

2024 HB 2648 Changes to the Regulation Process

Effective July 1, 2024

What is Different from the Previous Process:

- There is a new EIS threshold for permanent regulations that are **not** federally mandated. The new threshold for implementation and compliance costs is \$1,000,000 or more for businesses, local government, or individuals in the initial five-year period following adoption of the rule and regulation.
- “Implementation and compliance costs” was defined as direct costs that are readily ascertainable based upon standard business practices, including, but not limited to, fees, the cost to obtain a license or registration, the cost of equipment required to be installed or used, additional operating costs incurred, the cost of monitoring and reporting and any other costs to comply with the requirements of the proposed rule and regulation.
- There is a new EIS form that must be completed by every agency promulgating regulations.
 - This form may be found on the Office of the Budget [Agency Information Center page](#) or the Secretary of State [Administrative Regulations Agency Resources page](#).
- After regulations receive approval stamps from both the Secretary of Administration and the Attorney General, **ALL** regulations *that are not federally mandated* must go to the Director of the Budget for approval with the new EIS. Regulations that are federally mandated do not require Budget approval on the EIS or the regulations. A copy of the EIS should be provided to the Office of the Budget.
- Budget approval:
 - If Budget determines the economic impact statement is incomplete or contains substantive inaccuracies, the regulations and EIS will be returned to the agency for corrections.
 - If the regulations are **not** federally mandated, and Budget determines the regulations **do** exceed the new EIS threshold, the regulations will be returned to the agency unstamped by Budget along with a copy of the Budget-verified EIS.
 - The agency may modify the regulations to reduce the economic impact and may begin the approval process again,
 - or
 - the agency may reach out to legislative leadership to try to have their regulation(s) ratified during the next legislative session.
 - If Budget concurs with the agency’s EIS and approves the regulations as temporary regulations with no economic threshold requirement or permanent regulations falling under the new EIS threshold, Budget will stamp **every page of the EIS** and **the last page of every regulation** to show their approval. The stamped regulations and EIS may then continue on to the Secretary of State with a public hearing notice.
 - After the public hearing, the agency must add their hearing information to the EIS. (See the hearing certification page at the end of the EIS.) This page will require Budget approval. After this final approval is obtained the stamped regulations, stamped EIS, and an adoption certificate or certified roll-call vote may be filed with the Secretary of State for final publication.