#### FIRST REGULAR SESSION

# **HOUSE BILL NO. 715**

## 99TH GENERAL ASSEMBLY

#### INTRODUCED BY REPRESENTATIVE HILL.

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D. ADAM CRUMBLISS, Chief Clerk

### **AN ACT**

To amend chapter 26, RSMo, by adding thereto one new section relating to the red tape reduction commission.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 26, RSMo, is amended by adding thereto one new section, to be known as section 26.800, to read as follows:

- 26.800. 1. This section shall be known as the "Red Tape Reduction Act".
- 2 **2.** For the purpose of this section, the following terms shall mean:
- 3 (1) "Agency", any administrative officer or body existing under the constitution or 4 by law and authorized by law or the constitution to make rules or to adjudicate contested 5 cases, except those in the legislative or judicial branches;
  - (2)"Cap", a limit on the total number such as to create and sustain a zero net increase after a specific date.
  - 3. The governor shall appoint a chief regulatory management officer, from an existing member of the governor's staff, who shall head the "Office of Regulatory Management", which is hereby created. The officer may make reasonable requests for staff assistance from the research and appropriations staffs of the house of representatives, senate, and the governor, as well as the office of administration and the department of revenue, no later than three months after the enactment of this section.
  - 4. The office of regulatory management shall establish a baseline measurement of regulatory requirements through a review of all agency regulations currently in place. This review shall be conducted by:
  - (1) Requesting from the agencies copies of all current regulatory requirements;

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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18 (2) Gathering all governing regulations, legislation, or other rulemaking documents; 19 and

- (3) Noting all existing sunset clauses already established in current regulation.
- 5. The state of Missouri hereby establishes a cap on the total number of regulatory requirements and administrative red tape, ensuring a zero net increase in regulatory requirements beginning six months after the enactment of this act. The regulatory requirements and administrative red tape reduction target shall be a reduction of thirtyfive percent of the existing regulatory requirements.
- 6. The office of regulatory management shall share information with the secretary of state for the establishment, implementation, and maintenance of a website allowing the public to stay informed of all regulatory requirements and the progress towards the administrative red tape reduction goal. The website shall make available a searchable online database of all current regulatory requirements including:
  - (1) A list of all current regulatory requirements;
- 32 (2) The plain language purpose of each regulatory requirement;
- 33 (3) The responsible agency for each regulatory requirement;
  - (4) The authorizing legislation or regulation for each regulatory requirement; and
- 35 (5) Any changes to the baseline of regulatory requirements since the enactment of 36 this legislation.
  - 7. The office of regulatory management shall establish a commission to be known as "Red Tape Reduction Commission" and shall include the following members:
    - (1) The chief operating officer, who will serve as chair of the commission;
    - (2) The governor, or an individual the governor designates;
    - (3) The lieutenant governor, or an individual the lieutenant governor designates;
    - (4) The speaker of the house, or an individual the speaker of the house designates;
  - (5) The president pro tempore of the senate, or an individual the president pro tempore designates;
- (6) The speaker of the house shall select three volunteer members of the private 46 sector to serve;
  - (7) The senate pro tempore shall select three volunteer members of the private sector to serve; and
  - (8) The chief regulatory management officer shall select two volunteer members of the private sector to serve.

52 The private sector volunteer members shall have a term lasting two years. HB 715 3

8. No member of the commission shall receive compensation for serving on the commission, except for any actual or necessary expenses.

- 9. All state agencies and political subdivisions of the state responsible for the administration of regulatory regulations shall cooperate with and assist the commission in the performance of its duties and shall make available all books, records, and information requested.
- 10. The red tape reduction commission shall meet as often as necessary to fulfill its duties as outlined in this section. The main focus of the commission shall be preparing suggestions for the general assembly regarding current regulatory requirements that could be sunset. The commission shall take the following criteria into consideration while making suggestions:
- (1) Whether the rule continues to be necessary, taking into consideration the purpose, scope, and intent of the statute under which the rule was adopted;
- (2) Whether the rule is obsolete, taking into consideration the length of time since the rule was modified and the degree to which technology, economic conditions, or other relevant factors have changed in the subject area affected by the rule;
- (3) Whether the rule overlaps, duplicates, or conflicts with other state rules, and to the extent feasible, with federal and local governmental rules;
- (4) Whether a less restrictive, more narrowly tailored, or alternative rule could adequately protect the public or accomplish the same statutory purpose;
  - (5) Whether the rule is especially burdensome on businesses within the state;
- (6) Whether the rule disproportionally affects businesses with fewer than fifty employees or with annual revenues below one million dollars; and
- (7) Whether the rule is easily managed by large firms and effectively limits competition by smaller firms.
- 11. No fewer than every six months, the suggestions of the red tape reduction commission shall be compiled into reports and sent to the office of regulatory management for review. The office of regulatory management shall review the reports and submit a list of regulations to be sunset by the general assembly through a revision bill as defined in section 23.045.
- 12. The rules committee of Missouri house of representatives shall consider each regulatory requirement for sunset and submit to the general assembly a revision bill for immediate vote.
  - 13. The red tape commission shall operate openly and transparently by:
- (1) Listing all members of the commission on the website created by the office of regulatory management;

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39	(2) Conducting all meetings subject to the same provisions of section 610.020; and
90	(3) Posting all biannual reports on the website created by the office of regulatory
91	management, in a searchable format.

14. If any provisions of this section or its application to any person or circumstance are held invalid, such determination shall not affect the provisions or applications of this section which may be given effect without the invalid provision or application, and to that end the provisions of this section are severable.

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