



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

House Bill 4205 (Substitute S-1 as reported)
Sponsor: Representative Triston Cole
House Committee: Oversight
Senate Committee: Oversight

CONTENT

The bill would amend the Administrative Procedures Act to prohibit a State agency from adopting or promulgating a rule, except an emergency rule, that was more stringent than an applicable federally mandated standard, unless the agency director determined that there was a clear and convincing need to exceed the Federal standard. If the Federal government had not mandated that the State promulgate rules, an agency could not adopt or promulgate a rule, except an emergency rule, that was more stringent than an applicable Federal standard unless specifically authorized by a Michigan statute or unless the agency director determined that there was a clear and convincing need to exceed the applicable Federal standard.

These provisions would not apply to the amendment of special education programs and services rules of the Michigan Administrative Code. However, upon the rescission of those rules, the bill's provisions would apply to the promulgation of new rules relating to special education.

The Act requires an agency to include with a notice of transmittal a regulatory impact statement that contains certain information. The bill would require the regulatory impact statement also to contain a statement of specific facts that established the clear and convincing need to adopt the more stringent rule and an explanation of the exceptional circumstances that necessitated the more stringent rule, or the statute that specifically authorized the more stringent rule, if the Federal government had not mandated the State to promulgate rules.

MCL 24.232 & 24.245

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill could have a fiscal impact on the State Budget Office; however, the amount is indeterminate and dependent on the number of administrative rules that would qualify as more stringent than applicable federally mandated standards. The bill would allow the director of an agency to adopt a more stringent rule if there were a clear and convincing need to exceed the Federal standard. Thus, the adoption of new rules and/or the revision of existing rules could require the State Budget Office to absorb any associated costs. Depending on the costs, the Office could absorb them within existing appropriations.

In addition, the bill could reduce costs if it led to the promulgation of fewer rules.

The bill would have no fiscal impact on local government.

Date Completed: 10-9-17

Fiscal Analyst: Joe Carrasco

[floor/hb4205](#)

Bill Analysis @ www.senate.michigan.gov/sfa

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.