

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1993**

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**SENATE BILL 1261**

Short Title: Econ. Impact of Rules Study.

(Public)

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Sponsors: Senator Sherron.

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Referred to: Rules and Operation of the Senate.

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June 29, 1993

A BILL TO BE ENTITLED

1 AN ACT TO ESTABLISH THE ECONOMIC IMPACT OF RULES STUDY  
2 COMMISSION AND TO CAUSE THE RULES REVIEW COMMISSION TO  
3 SUBMIT MONTHLY SUMMARIES OF RULES TO THE GOVERNOR AND  
4 THE JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL  
5 OPERATIONS.  
6

7 Whereas, the number of rules adopted by agencies of the North Carolina State  
8 government each year rivals the number of rules adopted by all of the agencies of the  
9 federal government combined; and

10 Whereas, administrative rules can and do engender significant economic and  
11 social costs as well as benefits; and

12 Whereas, continued economic development depends upon a highly  
13 competitive and attractive business climate with only the minimum of government rules  
14 necessary; and

15 Whereas, citizens have the right to know the economic and social costs and  
16 benefits of proposed rules; and

17 Whereas, agencies of the federal government have been required to prepare  
18 assessments of the economic and social costs and benefits for more than 12 years; and

19 Whereas, the General Assembly has imposed upon itself the requirement for  
20 fiscal notes on proposed legislation; and

21 Whereas, knowing the economic and social costs and benefits of certain  
22 proposed rules would help State agencies and the public determine the need for and  
23 efficacy of proposed rules; Now, therefore,

24 The General Assembly of North Carolina enacts:

1           Section 1. The Economic Impact of Rules Study Commission is created. The  
2 Commission shall consist of 12 members: three Senators and a member of the Rules  
3 Review Commission appointed by the President Pro Tempore of the Senate, three  
4 Representatives and a representative of local government appointed by the Speaker of  
5 the House of Representatives, and four members to be appointed by the Governor, one  
6 of whom shall be a representative of State government, and three of whom shall be  
7 members of the public at large. The President Pro Tempore of the Senate and the  
8 Speaker of the House of Representatives shall each designate a cochairman from their  
9 appointees. Either cochairman may call the first meeting of the Study Commission.  
10 Vacancies shall be filled in the same manner as the original appointments were made.

11           Sec. 2. The Economic Impact of Rules Study Commission shall study:

- 12           (1) The advisability of requiring all State agencies subject to the rule-  
13 making provisions of Chapter 150B of the General Statutes to  
14 determine and provide to the public for review and comment an  
15 assessment of the economic costs and benefits of proposed rules;
- 16           (2) The costs to State agencies of producing assessments of the economic  
17 costs and benefits of proposed rules; and
- 18           (3) Any other issues related to State agency rule making that the  
19 Commission chooses to study.

20           Sec. 3. The Study Commission may submit an interim report of its findings  
21 and recommendations and the status of its work on or before the first day of the 1994  
22 Regular Session of the 1993 General Assembly. The Commission shall submit a final  
23 report of its findings and recommendations to the General Assembly on or before the  
24 first day of the 1995 Session of the General Assembly by filing the report with the  
25 President Pro Tempore of the Senate and the Speaker of the House of Representatives.  
26 Upon filing its final report, the Commission shall terminate.

27           Sec. 4. The Commission, while in the discharge of its official duties, may  
28 exercise all the powers provided for under the provisions of G.S. 120-19 through 120-  
29 19.4. The Commission may meet at any time upon the joint call of the cochairs. The  
30 Commission may meet in the Legislative Building or the Legislative Office Building.

31           Sec. 5. Members of the Commission shall be paid per diem, subsistence, and  
32 travel allowances as follows:

- 33           (1) Commission members who are also members of the General  
34 Assembly, at the rate established in G.S. 120-3.1;
- 35           (2) Commission members who are officials or employees of the State or  
36 local government agencies, at the rate established in G.S. 138-6; and
- 37           (3) All other Commission members, at the rate established in G.S. 138-5.

38           Sec. 6. There is allocated from the General Fund to the General Assembly  
39 the sum of twenty-five thousand dollars (\$25,000) for each of the 1993-94 and 1994-95  
40 fiscal years for the expenses of the Commission.

41           Sec. 7. The Legislative Services Commission, through the Legislative  
42 Administrative Officer, shall assign professional staff to assist in the work of the  
43 Commission. The Senate's and the House of Representative's Supervisors of Clerks  
44 shall assign clerical staff to the Commission, upon the direction of the Legislative

1 Services Commission. The expenses relating to clerical employees shall be borne by  
2 the Commission.

3           Sec. 8. Beginning September 15, 1993, and each month thereafter, the Rules  
4 Review Commission shall prepare or cause to be prepared and shall submit to the  
5 Governor and to the Joint Legislative Commission on Governmental Operations by the  
6 fifteenth of each month a summary of all rules proposed and all rules adopted by State  
7 agencies during the preceding month. Each department and agency of the State required  
8 to file proposed and adopted rules with the Rules Review Commission shall cooperate  
9 with the Rules Review Commission in the production of the rule summaries.

10           Sec. 9. This act becomes effective upon ratification.