title 75, unless there is
29 created a duplication in numbering, reads as follows:

30 As used in this act:

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

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

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

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

23 A. Each state agency promulgating a major rule shall provide:
24

1 1. Whether the proposed rule and regulation is mandated by
2 federal law as a requirement for participating in or implementing a
3 federally subsidized or assisted program and whether the proposed
4 rule and regulation exceeds the requirements of the applicable
5 federal law; and

6 2. An analysis specifically addressing the following factors:

- 7 a. a comprehensive analysis of the rule's economic
8 impact, including any costs or benefits including a
9 detailed quantification of implementation and
10 compliance costs, on the specific businesses, business
11 sectors, public utility ratepayers, individuals, and
12 local government units that will be affected by the
13 proposed rule and regulation and on the state economy
14 as a whole,
- 15 b. a detailed explanation of the methodology and
16 assumptions used to determine the economic impact,
17 including the dollar amounts calculated,
- 18 c. an estimate of the total annual implementation and
19 compliance costs that are reasonably expected to be
20 incurred by or passed along to businesses, local
21 government units, or individuals and a determination
22 of whether those costs will exceed One Million Dollars
23 (\$1,000,000.00) over the initial five-year period
24

1 following the adoption of the proposed rule and
2 regulation,

3 d. a statement of the need for the rule and the legal
4 basis supporting it,

5 e. any measures taken by the agency to minimize the cost
6 and impact of the proposed rule and regulation on
7 business and economic development within the State of
8 Oklahoma, local government, and individuals, and

9 f. a classification of the rule as major or nonmajor,
10 with a justification for the classification.

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

16 C. The agency shall consult with counties, municipalities, and
17 school boards, as appropriate, when preparing the economic impact
18 statement of a proposed rule and regulation which increases or
19 decreases revenue of counties, cities, or school districts or
20 imposes functions or responsibilities on counties, cities, or school
21 districts which may increase their expenditures or fiscal liability.
22 The agency shall consult and solicit information from businesses,
23 business associations, local government units, state agencies, or
24

1 members of the public that may be affected by the proposed rule and
2 regulation or that may provide relevant information.

3 SECTION 4. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 603 of Title 75, unless there is
5 created a duplication in numbering, reads as follows:

6 A. The LEAU is hereby established to assist the Administrative
7 Rules Committee in evaluating major rules proposed by state
8 agencies.

9 B. A Legislative Economic Analysis Unit (LEAU) shall be created
10 within the Legislative Office of Fiscal Transparency (LOFT) to
11 provide independent and reliable economic analysis and other
12 information relevant to the conduct of the Legislature's oversight
13 and legislative duties.

14 1. The Legislative Office of Fiscal Transparency shall, within
15 ninety (90) days of the effective date of this act, establish a
16 division within the Office for the purpose of reviewing the Oklahoma
17 Administrative Code and proposed administrative rules of state
18 agencies.

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

22 3. Within twenty-one (21) calendar days of receiving the
23 proposed rules and regulations, the LEAU shall conduct an
24 independent analysis to determine that the agency has complied with

1 the requirements for the economic impact statement. The LEAU will
2 assess whether the proposed rule and regulation will result in
3 implementation and compliance costs of more than One Million Dollars
4 (\$1,000,000.00) over the initial five-year period after
5 implementation.

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

9 5. The LEAU shall inform the committee if the economic impact
10 statement from the agency is incomplete or contains substantive
11 inaccuracies.

12 6. The LEAU shall report to the committee designated by the
13 President Pro Tempore of the Oklahoma State Senate and the Speaker
14 of the Oklahoma House of Representatives.

15 C. State agencies shall cooperate fully with the LEAU and the
16 Legislature in providing data, documentation, and analysis required
17 under this act.

18 D. The President Pro Tempore of the Oklahoma State Senate,
19 Speaker of the Oklahoma House of Representatives, and committee
20 chairs of the Administrative Rules Committees may also direct the
21 division to conduct evaluations of proposed major rules or existing
22 provisions of the administrative code.

23 E. Reporting and Transparency:
24

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

3 2. An annual report summarizing the year's evaluations and
4 findings shall be submitted to the President Pro Tempore of the
5 Oklahoma State Senate and the Speaker of the Oklahoma House of
6 Representatives and published on its website.

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

10 SECTION 5. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 604 of Title 75, unless there is
12 created a duplication in numbering, reads as follows:

13 A major rule shall not take effect unless specifically approved
14 by the Legislature through a measure receiving a constitutional
15 majority in each chamber.

16 SECTION 6. This act shall become effective November 1, 2025.

17 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS
18 April 16, 2025 - DO PASS AS AMENDED
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