MISSISSIPPI LEGISLATURE

By: Senator(s) Blackwell

REGULAR SESSION 2021

To: Accountability, Efficiency, Transparency

SENATE BILL NO. 2048

AN ACT TO REQUIRE A REGULATORY REDUCTION PROGRAM FOR CERTAIN 1 2 PILOT AGENCIES; TO REQUIRE PILOT AGENCIES TO DEVELOP A BASELINE 3 REGULATORY CATALOG AND REPORT CERTAIN DATA TO THE SECRETARY OF 4 STATE; TO PROVIDE THAT NO PILOT AGENCY MAY ADOPT A NEW REGULATION 5 UNLESS IT SIMULTANEOUSLY REMOVES TWO OR MORE OTHER EXISTING 6 REGULATIONS; TO REQUIRE THE PEER COMMITTEE TO REVIEW THE 7 REGULATORY REDUCTION EFFORTS OF THE PILOT AGENCIES AND REPORT TO 8 THE LEGISLATURE; AND FOR RELATED PURPOSES.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

10 SECTION 1. (1) As used in this act, unless the context

11 clearly indicates otherwise:

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(a) "Pilot agencies" means the Department of Health,
Department of Transportation, Department of Education, Department
of Finance and Administration, and Department of Information
Technology.

16 (b) "Regulation or rule" means any statement of general application, having the force of law, affecting the rights or 17 conduct of any person, adopted by an agency in accordance with the 18 19 authority conferred on it by applicable basic laws. Such rules or 20 regulations shall include administrative rules adopted in 21 accordance with the Mississippi Administrative Procedures Act, S. B. No. 2048 ~ OFFICIAL ~ G1/2 21/SS08/R73

Section 25-43-1.101 et seq., as well as any policy instrument, such as a guidance document, that includes a regulatory requirement.

(c) "Regulatory requirement" means any action or step that must be taken, or piece of information that must be provided, as stipulated by statute, regulation, policy or form, in order to access services, carry out business or pursue legislated privileges.

30 (d) "Guidance document" means an agency statement of 31 general applicability, intended to have an effect on the behavior 32 of regulated parties, that sets forth a policy on a statutory, 33 regulatory, or technical issue, or an interpretation of a statute 34 or regulation. Agency guidance documents include memoranda, 35 manuals, policy statements, interpretations of law or rules, and 36 other material of general applicability.

37 <u>SECTION 2.</u> (1) Every pilot agency shall undertake a review 38 of every regulation, rule and requirement under its jurisdiction 39 and prepare a base inventory, which shall include a numeric count, 40 of the regulatory requirements in its existing rules.

41 (a) As part of this review, every pilot agency shall:
42 (i) Accept written public comments for at least a
43 60-day period;

44 (ii) Hold at least two (2) public hearings to
45 allow citizens and businesses to identify regulations that are
46 ineffective, unnecessary, or unduly burdensome;

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47 (iii) Solicit and incorporate comments and advice
48 from private citizens, stakeholders, regulated entities, and other
49 interested parties; and

50 (iv) Complete the review within one hundred twenty51 (120) days of the enactment of this section.

52 (b) Every agency shall designate a Rule Review Officer 53 to oversee the review.

54 (c) For each existing regulation under its purview,
55 every agency shall affirm in a report submitted to the Secretary
56 of State, within one hundred eighty (180) days of the enactment of
57 this section:

58 (i) The number of regulatory requirements59 contained in the regulation;

(ii) Whether the regulation is mandated by state
or federal law or a court order, identifying the specific federal
or state code section or court order that authorizes the
regulation; or whether the regulation is issued at the discretion
of the regulating agency;

65 (iii) Whether the regulation is essential to the66 health, safety, or welfare of Mississippi residents;

(iv) Whether the regulation is the least
restrictive regulation necessary to protect consumers from
present, significant and substantiated harms that threaten public
health and safety;

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71 (v) An estimate of the annual costs imposed by the 72 regulation;

(vi) A process and schedule to measure the effectiveness of the regulation in the future, including identifying data that can be used in a retrospective cost-benefit analysis to assess the regulation's effectiveness;

77 (vii) Alternatives that have been considered as a78 substitute for the regulation; and

(viii) Whether the regulation is based on the most up-to-date and credible scientific, technical, economic and other relevant evidence.

82 (2) Based on the information collected in the reports
83 required by subsection (1)(c) of this section, every pilot agency
84 shall amend or rescind rules identified in its base inventory of
85 regulatory requirements as necessary to reduce the total number of
86 regulatory requirements under its purview by thirty percent (30%),
87 according to the following schedule:

88 (a) A ten percent (10%) reduction not later than
89 December 31, 2021;

90 (b) A twenty percent (20%) reduction not later than
91 December 31, 2022;

92 (c) A thirty percent (30%) reduction not later than93 December 31, 2023.

94 (3) Before proposing a new rule for publication in the95 Mississippi Administrative Bulletin, each pilot agency must

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96 initiate the repeal of at least two (2) existing rules and provide 97 a statement to the Secretary of State identifying the two (2) rules that have been repealed, along with an explanation as to 98 99 what the repeal will accomplish in terms of increasing economic 100 opportunities for the citizens of Mississippi and streamlining 101 state government. The provisions of this subsection (3) shall 102 remain in effect until a thirty percent (30%) reduction in 103 regulatory requirements is achieved by the pilot agency, after 104 which the repeal of at least one existing rule shall be required 105 before the pilot agency proposes a new rule for publication in the 106 Mississippi Administrative Bulletin.

107 <u>SECTION 3.</u> (1) The Secretary of State shall report annually 108 to the Speaker of the House of Representatives and the Lieutenant 109 Governor no later than February 1, 2022, February 1, 2023, and 110 February 1, 2024, on the progress of the regulatory reduction 111 pilot program established pursuant to this act.

112 If, by February 1, 2024, the program has achieved less (2)than a thirty percent (30%) total reduction in regulations and 113 114 regulatory requirements across the pilot agencies, the House 115 Appropriations Committee and the Senate Finance Committee shall 116 initiate a budgetary audit of each agency participating in the 117 pilot program to assess what obstacles exist to meeting the thirty percent (30%) reduction goal. Further, the Joint Legislative 118 119 Committee on Performance Evaluation and Expenditure Review (PEER) 120 shall initiate and conduct a review of the regulatory reduction

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S. B. No. 2048 21/SS08/R73 PAGE 5 (jmr\tb) 121 efforts of the pilot agencies and report to the Legislature any 122 findings and recommendations regarding (a) whether the reduction 123 goals are reasonable and achievable, and (b) policies, practices, 124 and methods that may be adopted by agencies to successfully 125 achieve the reduction goals.

126 **SECTION 4.** This act shall take effect and be in force from 127 and after July 1, 2021.

S. B. No. 2048~ OFFICIAL ~21/SS08/R73ST: Regulatory Reduction Program; require
certain pilot agencies to implement.