

By: Senator(s) McDaniel, Sojourner

To: Accountability,
Efficiency, Transparency

SENATE BILL NO. 2808

1 AN ACT TO CODIFY SECTION 25-43-1.108, MISSISSIPPI CODE OF
2 1972, TO REDUCE REGULATION AND CONTROL REGULATORY COSTS BY
3 REQUIRING STATE AGENCIES TO IDENTIFY AT LEAST ONE REGULATION FOR
4 ELIMINATION FOR EVERY ONE NEW REGULATION WHICH IS PROPOSED FOR
5 ADOPTION; TO DIRECT THE SECRETARY OF STATE TO ISSUE REGULATIONS TO
6 PROVIDE GUIDANCE TO STATE AGENCIES IN STANDARDIZING THE
7 MEASUREMENT OF REGULATORY COSTS AND IN IMPLEMENTING THIS ACT; TO
8 REQUIRE ANNUAL REPORTS BY THE SECRETARY OF STATE REGARDING THE
9 REDUCTION OF REGULATORY COSTS BY STATE AGENCIES; AND FOR RELATED
10 PURPOSES.

11 **SECTION 1.** The following provision shall be codified as
12 Section 25-43-1.108, Mississippi Code of 1972:

13 25-43-1.108 (1) **Purpose.** It is the policy of the
14 Legislature to be prudent and financially responsible in the
15 expenditure of funds, from both public and private sources. In
16 addition to the management of the direct expenditure of taxpayer
17 dollars through the budgeting process, it is essential to manage
18 the costs associated with the governmental imposition of private
19 expenditures required to comply with Federal regulations. Toward
20 that end, it is important that for every one (1) new regulation
21 issued, at least one (1) prior regulation be identified for



elimination, and that the cost of planned regulations be prudently managed and controlled through a budgeting process.

(2) **Regulatory Cap.** (a) Unless prohibited by law, whenever a state department or agency (agency) publicly proposes for notice and comment or otherwise promulgates a new regulation, it shall identify at least one (1) existing regulation to be repealed.

(b) For fiscal year 2021, the heads of all state agencies are directed that the total incremental cost of all new regulations, including repealed regulations, to be finalized this year shall be no greater than zero (0), unless otherwise required by law.

(c) In furtherance of the requirement of subsection (a) of this section, any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least one (1) prior regulation. Any state agency eliminating existing costs associated with prior regulations under this subsection shall do so in accordance with the Administrative Procedure Act and other applicable law.

(d) The Secretary of State shall provide the heads of agencies with guidance on the implementation of this section. Such guidance shall address, among other things, processes for standardizing the measurement and estimation of regulatory costs; standards for determining what qualifies as new and offsetting regulations; standards for determining the costs of existing



47 regulations that are considered for elimination; processes for
48 accounting for costs in different fiscal years; methods to oversee
49 the issuance of rules with costs offset by savings at different
50 times or different agencies; and emergencies and other
51 circumstances that might justify individual waivers of the
52 requirements of this section. The Secretary of State shall
53 consider phasing in and updating these requirements.

54 (e) The head of each agency shall identify, for each
55 regulation that increases incremental cost, the offsetting
56 regulations described in this section, and provide the agency's
57 best approximation of the total costs or savings associated with
58 each new regulation or repealed regulation.

59 **SECTION 2.** The Secretary of State shall report annually to
60 the Speaker of the House and the Lieutenant Governor no later than
61 February 1, 2021, February 1, 2022, and February 1, 2023, on the
62 progress of the regulatory program established pursuant to this
63 act.

64 **SECTION 3.** This act shall take effect and be in force from
65 and after July 1, 2020.

