## AMENDMENTS TO LB 617

## Introduced by Executive Board

Strike the original sections and insert the following
 new sections:

3 Section 1. When legislation is enacted providing for the 4 adoption and promulgation of rules and regulations by an agency, 5 such agency shall adopt and promulgate such rules and regulations 6 within one year after the public hearing required under section 7 84-907. Any agency which does not adopt and promulgate such rules 8 and regulations as provided in this section shall submit a written 9 explanation to the Executive Board of the Legislative Council and 10 the standing committee of the Legislature which has subject matter 11 jurisdiction over the issue involved in the legislation, stating 12 the reasons why it has not adopted such rules and regulations as 13 provided in this section, the date by which the agency expects 14 to adopt such rules and regulations, and any suggested statutory 15 changes that may enable the agency to adopt such rules and 16 regulations.

Sec. 2. Section 84-907, Reissue Revised Statutes of
Nebraska, is amended to read:

19 84-907 (1) No rule or regulation shall be adopted,
20 amended, or repealed by any agency except after public hearing
21 on the question of adopting, amending, or repealing such rule or
22 regulation. Notice of such hearing shall be given at least thirty
23 days prior thereto to the Secretary of State and by publication

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1 in a newspaper having general circulation in the state. All such 2 hearings shall be open to the public. The public hearing on a 3 rule or regulation that is being adopted, amended, or repealed 4 based upon a legislative bill shall be held within twelve months 5 after the effective or operative date of the legislative bill that 6 provides the statutory authority for the rule or regulation. If 7 there is more than one applicable effective or operative date, 8 the twelve-month period shall be calculated using the latest date. 9 An agency may make written application to the Governor to extend 10 the twelve-month period, and upon receipt of a written showing of 11 good cause, the Governor may extend the twelve-month period for 12 up to an additional six months. In addition to the requirements of section 84-906.01, draft copies or working copies of all rules 13 14 and regulations to be adopted, amended, or repealed by any agency 15 shall be available to the public in the office of the Secretary of State at the time of giving notice. The notice shall include: 16 17 (1) (a) A declaration of availability of such draft or work copies 18 for public examination; (2) (b) a short explanation of the purpose 19 of the proposed rule or regulation or the reason for the amendment or repeal of the rule or regulation; and (3) (c) a description, 20 21 including an estimated quantification, of the fiscal impact on 22 state agencies, political subdivisions, and persons being regulated 23 or an explanation of where the description of the fiscal impact may be inspected and obtained. No person may challenge the validity 24 25 of any rule or regulation, the adoption, amendment, or repeal of 26 any rule or regulation, or any determination of the applicability 27 of any rule or regulation on the basis of the explanation or

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description provided pursuant to subdivisions (2) and (3) (b) and
 (c) of this section.

3 (2) Any agency adopting, amending, or repealing a rule or 4 regulation may make written application to the Governor who may, 5 upon receipt of a written showing of good cause, waive the notice 6 of public hearing.For purposes of this section, subsection, good 7 cause shall include, but not be limited to, a showing by the agency 8 that:

9 (a) Compliance with the <del>public</del> <del>notice</del> requirements of 10 this section would result in extreme hardship on the citizens of 11 this state;

12 (b) An emergency exists which must be remedied 13 immediately; or

(c) A timely filing or publication of notice of a public hearing <u>or the public hearing</u> was prevented by some unforeseeable event beyond the immediate control of the agency and that the parties affected have not and will not suffer material injury as a result of the agency's action.

19 <u>(3)</u> Whenever public notice is waived, the agency shall,
20 so far as practicable, give notice to the public of the proposed
21 rule or regulation change and of the rule or regulation as finally
22 adopted or changed.

Sec. 3. Section 84-907.09, Reissue Revised Statutes of
Nebraska, is amended to read:

84-907.09 Whenever an agency proposes to adopt, amend,
or repeal a rule or regulation, (1) at least thirty days before
the public hearing, when notice of a proposed rule or regulation

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is sent out, or (2) at the same time the agency applies to the 1 2 Governor for a waiver of the notice of public hearing under section 3 84-907, the agency shall provide to the Governor for review (a) a 4 description of the proposed rule or regulation and the entity or 5 entities it will impact, (b) an explanation of the necessity of the proposed rule or regulation, including the identification of 6 7 the authorizing statute or specific legislative bill if applicable, 8 or the authorizing statute when there is no legislative bill 9 applicable, (c) a statement that the proposed rule or regulation 10 is consistent with legislative intent, (d) a statement indicating 11 whether the proposed rule or regulation is the result of a state 12 mandate on a local governmental subdivision and if the mandate is funded, (e) a statement indicating if the proposed rule or 13 14 regulation is the result of a federal mandate on state government 15 or on a local governmental subdivision and if the mandate is 16 funded, (f) a description, including an estimated quantification, 17 of the fiscal impact on state agencies, political subdivisions, and 18 regulated persons, (g) a statement that the agency will solicit 19 public comment on the proposed rule or regulation before the public hearing, and (h) a statement indicating whether or not the agency 20 21 has utilized the negotiated rulemaking process as provided for in 22 the Negotiated Rulemaking Act with respect to the proposed rule or 23 regulation.

24 Sec. 4. <u>On or before July 1 of each year, each agency</u> 25 <u>shall provide to the Legislative Performance Audit Committee a</u> 26 <u>status report on all rules and regulations pending before the</u> 27 <u>agency. If an appropriation was made with respect to legislation</u>

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for which rules and regulations are pending to provide funding 1 2 for or additional staff to implement a program, the status report 3 shall include what the funding has been used for and what functions 4 the staff have been performing while such rules and regulations 5 are pending. Other content and the format of the report shall be established by the committee no later than May 1, 2011, and shall 6 7 be updated thereafter. 8 Sec. 5. Section 84-920, Reissue Revised Statutes of Nebraska, is amended to read: 9 10  $84\mathchar`-920$  Sections  $84\mathchar`-920$  and sections 1 and 4 11 of this act shall be known and may be cited as the Administrative 12 Procedure Act. 13 Sec. 6. Original sections 84-907, 84-907.09, and 84-920, 14 Reissue Revised Statutes of Nebraska, are repealed. 15 Sec. 7. Since an emergency exists, this act takes effect 16 when passed and approved according to law.