

Senate Bill 361

By: Senators Tolleson of the 18th, Cagle of the 49th, Mullis of the 53rd, Hamrick of the 30th, Price of the 56th and others

A BILL TO BE ENTITLED  
AN ACT

1 To be known as the "Regulatory Reform Act of 2003"; to provide for a short title, findings,  
2 and a statement of purpose; to amend Chapter 3 of Title 1 of the Official Code of Georgia  
3 Annotated, relating to laws and statutes, so as to provide that the state and each county,  
4 municipality, consolidated government, school district, or political subdivision thereof shall  
5 be bound by each statute enacted by the General Assembly and by any rule or regulation  
6 adopted pursuant to such statute unless the words of the statute plainly, clearly, and  
7 unmistakably show that the intention of the General Assembly is otherwise; to amend Code  
8 Section 31-6-21.1 of the Official Code of Georgia Annotated, relating to procedures for rule  
9 making by the Department of Community Health, so as to correct a cross-reference; to  
10 amend Chapter 13 of Title 50 of the Official Code of Georgia Annotated, known as the  
11 "Georgia Administrative Procedure Act," so as to provide requirements relative to the  
12 formulation, drafting, and adoption of rules or amendments to existing rules; to provide a  
13 definition; to provide for advisory committees; to provide for cost-benefit analyses and risk  
14 assessments; to provide for public records; to provide for notices and the contents thereof;  
15 to provide for reduction of the economic impact of rules and amendments on small  
16 businesses and citizens; to provide for and change certain existing procedures relating to the  
17 review of proposed rules by committees of the General Assembly and the procedures  
18 connected therewith; to provide for hearings and reports; to provide for the periodic review  
19 of rules; to provide for additional duties of agencies; to provide for other matters relative to  
20 the foregoing; to repeal conflicting laws; and for other purposes.

21 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

22 **SECTION 1.**

23 This Act shall be known and may be cited as the "Regulatory Reform Act of 2003."



1 department may not adopt any such rule or part thereof which has been changed since  
2 having been submitted to those committees unless:

3 (1) That change is to correct only typographical errors;

4 (2) That change is approved in writing by both committees and that approval expressly  
5 exempts that change from being subject to the public notice and hearing requirements of  
6 subsection ~~(a)~~ (b) of Code Section 50-13-4;

7 (3) That change is approved in writing by both committees and is again subject to the  
8 public notice and hearing requirements of subsection ~~(a)~~ (b) of Code Section 50-13-4; or

9 (4) That change is again subject to the public notice and hearing requirements of  
10 subsection ~~(a)~~ (b) of Code Section 50-13-4 and the change is submitted and again subject  
11 to committee objection as provided in this subsection.

12 Nothing in this subsection shall prohibit the department from adopting any rule or part  
13 thereof without adopting all of the rules submitted to the committees if the rule or part so  
14 adopted has not been changed since having been submitted to the committees and objection  
15 thereto was not made by both committees."

#### 16 SECTION 5.

17 Chapter 13 of Title 50 of the Official Code of Georgia Annotated, known as the "Georgia  
18 Administrative Procedure Act," is amended by striking Code Section 50-13-4, relating to  
19 procedural requirements for adoption, amendment, or repeal of rules, emergency rules,  
20 limitations on actions to contest rules, and legislative override of rules, and inserting in lieu  
21 thereof a new Code Section 50-13-4 to read as follows:

22 "50-13-4.

23 ~~(a) Prior to the adoption, amendment, or repeal of any rule, other than interpretive rules  
24 or general statements of policy, the agency shall:~~

25 ~~(1) Give at least 30 days' notice of its intended action. The notice shall include an exact  
26 copy of the proposed rule and a synopsis of the proposed rule. The synopsis shall be  
27 distributed with and in the same manner as the proposed rule. The synopsis shall contain  
28 a statement of the purpose and the main features of the proposed rule, and, in the case of  
29 a proposed amendatory rule, the synopsis also shall indicate the differences between the  
30 existing rule and the proposed rule. The notice shall also include the exact date on which  
31 the agency shall consider the adoption of the rule and shall include the time and place in  
32 order that interested persons may present their views thereon. The notice shall also  
33 contain a citation of the authority pursuant to which the rule is proposed for adoption and,  
34 if the proposal is an amendment or repeal of an existing rule, the rule shall be clearly  
35 identified. The notice shall be mailed to all persons who have requested in writing that  
36 they be placed upon a mailing list which shall be maintained by the agency for advance~~

1 ~~notice of its rule-making proceedings and who have tendered the actual cost of such~~  
 2 ~~mailing as from time to time estimated by the agency;~~

3 ~~(2) Afford to all interested persons reasonable opportunity to submit data, views, or~~  
 4 ~~arguments, orally or in writing. In the case of substantive rules, opportunity for oral~~  
 5 ~~hearing must be granted if requested by 25 persons who will be directly affected by the~~  
 6 ~~proposed rule, by a governmental subdivision, or by an association having not less than~~  
 7 ~~25 members. The agency shall consider fully all written and oral submissions respecting~~  
 8 ~~the proposed rule. Upon adoption of a rule, the agency, if requested to do so by an~~  
 9 ~~interested person either prior to adoption or within 30 days thereafter, shall issue a~~  
 10 ~~concise statement of the principal reasons for and against its adoption and incorporate~~  
 11 ~~therein its reason for overruling the consideration urged against its adoption;~~

12 ~~(3) In the formulation and adoption of any rule which will have an economic impact on~~  
 13 ~~businesses in the state, reduce the economic impact of the rule on small businesses which~~  
 14 ~~are independently owned and operated, are not dominant in their field, and employ 100~~  
 15 ~~employees or less by implementing one or more of the following actions when it is legal~~  
 16 ~~and feasible in meeting the stated objectives of the statutes which are the basis of the~~  
 17 ~~proposed rule:~~

18 ~~(A) Establish differing compliance or reporting requirements or timetables for small~~  
 19 ~~businesses;~~

20 ~~(B) Clarify, consolidate, or simplify the compliance and reporting requirements under~~  
 21 ~~the rule for small businesses;~~

22 ~~(C) Establish performance rather than design standards for small businesses; or~~

23 ~~(D) Exempt small businesses from any or all requirements of the rules; and~~

24 ~~(4) In the formulation and adoption of any rule, an agency shall choose an alternative~~  
 25 ~~that does not impose excessive regulatory costs on any regulated person or entity which~~  
 26 ~~costs could be reduced by a less expensive alternative that fully accomplishes the stated~~  
 27 ~~objectives of the statutes which are the basis of the proposed rule.~~

28 ~~(b) If any agency finds that an imminent peril to the public health, safety, or welfare,~~  
 29 ~~including but not limited to, summary processes such as quarantines, contrabands, seizures,~~  
 30 ~~and the like authorized by law without notice, requires adoption of a rule upon fewer than~~  
 31 ~~30 days' notice and states in writing its reasons for that finding, it may proceed without~~  
 32 ~~prior notice or hearing or upon any abbreviated notice and hearing that it finds practicable~~  
 33 ~~to adopt an emergency rule. Any such rule adopted relative to a public health emergency~~  
 34 ~~shall be submitted as promptly as reasonably practicable to the House of Representatives~~  
 35 ~~and Senate Committees on Judiciary. The rule may be effective for a period of not longer~~  
 36 ~~than 120 days but the adoption of an identical rule under paragraphs (1) and (2) of~~  
 37 ~~subsection (a) of this Code section is not precluded; provided, however, that such a rule~~

1 ~~adopted pursuant to discharge of responsibility under an executive order declaring a state~~  
2 ~~of emergency or disaster exists as a result of a public health emergency, as defined in Code~~  
3 ~~Section 38-3-3, shall be effective for the duration of the emergency or disaster and for a~~  
4 ~~period of not more than 120 days thereafter.~~

5 ~~(c) It is the intent of this Code section to establish basic minimum procedural requirements~~  
6 ~~for the adoption, amendment, or repeal of administrative rules. Except for emergency rules~~  
7 ~~which are provided for in subsection (b) of this Code section, the provisions of this Code~~  
8 ~~section are applicable to the exercise of any rule-making authority conferred by any statute,~~  
9 ~~but nothing in this Code section repeals or diminishes additional requirements imposed by~~  
10 ~~law or diminishes or repeals any summary power granted by law to the state or any agency~~  
11 ~~thereof.~~

12 ~~(d) No rule adopted after April 3, 1978, shall be valid unless adopted in exact compliance~~  
13 ~~with subsections (a) and (e) of this Code section and in substantial compliance with the~~  
14 ~~remainder of this Code section. A proceeding to contest any rule on the ground of~~  
15 ~~noncompliance with the procedural requirements of this Code section must be commenced~~  
16 ~~within two years from the effective date of the rule.~~

17 ~~(e) The agency shall transmit the notice provided for in paragraph (1) of subsection (a) of~~  
18 ~~this Code section to the legislative counsel. The notice shall be transmitted at least 30 days~~  
19 ~~prior to the date of the agency's intended action. Within three days after receipt of the~~  
20 ~~notice, if possible, the legislative counsel shall furnish the presiding officers of each house~~  
21 ~~with a copy of the notice, and the presiding officers shall assign the notice to the~~  
22 ~~chairperson of the appropriate standing committee in each house for review and any~~  
23 ~~member thereof who makes a standing written request. In the event a presiding officer is~~  
24 ~~unavailable for the purpose of making the assignment within the time limitations, the~~  
25 ~~legislative counsel shall assign the notice to the chairperson of the appropriate standing~~  
26 ~~committee. The legislative counsel shall also transmit within the time limitations provided~~  
27 ~~in this subsection a notice of the assignment to the chairperson of the appropriate standing~~  
28 ~~committee. Each standing committee of the Senate and the House of Representatives is~~  
29 ~~granted all the rights provided for interested persons and governmental subdivisions in~~  
30 ~~paragraph (2) of subsection (a) of this Code section.~~

31 ~~(f) In the event a standing committee to which a notice is assigned as provided in~~  
32 ~~subsection (e) of this Code section files an objection to a proposed rule prior to its adoption~~  
33 ~~and the agency adopts the proposed rule over the objection, the rule may be considered by~~  
34 ~~the branch of the General Assembly whose committee objected to its adoption by the~~  
35 ~~introduction of a resolution for the purpose of overriding the rule at any time within the~~  
36 ~~first 30 days of the next regular session of the General Assembly. It shall be the duty of any~~  
37 ~~agency which adopts a proposed rule over such objection so to notify the presiding officers~~

1 ~~of the Senate and the House of Representatives, the chairmen of the Senate and House~~  
 2 ~~committees to which the rule was referred, and the legislative counsel within ten days after~~  
 3 ~~the adoption of the rule. In the event the resolution is adopted by such branch of the~~  
 4 ~~General Assembly, it shall be immediately transmitted to the other branch of the General~~  
 5 ~~Assembly. It shall be the duty of the presiding officer of the other branch of the General~~  
 6 ~~Assembly to have such branch, within five days after the receipt of the resolution, to~~  
 7 ~~consider the resolution for the purpose of overriding the rule. In the event the resolution is~~  
 8 ~~adopted by two-thirds of the votes of each branch of the General Assembly, the rule shall~~  
 9 ~~be void on the day after the adoption of the resolution by the second branch of the General~~  
 10 ~~Assembly. In the event the resolution is ratified by less than two-thirds of the votes of~~  
 11 ~~either branch, the resolution shall be submitted to the Governor for his approval or veto.~~  
 12 ~~In the event of his veto, the rule shall remain in effect. In the event of his approval, the rule~~  
 13 ~~shall be void on the day after the date of his approval.~~

14 ~~(g)(1) Subsection (f) of this Code section shall not apply to the Environmental Protection~~  
 15 ~~Division of the Department of Natural Resources, but paragraph (2) of this subsection~~  
 16 ~~shall apply to the Environmental Protection Division of the Department of Natural~~  
 17 ~~Resources.~~

18 ~~(2) In the event the chairman of any standing committee to which a proposed rule~~  
 19 ~~relative to the Environmental Protection Division of the Department of Natural Resources~~  
 20 ~~is assigned notifies the agency that the committee objects to the adoption of the rule or~~  
 21 ~~has questions concerning the purpose, nature, or necessity of the rule, it shall be the duty~~  
 22 ~~of the agency to consult with the committee prior to the adoption of the rule.~~

23 ~~(h) The provisions of subsections (e) and (f) of this Code section shall apply to any rule~~  
 24 ~~of the Department of Human Resources that is promulgated pursuant to Code Section~~  
 25 ~~31-2-7 or 31-45-10, except that the presiding officer of the Senate is directed to assign the~~  
 26 ~~notice of such a rule to the chairperson of the Senate Defense, Science and Technology~~  
 27 ~~Committee and the presiding officer of the House of Representatives is directed to assign~~  
 28 ~~the notice of such a rule to the chairperson of the House Committee on Industry. As used~~  
 29 ~~in this subsection, the term 'rule' shall have the same meaning as provided in paragraph (6)~~  
 30 ~~of Code Section 50-13-2 and shall include interpretive rules and general statements of~~  
 31 ~~policy, notwithstanding any provision of subsection (a) of this Code section to the contrary.~~

32 (a) As used in this Code section, the term:

33 (1) 'Cost-benefit analysis' shall include the following:

34 (A) An identification and estimate of the number of small businesses subject to the  
 35 proposed rule;

1 (B) The projected reporting, record keeping, and other administrative costs required  
2 for compliance with the proposed rule, including the type of professional skills  
3 necessary for preparation of the report or record;

4 (C) A statement of the probable effect on impacted small businesses;

5 (D) A description of less intrusive or less costly alternative methods of achieving the  
6 purpose of the proposed rule; and

7 (E) An examination of any appropriate scientific research concerning the risk or  
8 condition that the rule or amendment is designed to abate or control.

9 (2) 'Small business' means a business that is independently owned and operated and  
10 employs 50 employees or less or has gross annual sales of less than \$4 millions dollars.

11 (3) 'Substantive rules' or 'substantive amendments' mean those rules or amendments that  
12 affect the health, safety, or welfare of the public, but shall not include rules or  
13 amendments that merely restate statutes or that provide internal procedures for the  
14 administration of the agency.

15 (b)(1) Prior to the adoption, amendment, or repeal of any rule, other than interpretive rules  
16 or general statements of policy, the agency shall give at least 30 days' notice of its intended  
17 action.

18 (2) Such notice shall include:

19 (A) An exact copy of the proposed rule;

20 (B) The cost-benefit analysis of the rule if such analysis is required under  
21 subsection (d) of this Code section;

22 (C) A synopsis of the proposed rule which contains a statement of the purpose and the  
23 main features of the proposed rule and, in the case of an amendatory rule, the synopsis  
24 shall indicate the differences between the existing rule and the proposed rule;

25 (D) The exact date on which the agency shall consider the adoption of the rule and shall  
26 include the time and place in order that interested persons may present their views  
27 thereon; and

28 (E) A citation of the authority pursuant to which the rule is proposed for adoption and,  
29 if the proposal is an amendment or repeal of an existing rule, the rule shall be clearly  
30 identified.

31 (3) The notice shall be mailed to all persons and organizations that have requested in  
32 writing that they be placed upon a mailing list that shall be maintained by the agency for  
33 advance notice of its rule-making proceedings and who have tendered the actual cost of  
34 such mailing as from time to time estimated by the agency.

35 (4) At the time that the notice is mailed, a copy of the notice and synopsis, including the  
36 cost-benefit analysis, if required, shall be posted on the Internet and made available by

1 the agency for electronic access and downloading at no cost to any citizen seeking  
2 electronic access to such information.

3 (5) The agency shall afford to all interested persons reasonable opportunity to submit  
4 data, views, or arguments, orally or in writing. The agency shall consider fully all written  
5 and oral submissions concerning the proposed rule. In the case of substantive rules,  
6 opportunity for oral hearing must be granted if requested by 25 persons who will be  
7 affected by the proposed rule, by a governmental subdivision, by a standing committee  
8 of the General Assembly to which the proposed rule is referred, or by an association  
9 having not less than 25 members. Upon adoption of a rule, the agency, if requested to do  
10 so by an interested person either prior to adoption or within 30 days thereafter, shall issue  
11 a concise statement of the principal reasons for and against its adoption and incorporate  
12 therein its reason for overruling the consideration urged against its adoption.

13 (c)(1) The agency shall transmit the notice provided for in subsection (b) of this Code  
14 section to the legislative counsel. The notice shall be transmitted at least 30 days prior  
15 to the date of the agency's intended action. Within three days after receipt of the notice,  
16 if possible, the legislative counsel shall furnish the presiding officers of each house with  
17 a copy of the notice and the presiding officers shall assign the notice for review to the  
18 chairperson of the appropriate standing committee in each house and any member thereof  
19 who makes a standing written request. In the event a presiding officer is unavailable for  
20 the purpose of making the assignment within the time limitations, the legislative counsel  
21 shall assign the notice to the chairperson of the appropriate standing committee. The  
22 legislative counsel shall also transmit within the time limitations provided in this  
23 subsection a notice of the assignment to the chairperson of the appropriate standing  
24 committee. Each standing committee of the Senate and the House of Representatives to  
25 which a proposed rule is assigned pursuant to this subsection and each member of such  
26 standing committee are granted all rights provided for interested persons and  
27 governmental subdivisions in paragraph (5) of subsection (b) of this Code section.

28 (2) In the event that a standing committee to which a notice is assigned as provided in  
29 paragraph (1) of this subsection files an objection to a proposed rule prior to its adoption,  
30 it shall be the duty of the chairperson of such standing committee to conduct a meeting  
31 of such committee within 20 days of the date such objection is filed for the purpose of  
32 receiving the comments of the public and the agency concerning the legality of, the  
33 necessity for, the impact of, and the appropriateness of such proposed rule. It shall be the  
34 duty of the agency head or a representative thereof to attend such standing committee  
35 meeting and respond to questions concerning such proposed rule. All comments and  
36 testimony given at such meeting and any recommendations of the committee shall be  
37 reduced to writing and a copy thereof shall be furnished to the agency and made a part

1 of the record in the proceeding for the adoption of such rule. If the committee that filed  
2 the objection is then satisfied that the proposed rule is appropriate or needs some  
3 alteration to make it appropriate, the committee may thereupon withdraw or modify the  
4 objection, in writing, and shall file a copy of such withdrawal or modification of the  
5 objection with the agency. If the objection is not withdrawn and the agency adopts the  
6 proposed rule over the objections, the rule may be considered by the branch of the  
7 General Assembly whose committee objected to its adoption by the introduction of a  
8 resolution for the purpose of overriding the rule at any time within the first 30 days of the  
9 next regular session of the General Assembly. It shall be the duty of any agency which  
10 adopts a proposed rule over such objection to notify the presiding officers of the Senate  
11 and the House of Representatives, the chairpersons of the Senate and House committees  
12 to which the rule was referred, and the legislative counsel within ten days after the  
13 adoption of the rule. In the event the resolution is adopted by one such branch of the  
14 General Assembly, it shall be immediately transmitted to the other branch of the General  
15 Assembly. It shall be the duty of the presiding officer of the other branch of the General  
16 Assembly to have such branch, within five days after the receipt of the resolution, to  
17 consider the resolution for the purpose of overriding the rule. In the event the resolution  
18 is adopted by two-thirds of the votes of each branch of the General Assembly, the rule  
19 shall be void on the day after the adoption of the resolution by the second branch of the  
20 General Assembly. In the event the resolution is ratified by less than two-thirds of the  
21 votes of either branch, the resolution shall be submitted to the Governor for his or her  
22 approval or veto. In the event of his or her veto, the rule shall remain in effect. In the  
23 event of his or her approval, the rule shall be void on the day after the date of his or her  
24 approval.

25 (3) In the event that a proposed rule assigned to a standing committee pursuant to  
26 paragraph (1) of subsection (c) of this Code section has a projected economic impact of  
27 \$1 million or more on small businesses, as determined by the cost-benefit analysis, it  
28 shall be the duty of the chairperson of such standing committee to conduct a meeting of  
29 the committee within 20 days of the date such rule is assigned to the committee for the  
30 purpose of receiving the comments of the public and the agency concerning the legality  
31 of, the necessity for, the impact of, and the appropriateness of such proposed rule. It shall  
32 be the duty of the agency head or a representative thereof to attend such standing  
33 committee meeting and respond to questions concerning such proposed rule. All  
34 comments and testimony given at such meeting and any recommendations of the  
35 committee shall be reduced to writing and a copy thereof shall be furnished to the agency  
36 and made a part of the record in the proceeding for the adoption of such rule.

1 (d)(1) Prior to giving the notice required by subsection (b) of this Code section, the  
 2 agency shall complete or compile a cost-benefit analysis of any proposed rule that may  
 3 have an adverse impact on small businesses. Such cost-benefit analysis shall be a public  
 4 record and shall be made available for public inspection and copying in the same manner  
 5 as other public records of the agency.

6 (2) In the promulgation and adoption of any rule, each agency shall seek alternatives that  
 7 will legally and feasibly meet the stated objectives of the statutes and that will be less  
 8 expensive to individuals and businesses, will produce more flexibility in compliance and  
 9 enforcements, and will provide better notice to and understanding by the affected  
 10 individuals and businesses of the reasons for and manner of enforcement of the rule or  
 11 amendment. An agency shall choose an alternative that does not impose excessive  
 12 regulatory costs on any regulated person or entity which costs could be reduced by a less  
 13 expensive alternative that fully accomplishes the stated objectives of the statutes which  
 14 are the basis of the proposed rule. Agencies shall consider alternatives such as the  
 15 following:

16 (A) Establish differing compliance or reporting requirements or timetables for small  
 17 businesses;

18 (B) Clarify, consolidate, or simplify the compliance and reporting requirements under  
 19 the rule for small businesses;

20 (C) Establish performance rather than design standards for small businesses; or

21 (D) Exempt small businesses from any or all requirements of the rules.

22 (3) During the formulation or drafting of any proposed substantive rule or substantive  
 23 amendment, the agency shall ensure that small businesses have been given the  
 24 opportunity to participate in the rulemaking process for the rule through the reasonable  
 25 use of techniques such as:

26 (A) The publication of a general notice of proposed rule making in publications likely  
 27 to be obtained by small businesses;

28 (B) Direct notification of interested small businesses;

29 (C) Open conferences or public hearings concerning the rule for small businesses,  
 30 including soliciting and receiving comments over computer networks;

31 (D) Appoint an advisory committee composed of representatives of people, businesses,  
 32 and interests that might be affected by the proposed rule; and

33 (E) Consult with a representative sampling of individuals and representatives of  
 34 businesses and small businesses that might be affected by the proposed rule.

35 (e)(1)(A) If any agency finds that an imminent peril to the public health, safety, or  
 36 welfare, including, but not limited to, summary processes such as quarantines,  
 37 contrabands, seizures, and the like authorized by law without notice, requires adoption

1 of a rule upon fewer than 30 days' notice and states in writing its reasons for that  
2 finding, it may proceed without prior notice or hearing or upon any abbreviated notice  
3 and hearing that it finds practicable to adopt an emergency rule.

4 (B) Any such rule adopted relative to a public health emergency shall be submitted as  
5 promptly as reasonably practicable to the House of Representatives and Senate  
6 Committees on Judiciary. The rule may be effective for a period of not longer than 120  
7 days but the adoption of an identical rule under this Code section is not precluded;  
8 provided, however, that such a rule adopted pursuant to discharge of responsibility  
9 under an executive order declaring a state of emergency or disaster exists as a result of  
10 a public health emergency, as defined in Code Section 38-3-3, shall be effective for the  
11 duration of the emergency or disaster and for a period of not more than 120 days  
12 thereafter.

13 (2)(A) Subsections (a) through (d) of this Code section shall not apply to  
14 environmental protection programs delegated by the federal government to the  
15 Environmental Protection Division of the Department of Natural Resources, but  
16 paragraph (2) of this subsection shall apply to the Environmental Protection Division  
17 of the Department of Natural Resources. Notwithstanding such provision, federally  
18 mandated rules are subject to the federal Regulatory Flexibility Act as amended by the  
19 federal Small Business Regulatory and Enforcement Fairness Act of 1996. Any  
20 federally mandated rules that do not comply with these Acts shall be subject to  
21 subsection (d) of this Code section. However, subsections (a) through (d) of this Code  
22 section shall apply to environmental programs that are not federally delegated.

23 (B) The provisions of subsection (c) of this Code section shall apply to any rule of the  
24 Department of Human Resources that is promulgated pursuant to Code Section 31-2-7  
25 or 31-45-10, except that the presiding officer of the Senate is directed to assign the  
26 notice of such a rule to the chairperson of the Senate Science and Technology  
27 Committee and the presiding officer of the House of Representatives is directed to  
28 assign the notice of such a rule to the chairperson of the House Committee on Industrial  
29 Relations. As used in this subparagraph, the term 'rule' shall have the same meaning as  
30 provided in paragraph (6) of Code Section 50-13-2 and shall include interpretive rules  
31 and general statements of policy, notwithstanding any provision of subsection (a) of this  
32 Code section to the contrary.

33 (f)(1) No rule adopted after April 3, 1978, shall be valid unless adopted in exact  
34 compliance with subsections (b) and (c) of this Code section and in substantial  
35 compliance with the remainder of this Code section.

1 (2) A proceeding to contest any rule on the ground of noncompliance with the procedural  
 2 requirements of this Code section must be commenced within two years from the  
 3 effective date of the rule.

4 (3) For any rule subject to this Code section, a small business that is adversely affected  
 5 or aggrieved by final agency action is entitled to judicial review of agency compliance  
 6 with the requirements of this section."

7 **SECTION 6.**

8 Said chapter is further amended by adding a new Code Section 50-13-4.1 following Code  
 9 Section 50-13-4 to read as follows:

10 "50-13-4.1.

11 (a) At least once in each four-year period, beginning with the four-year period  
 12 commencing on January 1, 2003, each agency shall review all of its rules to determine  
 13 whether any existing rule is no longer necessary, is obsolete, or seeks to accomplish a result  
 14 that could be accomplished in a more efficient, less burdensome, or less costly manner.  
 15 After conducting such review, each agency shall prepare a written report summarizing its  
 16 findings, its supporting reasons, and any proposed course of action. For each rule, the  
 17 report must include a concise statement of:

18 (1) The rule's effectiveness in achieving its objectives, including a summary of any  
 19 available data supporting the conclusions reached;

20 (2) Criticisms of the rule received during the four-year period immediately preceding the  
 21 date of the report, including a summary of any petitions or requests for waiver of or  
 22 exceptions to the rule tendered to the agency or granted by the agency; and

23 (3) Alternative solutions to the criticisms and the reasons they were rejected or the  
 24 changes made in the rule in response to those criticisms and the reasons for the changes.

25 (b) A copy of the report shall be sent to the Governor, the Secretary of State, the President  
 26 of the Senate, the Secretary of the Senate, the Speaker of the House of Representatives, the  
 27 Clerk of the House of Representatives, and the legislative counsel. The agency, the  
 28 Secretary of State, the Secretary of the Senate, and the Clerk of the House of  
 29 Representatives shall make copies of the report available for public inspection and copying.

30 (c) It shall be the duty of the President of the Senate and the Speaker of the House of  
 31 Representatives to assign each such report to one or more standing committees of the  
 32 Senate and House of Representatives for review and comment. The chairpersons of the  
 33 committees to which any such report is assigned shall call a joint meeting or meetings of  
 34 the committees to review such report and make suggestions to the agency and to the  
 35 General Assembly concerning any changes in the rules or the statutes that the committees  
 36 feel are appropriate."

**SECTION 7.**

1  
2 Said chapter is further amended by striking paragraph (4) of subsection (a) of Code Section  
3 50-13-13, relating to opportunity for hearings in contested cases, and inserting in lieu thereof  
4 a new paragraph (4) to read as follows:

5 "(4) Unless precluded by law, informal disposition may be made of any contested case  
6 by stipulation, agreed settlement, consent order, or default. It shall be the duty of every  
7 agency to provide reasonable assistance and education concerning the requirements of  
8 the laws of this state and the rules of the agency to any person or entity in order to  
9 achieve compliance with such laws and rules before commencing any contested case. A  
10 contested case shall be undertaken only after a reasonable attempt to achieve compliance  
11 with the laws and rules has failed to achieve such compliance;"

**SECTION 8.**

12  
13 All laws and parts of laws in conflict with this Act are repealed.