

**SUBSTITUTE FOR
SENATE BILL NO. 962**

A bill to amend 1969 PA 306, entitled
"Administrative procedures act of 1969,"
by amending sections 5, 44, 45, and 45a (MCL 24.205, 24.244,
24.245, and 24.245a), section 5 as amended by 2006 PA 460, section
44 as amended by 2004 PA 23, section 45 as amended by 2013 PA 200,
and section 45a as amended by 2011 PA 245, and by adding section
45c.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. ~~(1)~~**AS USED IN THIS ACT:**

2 **(A)** "License" includes the whole or part of an agency permit,
3 certificate, approval, registration, charter, or similar form of
4 permission required by law. ~~7~~~~but~~**LICENSE** does not include a
5 license required solely for revenue purposes~~7~~ or a license or
6 registration issued under the Michigan vehicle code, 1949 PA 300,

1 MCL 257.1 to 257.923.

2 (B) ~~(2)~~—"Licensing" includes agency activity involving the
3 grant, denial, renewal, suspension, revocation, annulment,
4 withdrawal, recall, cancellation, or amendment of a license.

5 (C) ~~(3)~~—"Michigan register" means the publication described in
6 section 8.

7 (D) ~~(4)~~—"Notice" means a written or electronic record that
8 informs a person of past or future action of the person generating
9 the record.

10 (E) ~~(5)~~—"Notice of objection" means the record adopted by the
11 committee that indicates the committee's formal objection to a
12 proposed rule.

13 (F) **"OFFICE" MEANS, UNLESS EXPRESSLY STATED OTHERWISE, THE**
14 **OFFICE OF PERFORMANCE AND TRANSFORMATION.**

15 (G) **"OFFICE OF REGULATORY REFORM", "STATE OFFICE OF**
16 **ADMINISTRATIVE HEARINGS AND RULES", AND "OFFICE OF REGULATORY**
17 **REINVENTION" MEAN THE OFFICE.**

18 (H) ~~(6)~~—"Party" means a person or agency named, admitted, or
19 properly seeking and entitled of right to be admitted, as a party
20 in a contested case. In a contested case regarding an application
21 for a license, party includes the applicant for ~~that~~ **THE** license.

22 (I) ~~(7)~~—"Person" means an individual, partnership,
23 association, corporation, limited liability company, limited
24 liability partnership, governmental subdivision, or public or
25 private organization of any kind other than the agency engaged in
26 the particular processing of a rule, declaratory ruling, or
27 contested case.

1 **(J)** ~~(8)~~—"Processing of a rule" means the action required or
2 authorized by this act regarding a rule that is to be promulgated,
3 including the rule's adoption, and ending with the rule's
4 promulgation.

5 **(K)** ~~(9)~~—"Promulgation of a rule" means that step in the
6 processing of a rule consisting of the filing of a ~~THE~~ rule with
7 the secretary of state.

8 **(L)** ~~(10)~~—"Record" means information that is inscribed on a
9 paper or electronic medium.

10 Sec. 44. (1) Sections 41 and 42 do not apply to an amendment
11 or rescission of a rule that is obsolete or superseded, or that is
12 required to make obviously needed corrections to make the rule
13 conform to an amended or new statute or to accomplish any other
14 solely formal purpose, if a statement to that effect is included in
15 the legislative service bureau certificate of approval of the rule.

16 (2) Sections 41 and 42 do not apply to a rule that is
17 promulgated under the Michigan occupational safety and health act,
18 1974 PA 154, MCL 408.1001 to 408.1094, that is substantially
19 similar to an existing federal standard that has been adopted or
20 promulgated under the occupational safety and health act of 1970,
21 Public Law 91-596. ~~, 84 Stat. 1590.~~ However, notice of the proposed
22 rule ~~shall~~ **MUST** be published in the Michigan register at least 35
23 days before the submission of the rule to the secretary of state
24 ~~pursuant to~~ **UNDER** section 46(1). A reasonable period, not to exceed
25 21 days, ~~shall~~ **MUST** be provided for the submission of written or
26 electronic comments and views following publication in the Michigan
27 register.

1 (3) SECTIONS 41 AND 42 DO NOT APPLY TO A CHANGE TO A PROPOSED
2 RULE BY AN AGENCY DURING PROCESSING OF THE RULE IF THE OFFICE
3 DETERMINES UNDER SECTION 45C(3) THAT THE REGULATORY IMPACT AND
4 IMPACT ON SMALL BUSINESSES OF THE CHANGED PROPOSED RULE ARE NOT
5 MORE BURDENSOME THAN THE REGULATORY IMPACT AND IMPACT ON SMALL
6 BUSINESSES OF THE ORIGINAL PROPOSED RULE.

7 (4) ~~(3)~~ For purposes of subsection (2), "substantially
8 similar" means identical, with the exception of style or format
9 differences needed to conform to this or other state laws, as
10 determined by the office. ~~of regulatory reform pursuant to section~~
11 ~~45(1).~~

12 Sec. 45. (1) Except as otherwise provided in this subsection,
13 an agency shall electronically submit a proposed rule to the
14 legislative service bureau for its formal certification. If
15 requested by the legislative service bureau, the office ~~of~~
16 ~~regulatory reinvention~~ shall also transmit up to 4 paper copies of
17 the proposed rule. The legislative service bureau shall promptly
18 issue a certificate of approval indicating whether the proposed
19 rule is proper as to all matters of form, classification, and
20 arrangement. If the legislative service bureau fails to issue a
21 certificate of approval within 21 calendar days after receipt of
22 the submission for formal certification, the office ~~of regulatory~~
23 ~~reinvention~~ may issue a certificate of approval. If the legislative
24 service bureau returns the submission to the agency before the
25 expiration of the 21-calendar-day time period, the 21-calendar-day
26 time period is tolled until the rule is resubmitted by the agency.
27 ~~The~~ **AFTER RESUBMISSION, THE** legislative service bureau shall have

1 **HAS** the remainder of the 21-calendar-day time period or 6 calendar
2 days, whichever is longer, to consider the formal certification of
3 the rule. The office ~~of regulatory reinvention~~ may approve a
4 proposed rule if it considers the proposed rule to be legal and
5 appropriate.

6 (2) Except as provided in subsection (6), after notice is
7 given as provided in this act and before the agency proposing the
8 rule has formally adopted the rule, the agency shall prepare an
9 agency report containing a synopsis of the comments contained in
10 the public hearing record, a copy of the request for rule-making,
11 and the regulatory impact statement required under subsection (3).
12 In the report, the agency shall describe any changes in the
13 proposed rules that were made by the agency after the public
14 hearing. The office ~~of regulatory reinvention~~ shall transmit by
15 notice of transmittal to the committee copies of the rule, the
16 agency reports containing the request for rule-making, a copy of
17 the regulatory impact statement, and certificates of approval from
18 the legislative service bureau and the office. ~~of regulatory~~
19 ~~reinvention.~~ The office ~~of regulatory reinvention~~ shall also
20 electronically submit to the committee a copy of the rule, any
21 agency reports required under this subsection, any regulatory
22 impact statements required under subsection (3), and any
23 certificates of approval required under subsection (1). The agency
24 shall electronically transmit to the committee the records
25 described in this subsection within 1 year after the date of the
26 last public hearing on the proposed rule. ~~unless the proposed rule~~
27 ~~is a resubmission under section 45a(7).~~

1 (3) Except as provided in subsection (6), an agency shall
2 prepare and include with a notice of transmittal under subsection
3 (2) the request for rule-making and the response from the office,
4 ~~of regulatory reinvention,~~ a small business impact statement
5 prepared under section ~~40(1),~~ **40**, and a regulatory impact
6 statement. The regulatory impact statement ~~shall~~ **MUST** contain all
7 of the following information:

8 (a) A comparison of the proposed rule to parallel federal
9 rules or standards set by a state or national licensing agency or
10 accreditation association, if any exist.

11 (b) If requested by the office ~~of regulatory reinvention or~~
12 the committee, a comparison of the proposed rule to standards in
13 similarly situated states, based on geographic location,
14 topography, natural resources, commonalities, or economic
15 similarities.

16 (c) An identification of the behavior and frequency of
17 behavior that the rule is designed to alter.

18 (d) An identification of the harm resulting from the behavior
19 that the rule is designed to alter and the likelihood that the harm
20 will occur in the absence of the rule.

21 (e) An estimate of the change in the frequency of the targeted
22 behavior expected from the rule.

23 (f) An identification of the businesses, groups, or
24 individuals who will be directly affected by, bear the cost of, or
25 directly benefit from the rule.

26 (g) An identification of any reasonable alternatives to
27 regulation pursuant to the proposed rule that would achieve the

1 same or similar goals.

2 (h) A discussion of the feasibility of establishing a
3 regulatory program similar to that proposed in the rule that would
4 operate through market-based mechanisms.

5 (i) An estimate of the cost of rule imposition on the agency
6 promulgating the rule.

7 (j) An estimate of the actual statewide compliance costs of
8 the proposed rule on individuals.

9 (k) A demonstration that the proposed rule is necessary and
10 suitable to achieve its purpose in proportion to the burdens it
11 places on individuals.

12 (l) An estimate of the actual statewide compliance costs of
13 the proposed rule on businesses and other groups.

14 (m) An identification of any disproportionate impact the
15 proposed rule may have on small businesses because of their size.

16 (n) An identification of the nature of any report required and
17 the estimated cost of its preparation by small businesses required
18 to comply with the proposed rule.

19 (o) An analysis of the costs of compliance for all small
20 businesses affected by the proposed rule, including costs of
21 equipment, supplies, labor, and increased administrative costs.

22 (p) An identification of the nature and estimated cost of any
23 legal consulting and accounting services that small businesses
24 would incur in complying with the proposed rule.

25 (q) An estimate of the ability of small businesses to absorb
26 the costs estimated under subdivisions (n) to (p) without suffering
27 economic harm and without adversely affecting competition in the

1 marketplace.

2 (r) An estimate of the cost, if any, to the agency of
3 administering or enforcing a rule that exempts or sets lesser
4 standards for compliance by small businesses.

5 (s) An identification of the impact on the public interest of
6 exempting or setting lesser standards of compliance for small
7 businesses.

8 (t) A statement describing the manner in which the agency
9 reduced the economic impact of the rule on small businesses or a
10 statement describing the reasons such a reduction was not feasible.

11 (u) A statement describing how the agency has involved small
12 businesses in the development of the rule.

13 (v) An estimate of the primary and direct benefits of the
14 rule.

15 (w) An estimate of any cost reductions to businesses,
16 individuals, groups of individuals, or governmental units as a
17 result of the rule.

18 (x) An estimate of any increase in revenues to state or local
19 governmental units as a result of the rule.

20 (y) An estimate of any secondary or indirect benefits of the
21 rule.

22 (z) An identification of the sources the agency relied ~~upon~~**ON**
23 in compiling the regulatory impact statement, including the
24 methodology utilized in determining the existence and extent of the
25 impact of a proposed rule and a cost-benefit analysis of the
26 proposed rule.

27 (aa) A detailed recitation of the efforts of the agency to

1 comply with the mandate to reduce the disproportionate impact of
2 the rule upon small businesses as described in section 40(1)(a) to
3 (d).

4 (bb) Any other information required by the office. ~~of~~
5 ~~regulatory reinvention.~~

6 (4) The agency shall electronically transmit the regulatory
7 impact statement required under subsection (3) to the office ~~of~~
8 ~~regulatory reinvention~~ at least 28 days before the public hearing
9 required under section ~~42. Before~~ **41. THE AGENCY SHALL NOT HOLD** the
10 public hearing ~~can be held,~~ **UNTIL** the regulatory impact statement
11 ~~must be~~ **HAS BEEN** reviewed and approved by the office. ~~of regulatory~~
12 ~~reinvention.~~ The agency shall also electronically transmit a copy
13 of the regulatory impact statement to the committee before the
14 public hearing and the agency shall make copies available to the
15 public at the public hearing. The agency shall publish the
16 regulatory impact statement on its website at least 10 days before
17 the date of the public hearing.

18 (5) The committee shall electronically transmit to the senate
19 fiscal agency and the house fiscal agency a copy of each rule and
20 regulatory impact statement filed with the committee and a copy of
21 the agenda identifying the proposed rules to be considered by the
22 committee. The senate fiscal agency and the house fiscal agency
23 shall analyze each proposed rule for possible fiscal implications
24 that, if the rule were adopted, would result in additional
25 appropriations in the current fiscal year or commit the legislature
26 to an appropriation in a future fiscal year. The senate fiscal
27 agency and the house fiscal agency shall electronically report

1 their findings to the senate and house appropriations committees
 2 and to the committee before the date of consideration of the
 3 proposed rule by the committee.

4 (6) Subsections (2), (3), and (4) do not apply to a rule that
 5 is promulgated under section 33 ~~, 44, or 48~~ **OR A RULE TO WHICH**
 6 **SECTIONS 41 AND 42 DO NOT APPLY AS PROVIDED IN SECTION 44.**

7 Sec. 45a. (1) Except as otherwise provided in subsections ~~(7)~~
 8 ~~to (9), (10) TO (12)~~, after the committee has received ~~the~~ **A** notice
 9 of transmittal ~~specified in~~ **UNDER** section 45(2), the committee has
 10 15 session days in which to consider the rule and ~~to object~~ **DO 1 OF**
 11 **THE FOLLOWING:**

12 (A) **OBJECT** to the rule by ~~filing~~ **APPROVING** a notice of
 13 objection ~~approved by a concurrent majority of the committee~~
 14 ~~members or the committee may, by concurrent majority, waive the~~
 15 **UNDER SUBSECTION (2) AND FILING THE NOTICE WITH THE OFFICE.**

16 (B) **PROPOSE THAT THE RULE BE CHANGED. IF THE COMMITTEE**
 17 **PROPOSES THAT A RULE BE CHANGED UNDER THIS SUBDIVISION, SECTION 45C**
 18 **APPLIES.**

19 (C) **DECIDE TO INTRODUCE BILLS UNDER SUBSECTION (5) TO ENACT**
 20 **THE SUBJECT OF THE RULE INTO LAW.**

21 (D) **WAIVE ANY** remaining session days. If the committee waives
 22 the remaining session days, the clerk of the committee shall
 23 promptly notify the office ~~of regulatory reinvention~~ of the waiver
 24 by electronic transmission. ~~The~~

25 (2) **TO APPROVE A NOTICE OF OBJECTION UNDER SUBSECTION (1) (A) ,**
 26 **A CONCURRENT MAJORITY OF THE** committee, ~~may only approve a notice~~
 27 ~~of objection if the committee~~ **AS PROVIDED IN SECTION 35, MUST**

1 affirmatively ~~determines by a concurrent majority~~ **DETERMINE** that 1
2 or more of the following conditions exist:

3 (a) The agency lacks statutory authority for the rule.

4 (b) The agency is exceeding the statutory scope of its rule-
5 making authority.

6 (c) There exists an emergency relating to the public health,
7 safety, and welfare that would warrant disapproval of the rule.

8 (d) The rule conflicts with state law.

9 (e) A substantial change in circumstances has occurred since
10 enactment of the law ~~upon~~ **ON** which the proposed rule is based.

11 (f) The rule is arbitrary or capricious.

12 (g) The rule is unduly burdensome to the public or to a
13 licensee licensed ~~by~~ **UNDER** the rule.

14 **(3)** ~~(2)~~—If the committee does not ~~file~~ **APPROVE** a notice of
15 objection, **PROPOSE THAT THE RULE BE CHANGED, OR DECIDE TO INTRODUCE**
16 **BILLS UNDER SUBSECTION (5)** within the time period prescribed in
17 subsection (1), or if the committee waives the remaining session
18 days ~~by concurrent majority,~~ **UNDER SUBSECTION (1)**, the office of
19 ~~regulatory reinvention~~ may immediately file the rule, with the
20 certificate of approval required under section 45(1), with the
21 secretary of state. The rule takes effect immediately ~~upon its~~
22 ~~filing~~ **ON BEING FILED** with the secretary of state unless a later
23 date is indicated ~~within~~ **IN** the rule.

24 **(4)** ~~(3)~~—If the committee files a notice of objection ~~within~~
25 ~~the time period prescribed in~~ **UNDER** subsection ~~(1),~~ **(1) (A)**, the
26 committee chair, the alternate chair, or any member of the
27 committee shall ~~cause~~ **INTRODUCE** bills ~~to be introduced in both~~

1 houses of the legislature, simultaneously **TO THE EXTENT**
 2 **PRACTICABLE**. Each house shall place the bill or bills directly on
 3 its calendar. The bills ~~shall~~**MUST** contain 1 or more of the
 4 following:

5 (a) A rescission of a rule upon its effective date.

6 (b) A repeal of the statutory provision under which the rule
 7 was authorized.

8 (c) A bill staying the effective date of the proposed rule for
 9 up to 1 year.

10 (5) **IF THE COMMITTEE DECIDES TO PROCEED UNDER THIS SUBSECTION**
 11 **AS PROVIDED IN SUBSECTION (1) (C), THE COMMITTEE CHAIR AND THE**
 12 **ALTERNATE CHAIR SHALL, AS SOON AS THE BILLS HAVE BEEN PREPARED,**
 13 **INTRODUCE OR CAUSE TO BE INTRODUCED IN BOTH HOUSES OF THE**
 14 **LEGISLATURE BILLS TO ENACT INTO LAW THE SUBJECT OF THE PROPOSED**
 15 **RULE. THE LANGUAGE OF A BILL INTRODUCED UNDER THIS SUBSECTION IS**
 16 **NOT REQUIRED TO BE IDENTICAL TO THE LANGUAGE OF THE PROPOSED RULE.**
 17 **THE LEGISLATIVE SERVICE BUREAU SHALL GIVE PRIORITY TO THE**
 18 **PREPARATION OF THE BILLS.**

19 (6) ~~(4) The notice of objection filed under subsection (3)~~
 20 ~~stays the ability of the office of regulatory reinvention to~~ **SHALL**
 21 ~~NOT file the rule with the secretary of state~~ **A RULE AS TO WHICH**
 22 **THE COMMITTEE HAS FILED A NOTICE OF OBJECTION UNDER SUBSECTION**
 23 **(1) (A) until the earlier** **AFTER WHICHEVER** of the following **APPLIES:**

24 (a) ~~Fifteen~~ **UNLESS SUBDIVISION (B) APPLIES, 15** session days
 25 after **THE DATE** the notice of objection is filed. ~~under subsection~~
 26 ~~(3).~~

27 (b) The date of the ~~A~~ rescission of the ~~issuance of the notice~~

1 of objection ~~approved by a concurrent majority of the committee~~
 2 ~~members.~~ **AS PROVIDED IN THIS SUBDIVISION.** The committee may ~~meet to~~
 3 rescind ~~the issuance of the~~ **A** notice of objection under ~~this~~
 4 ~~subdivision.~~ **FILED UNDER SUBSECTION (1) (A).** If the committee
 5 rescinds ~~the issuance of a~~ notice of objection under this
 6 subdivision, the clerk of the committee shall promptly notify the
 7 office ~~of regulatory reinvention~~ by electronic transmission of the
 8 ~~recession.~~ **RESCISSION.**

9 **(7) IF THE COMMITTEE DECIDES TO INTRODUCE BILLS UNDER**
 10 **SUBSECTION (5) WITH RESPECT TO THE SUBJECT OF A RULE, THE OFFICE**
 11 **SHALL NOT FILE THE RULE WITH THE SECRETARY OF STATE UNTIL 1**
 12 **CALENDAR YEAR AFTER THE BILLS WERE INTRODUCED.**

13 **(8)** ~~(5)~~ If ~~the~~ legislation introduced under subsection ~~(3)~~ **(4)**
 14 **OR (5)** is defeated in either house and if the vote by which the
 15 legislation failed to pass is not reconsidered in compliance with
 16 the rules of that house, or if legislation introduced under
 17 subsection ~~(3)~~ **(4) OR (5)** is not adopted by both houses within the
 18 ~~time~~ **APPLICABLE** period specified in subsection ~~(4)~~, **(6) OR (7)**, the
 19 office ~~of regulatory reinvention~~ may file the rule with the
 20 secretary of state. The rule takes effect immediately ~~upon its~~
 21 ~~filing~~ **ON BEING FILED** with the secretary of state unless a later
 22 date is specified ~~within~~ **IN** the rule.

23 **(9)** ~~(6)~~ If ~~the~~ legislation introduced under subsection ~~(3)~~ **(4)**
 24 **OR (5)** is enacted by the legislature and presented to the governor
 25 within the 15-session-day period **UNDER SUBSECTION (6) OR BEFORE THE**
 26 **EXPIRATION OF 1 CALENDAR YEAR UNDER SUBSECTION (7)**, the rule does
 27 not take effect unless the legislation is vetoed by the governor as

1 provided by law. If the governor vetoes the legislation, the office
 2 ~~of regulatory reinvention~~ may file the rule with the secretary of
 3 state immediately. The rule takes effect 7 days after the date ~~of~~
 4 ~~its filing~~ **IT IS FILED** with the secretary of state unless a later
 5 effective date is indicated ~~within~~ **IN** the rule.

6 **(10)** ~~(7)~~ An agency may withdraw a proposed rule under the
 7 following conditions:

8 (a) With permission of the committee chair and alternate
 9 chair, the agency may withdraw the rule **TO CHANGE THE RULE** and
 10 resubmit it **AS CHANGED**. If permission to withdraw is granted, the
 11 15-session-day ~~time~~ period described in subsection (1) is tolled
 12 until the rule is resubmitted. ~~, except that~~ **HOWEVER**, the committee
 13 ~~shall~~ **MUST** have at least 6 session days after resubmission to
 14 consider the resubmitted rule, **AND IF NECESSARY, THE PERIOD UNDER**
 15 **SUBSECTION (1) IS EXTENDED TO GIVE THE COMMITTEE THE 6 DAYS.**

16 (b) Without permission of the committee chair and alternate
 17 chair, the agency may withdraw the rule **TO CHANGE THE RULE** and
 18 resubmit it **AS CHANGED**. If permission to withdraw is not granted, a
 19 new and untolled 15-session-day time period described in subsection
 20 (1) ~~shall begin upon~~ **BEGINS ON** resubmission of the rule to the
 21 committee for consideration.

22 **(11)** ~~(8)~~ Subsections (1) to (5) ~~do~~ **THIS SECTION DOES** not apply
 23 to rules adopted under ~~sections~~ **SECTION** 33 ~~, 44, and~~ **OR** 48 **OR A**
 24 **RULE TO WHICH SECTIONS 41 AND 42 DO NOT APPLY AS PROVIDED IN**
 25 **SECTION 44(1) OR (2).**

26 **(12)** ~~(9)~~ An agency shall withdraw any rule pending before the
 27 committee at the final adjournment of a regular session held in an

1 even-numbered year and resubmit ~~that~~ **THE** rule. A new and untolled
2 15-session-day ~~time~~ period described in subsection (1) ~~shall begin~~
3 ~~upon~~ **BEGINS ON** resubmission of the rule to the committee for
4 consideration.

5 (13) ~~(10)~~ As used in this section only, "session day" means a
6 day in which both the house of representatives and the senate
7 convene in session and a quorum is recorded.

8 **SEC. 45C. (1) IF THE COMMITTEE PROPOSES THAT A PROPOSED RULE**
9 **BE CHANGED UNDER SECTION 45A(1), THE AGENCY SHALL, WITHIN 30 DAYS,**
10 **DO 1 OF THE FOLLOWING:**

11 (A) **DECIDE TO CHANGE THE RULE AND, WITHIN THE 30 DAYS,**
12 **RESUBMIT THE RULE, AS CHANGED, TO THE COMMITTEE. IF THE AGENCY**
13 **DECIDES TO CHANGE THE RULE, SUBSECTIONS (2) TO (5) APPLY.**

14 (B) **DECIDE TO NOT CHANGE THE RULE. IF THE AGENCY DECIDES TO**
15 **NOT CHANGE THE RULE, SUBSECTION (6) APPLIES.**

16 (2) **IF AN AGENCY DECIDES TO CHANGE A PROPOSED RULE UNDER**
17 **SUBSECTION (1), THE AGENCY SHALL WITHDRAW THE RULE. A WITHDRAWAL**
18 **UNDER THIS SUBSECTION IS A WITHDRAWAL WITH PERMISSION UNDER SECTION**
19 **45A(10). AFTER WITHDRAWING THE RULE UNDER THIS SUBSECTION, THE**
20 **AGENCY SHALL GIVE NOTICE TO THE OFFICE FOR PUBLICATION OF THE**
21 **PROPOSED RULE, AS CHANGED, UNDER SECTION 8. THE NOTICE MUST INCLUDE**
22 **THE TEXT OF THE RULE AS CHANGED.**

23 (3) **AFTER RECEIVING THE TEXT OF A PROPOSED RULE AS CHANGED**
24 **UNDER SUBSECTION (2), THE OFFICE SHALL REVIEW THE RULE AS CHANGED**
25 **AND DETERMINE WHETHER THE REGULATORY IMPACT OR THE IMPACT ON SMALL**
26 **BUSINESSES OF THE RULE AS CHANGED WOULD BE MORE BURDENSOME THAN THE**
27 **REGULATORY IMPACT OR THE IMPACT ON SMALL BUSINESSES OF THE RULE AS**

1 ORIGINALLY PROPOSED. IF THE LANGUAGE OF THE RULE AS CHANGED IS
2 IDENTICAL TO THE LANGUAGE OF THE CORRESPONDING RULE PROMULGATED AND
3 IN EFFECT AT THE TIME OF THE REVIEW, THE REGULATORY IMPACT AND
4 IMPACT ON SMALL BUSINESSES OF THE RULE AS CHANGED ARE NOT MORE
5 BURDENSOME. THE OFFICE SHALL NOTIFY THE AGENCY OF ITS DETERMINATION
6 UNDER THIS SUBSECTION.

7 (4) IF THE OFFICE'S DETERMINATION UNDER SUBSECTION (3) IS THAT
8 THE REGULATORY IMPACT AND THE IMPACT ON SMALL BUSINESSES OF THE
9 RULE AS CHANGED WOULD NOT BE MORE BURDENSOME, THE AGENCY IS NOT
10 REQUIRED TO PREPARE A NEW AGENCY REPORT UNDER SECTION 45(2) OR
11 CONDUCT A NEW PUBLIC HEARING ON THE RULE AS CHANGED. IF THE
12 DETERMINATION IS THAT THE REGULATORY IMPACT AND THE IMPACT ON SMALL
13 BUSINESSES OF THE RULE AS CHANGED WOULD BE MORE BURDENSOME, THE
14 AGENCY SHALL PREPARE A NEW AGENCY REPORT UNDER SECTION 45(2) AND
15 CONDUCT A NEW PUBLIC HEARING.

16 (5) AFTER RECEIVING THE OFFICE'S DETERMINATION UNDER
17 SUBSECTION (3), THE AGENCY SHALL SUBMIT A SUPPLEMENT TO THE AGENCY
18 REPORT UNDER SECTION 45(2) THAT INCLUDES ALL OF THE FOLLOWING:

19 (A) A STATEMENT OF THE DETERMINATION OF THE OFFICE UNDER
20 SUBSECTION (3) AND WHETHER A NEW AGENCY REPORT UNDER SECTION 45(2)
21 AND PUBLIC HEARING ARE REQUIRED.

22 (B) AN EXPLANATION FOR THE PROPOSED CHANGED RULE.

23 (6) IF AN AGENCY DECIDES TO NOT CHANGE A RULE UNDER SUBSECTION
24 (1), THE AGENCY SHALL WITHIN THE 30-DAY PERIOD UNDER SUBSECTION (1)
25 NOTIFY THE COMMITTEE OF THE DECISION AND THE REASONS FOR THE
26 DECISION AND FILE THE NOTICE WITH THE OFFICE. AFTER THE NOTICE IS
27 FILED, THE COMMITTEE HAS 15 SESSION DAYS IN WHICH TO CONSIDER THE

1 AGENCY'S DECISION AND TAKE 1 OF THE ACTIONS LISTED IN SECTION
2 45A(1).

3 Enacting section 1. This amendatory act takes effect January
4 1, 2017.