1 AN ACT relating to administrative regulations and declaring an emergency.

2 Be it enacted by the General Assembly of the Commonwealth of Kentucky:

- 3 → Section 1. KRS 13A.010 is amended to read as follows:
- 4 As used in this chapter, unless the context otherwise requires:
- 5 (1) "Administrative body" means each state board, bureau, cabinet, commission,
- department, authority, officer, or other entity, except the General Assembly and the
- 7 Court of Justice, authorized by law to promulgate administrative regulations;
- 8 (2) "Administrative regulation" means each statement of general applicability
- 9 promulgated by an administrative body that implements, interprets, or prescribes
- law or policy, or describes the organization, procedure, or practice requirements of
- any administrative body. The term includes an existing administrative regulation, a
- new administrative regulation, an emergency administrative regulation, an
- administrative regulation in contemplation of a statute, and the amendment or
- repeal of an existing administrative regulation, but does not include:
- 15 (a) Statements concerning only the internal management of an administrative
- body and not affecting private rights or procedures available to the public;
- 17 (b) Declaratory rulings;
- 18 (c) Intradepartmental memoranda not in conflict with KRS 13A.130;
- 19 (d) Statements relating to acquisition of property for highway purposes and
- statements relating to the construction or maintenance of highways; or
- 21 (e) Rules, regulations, and policies of the governing boards of institutions that
- make up the postsecondary education system defined in KRS 164.001
- pertaining to students attending or applicants to the institutions, to faculty and
- staff of the respective institutions, or to the control and maintenance of land
- and buildings occupied by the respective institutions;
- 26 (3) "Adopted" means that an administrative regulation has become effective in
- accordance with the provisions of this chapter;

(4) "Authorizing signature" means the signature of the head of the administrative body

2		authorized by statute to promulgate administrative regulations;
3	(5)	"Commission" means the Legislative Research Commission;
4	(6)	"Effective" means an administrative regulation that has completed the legislative
5		committee review established by KRS 13A.290, 13A.330, and 13A.331;
6	(7)	"Federal mandate" means any federal constitutional, legislative, or executive law or
7		order that requires or permits any administrative body to engage in regulatory
8		activities that impose compliance standards, reporting requirements, recordkeeping,
9		or similar responsibilities upon entities in the Commonwealth;
10	(8)	"Federal mandate comparison" means a written statement containing the
11		information required by KRS 13A.245;
12	(9)	"Filed" or "promulgated" means that an administrative regulation, or other
13		document required to be filed by this chapter, has been submitted to the
14		Commission in accordance with this chapter;
15	(10)	"Full review" means that a filed administrative regulation is on an agenda for:
16		(a) The subcommittee as the last step required by this chapter prior to
17		assignment in accordance with subsection (6) of Section 5 of this Act;
18		(b) A legislative committee as the last step required by this chapter for an
19		ordinary administrative regulation before becoming effective upon
20		adjournment in accordance with KRS 13A.331(1) and (2); or
21		(c) A legislative committee as an emergency administrative regulation being
22		reviewed after assignment in accordance with subsections (6) and (7) of
23		Section 5 of this Act;
24	<u>(11)</u>	"Last effective date" means the latter of:
25		(a) The most recent date an ordinary administrative regulation became effective,
26		without including the date a technical amendment was made pursuant to KRS
27		13A.040(10), 13A.2255(2), or 13A.312; or

1	(b) The date a certification letter was filed with the regulations compiler for that
2	administrative regulation pursuant to KRS 13A.3104(4), if the letter stated
3	that the administrative regulation shall remain in effect without amendment;
4	(12)[(11)] "Legislative committee" means an interim joint committee, a House or Senate
5	standing committee, a statutory committee, or a subcommittee of the Legislative
6	Research Commission;
7	(13)[(12)] "Local government" means and includes a city, county, urban-county, charter
8	county, consolidated local government, special district, or a quasi-governmental
9	body authorized by the Kentucky Revised Statutes or a local ordinance;
10	(14)[(13)] "Major economic impact" means an overall negative or adverse economic
11	impact from an administrative regulation of five hundred thousand dollars
12	(\$500,000) or more on state or local government or regulated entities, in aggregate,
13	as determined by the promulgating administrative bodies;
14	(15)[(14)] "Proposed administrative regulation" means an administrative regulation that:
15	(a) Has been filed by an administrative body; and
16	(b) Has not become effective or been withdrawn;
17	(16)[(15)] "Regulatory impact analysis" means a written statement containing the
18	provisions required by KRS 13A.240;
19	(17)[(16)] "Small business" means a business entity, including its affiliates, that:
20	(a) Is independently owned and operated; and
21	(b) 1. Employs fewer than one hundred fifty (150) full-time employees or their
22	equivalent; or
23	2. Has gross annual sales of less than six million dollars (\$6,000,000);
24	(18) [(17)] "Statement of consideration" means the document required by KRS 13A.280
25	in which the administrative body summarizes the comments received, its responses
26	to those comments, and the action taken, if any, as a result of those comments and
27	responses;

1	<u>(19)</u>	[(18)]	"Subcommittee" means the Administrative Regulation Review Subcommittee
2		of th	ne Legislative Research Commission;
3	<u>(20)</u>	[(19)]	"Tiering" means the tailoring of regulatory requirements to fit the particular
4		circu	umstances surrounding regulated entities; and
5	<u>(21)</u>	[(20)]	"Written comments" means comments submitted to the administrative body's
6		cont	act person identified pursuant to KRS 13A.220(6)(d) via hand delivery, United
7		State	es mail, email or facsimile and may include but is not limited to
8		com	ments submitted internally from within the promulgating administrative body
9		or fr	om another administrative body.
10		→ S	ection 2. KRS 13A.030 is amended to read as follows:
11	(1)	The	Administrative Regulation Review Subcommittee shall:
12		(a)	Conduct a continuous study as to whether additional legislation or changes in
13			legislation are needed based on various factors, including[,] but not limited to,
14			review of new, emergency, and existing administrative regulations, the lack of
15			administrative regulations, and the needs of administrative bodies;
16		(b)	Except as provided by KRS 158.6471 and 158.6472, review and comment
17			upon effective administrative regulations pursuant to subsections (2), (3), and
18			(4) of this section or administrative regulations filed with the Commission;
19		(c)	Make recommendations for changes in statutes, new statutes, repeal of
20			statutes affecting administrative regulations or the ability of administrative
21			bodies to promulgate them; and
22		(d)	Conduct such other studies relating to administrative regulations as may be
23			assigned by the Commission.
24	(2)	The	subcommittee may make a determination:
25		(a)	That an effective administrative regulation or an administrative regulation
26			filed with the Commission is deficient because it:
27			1. Is wrongfully promulgated;

1			2.	Appears to be in conflict with an existing statute;
2			3.	Appears to have no statutory authority for its promulgation;
3			4.	Appears to impose stricter or more burdensome state requirements than
4				required by the federal mandate, without reasonable justification;
5			5.	Fails to use tiering when tiering is applicable;
6			6.	Is in excess of the administrative body's authority;
7			7.	Appears to impose an unreasonable burden on government or small
8				business, or both;
9			8.	Is filed as an emergency administrative regulation without adequate
10				justification of the emergency nature of the situation as described in
11				KRS 13A.190(1);
12			9.	Has not been noticed in conformance with the requirements of KRS
13				13A.270(3);
14			10.	Does not provide an adequate cost analysis pursuant to KRS 13A.250;[
15				or]
16			11.	Was the subject of the subcommittee's instruction to an administrative
17				body to appear under subsection (4) of this section and the
18				administrative body failed to:
19				a. Appear;
20				b. Make a good faith effort to answer subcommittee questions; or
21				c. Provide any information or data required by the subcommittee;
22				<u>or</u>
23			<u>12.</u>	Appears to be deficient in any other manner;
24		(b)	That	an administrative regulation is needed to implement an existing statute;
25			or	
26		(c)	That	an administrative regulation should be amended or repealed.
27	(3)	The	subc	committee may <i>conduct an informational</i> review <i>of</i> an effective

1		adm	inistrative regulation or an administrative regulation filed with the
2		Con	amission if requested by a member of the subcommittee.
3	(4)	<u>(a)</u>	The subcommittee may require any administrative body to <u>appear before it to</u>
4			answer questions or submit data and information as required by the
5			subcommittee in the performance of its duties under this chapter, and no
6			administrative body shall fail to:
7			1. Appear before the subcommittee;
8			2. Make a good faith effort to answer subcommittee questions;
9			3. Provide <u>any</u> [the] information or data required <u>by the subcommittee; or</u>
10			4. Perform any combination of subparagraphs 1., 2., and 3. of this
11			paragraph required by the subcommittee.
12		<u>(b)</u>	Either co-chair of the subcommittee may require action by an
13			administrative body under paragraph (a) of this subsection on behalf of the
14			subcommittee.
15	<u>(5)</u>	At l	east five (5) calendar days before an informational review of an ordinary
16		<u>adm</u>	inistrative regulation, the subcommittee shall notify the affected
17		<u>adm</u>	<u>inistrative body</u> .
18		→ S	ection 3. KRS 13A.270 is amended to read as follows:
19	(1)	(a)	In addition to the public comment period required by paragraph (c) of this
20			subsection, following publication in the Administrative Register of the text of
21			an administrative regulation, the administrative body shall, unless authorized
22			to cancel the hearing pursuant to subsection (7) of this section, hold a hearing,
23			open to the public, on the administrative regulation.
24		(b)	The public hearing for an:
25			1. Ordinary administrative regulation shall not be held before the twenty-
26			first day or after the last workday of the month following the month in
27			which the administrative regulation is published in the Administrative

1			Register; or
2			2. Emergency administrative regulation shall not be held before the
3			twenty-first day or after the last workday of the month in which the
4			administrative regulation is published in the Administrative Register.
5			Nothing in this paragraph shall preclude the administrative body from holding
6			additional public hearings in addition to the hearing mandated in
7			subparagraph 1. or 2. of this paragraph.
8		(c)	The administrative body shall accept written comments regarding the
9			administrative regulation during the comment period. The comment period
10			shall begin on the date the administrative regulation is filed with the
11			regulations compiler and:
12			1. For an ordinary administrative regulation, shall run until 11:59 p.m. on
13			the last day of the calendar month following the month in which the
14			administrative regulation was published in the Administrative Register;
15			or
16			2. For an emergency administrative regulation, shall run until 11:59 p.m.
17			on the last day of the calendar month in which the administrative
18			regulation is published in the Administrative Register.
19	(2)	Eacl	administrative regulation shall state:
20		(a)	The place, time, and date of the scheduled public hearing;
21		(b)	The manner in which interested persons shall submit their:
22			1. Notification of attending the public hearing; and
23			2. Written comments;
24		(c)	That notification of attending the public hearing shall be transmitted to the
25			administrative body no later than five (5) workdays prior to the date of the
26			scheduled public hearing;
27		(d)	The deadline for submitting written comments regarding the administrative

1			regulation in accordance with subsection (1)(c) of this section; and
2		(e)	The name, position, mailing address, email [e-mail] address, and telephone
3			and facsimile numbers of the person to whom a notification and written
4			comments shall be transmitted.
5	(3)	(a)	A person who wishes to be notified that an administrative body has filed an
6			administrative regulation shall:
7			1. Contact the administrative body by telephone or written letter to request
8			that the administrative body send the information required by paragraph
9			(c) or (d) of this subsection to the person; or
10			2. Complete an electronic registration form located on a centralized state
11			government website [Web site] developed and maintained by the
12			Commonwealth Office of Technology.
13		(b)	A registration submitted pursuant to paragraph (a) of this subsection shall:
14			1. Indicate whether the person wishes to receive notification regarding:
15			a. All administrative regulations promulgated by an administrative
16			body; or
17			b. Each administrative regulation that relates to a specified subject
18			area. The subject areas shall be provided by the administrative
19			bodies and shall be listed on the centralized state government
20			website[Web site] in alphabetical order;
21			2. Include a request for the person to provide an <u>email</u> [e-mail] address in
22			order to receive regulatory information electronically;
23			3. Be valid for a period of four (4) years from the date the registration is
24			submitted, or until the person submits a written request to be removed
25			from the notification list, whichever occurs first; and
26			4. Be transmitted to the promulgating administrative body, if the
27			registration was made through the centralized state government

1		website [Web site]. The collected email[e-mail] addresses shall be used
2		solely for the purposes of this subsection and shall not be sold,
3		transferred, or otherwise made available to third parties, other than the
4		promulgating administrative body.
5	(c)	A copy of the administrative regulation as filed, and all attachments required
6		by KRS 13A.230(1), shall be <u>emailed[e-mailed]</u> :
7		1. To every person who has:
8		a. Registered pursuant to paragraph (a) of this subsection; and
9		b. Provided an <u>email</u> [e-mail] address as part of the registration
10		request;
11		2. Within five (5) working days after the date the administrative regulation
12		is filed with the Commission; and
13		3. With a request from the administrative body that affected individuals,
14		businesses, or other entities submit written comments that identify the
15		anticipated effects of the proposed administrative regulation.
16	(d)	Within five (5) working days after the date the administrative regulation is
17		filed with the Commission, the administrative body shall mail the following
18		information to every person who has registered pursuant to paragraph (a) of
19		this subsection but did not provide an <u>email</u> [e mail] address:
20		1. A cover letter from the administrative body requesting that affected
21		individuals, businesses, or other entities submit written comments that
22		identify the anticipated effects of the proposed administrative regulation;
23		2. A copy of the regulatory impact analysis required by KRS 13A.240
24		completed in detail sufficient to put the individual on notice as to the
25		specific contents of the administrative regulation, including all proposed
26		amendments to the administrative regulation; and

A statement that a copy of the administrative regulation may be obtained

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1			from the Commission's website [Web site], which can be accessed on-
2			line through public libraries or any computer with internet access. The
3			Commission's website [Web site] address shall be included in the
4			statement.
5		(e)	An administrative body shall not be required to send a copy of ar
6			administrative regulation that was amended after comments in accordance
7			with KRS 13A.280 to persons who have registered pursuant to paragraph (a)
8			of this subsection, unless the person requested a copy pursuant to KRS
9			13A.280(8).
10	(4)	(a)	If small business may be impacted by an administrative regulation, the
11			administrative body shall <u>email</u> [e-mail] a copy of the administrative
12			regulation as filed, and all attachments required by KRS 13A.230(1), to the
13			chief executive officer of the Commission on Small Business Innovation and
14			Advocacy within one (1) working day after the date the administrative
15			regulation is filed with the Commission.
16		(b)	The <u>email</u> [e-mail] shall include a request from the administrative body that
17			the Commission on Small Business Innovation and Advocacy review the
18			administrative regulation in accordance with KRS 11.202(1)(e) and submit its
19			report or comments in accordance with the deadline established in subsection
20			(1)(c) of this section. A copy of the report shall be filed with the regulations
21			compiler.
22		(c)	An administrative body shall not be required to send a copy of ar
23			administrative regulation that was amended after comments in accordance
24			with KRS 13A.280 to the Commission on Small Business Innovation and
25			Advocacy, unless its chief executive officer requested a copy pursuant to KRS
26			13A.280(8).

If a local government may be impacted by an administrative regulation, the

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(5) (a)

administrative body shall send, by <code>email[e-mail]</code> if the local government has an <code>email[e-mail]</code> address, a copy of the administrative regulation as filed and all attachments required by KRS 13A.230(1) to each local government in the state within one (1) working day after the date the administrative regulation is filed with the Commission. If the local government does not have an <code>email[e-mail]</code> address, the material shall not be sent.

- (b) The <u>email</u>[e-mail] shall include a request from the administrative body that the local government review the administrative regulation in the same manner as would the Commission on Small Business Innovation and Advocacy under KRS 11.202(1)(e), and submit its report or comments in accordance with the deadline established in subsection (1)(c) of this section. A copy of the report or comments shall be filed with the regulations compiler.
- (c) An administrative body shall not be required to send a copy of an administrative regulation that was amended after comments in accordance with KRS 13A.280 to a local government, unless its contact person requested a copy pursuant to KRS 13A.280(8).
- (6) Persons desiring to be heard at the hearing shall notify the administrative body in writing as to their desire to appear and testify at the hearing not less than five (5) workdays before the scheduled date of the hearing.
- 20 (7) The administrative body shall immediately notify the regulations compiler by letter if:
- 22 (a) No written notice of intent to attend the public hearing is received by the 23 administrative body at least five (5) workdays before the scheduled hearing, 24 and it chooses to cancel the public hearing; and
- 25 (b) No written comments have been received by the close of the last day of the public comment period.
- 27 (8) (a) 1. Upon receipt from interested persons of their intent to attend a public

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1			hearing, the administrative body shall notify the regulations compiler by
2			letter that the public hearing shall be held.
3			2. If the public hearing is held but no comments are received during the
4			hearing, the administrative body shall notify the regulations compiler by
5			letter that the public hearing was held and that no comments were
6			received.
7		(b)	Upon receipt of written comments, the administrative body shall notify the
8			regulations compiler by letter that written comments have been received.
9	(9)	<u>(a)</u>	If the notifications required by subsections (7) and (8) of this section are not
10			received by the regulations compiler by close of business on the second
11			workday of the calendar month following the end of the public comment
12			period, the administrative regulation shall be deferred to the next regularly
13			scheduled meeting of the subcommittee.
14		<u>(b)</u>	A filed administrative regulation that is deferred under this subsection due
15			to failure to timely notify the regulations compiler may still be placed on the
16			subcommittee's agenda for informational review pursuant to subsection (3)
17			or (4) of Section 2 of this Act.
18		<u>(c)</u>	If a filed administrative regulation is placed on the agenda pursuant to
19			paragraph (b) of this subsection, the full review of the filed administrative
20			regulation shall still be deferred in accordance with this subsection.
21	(10)	The	notifications required by subsections (7) and (8) of this section shall be made
22		by le	etter. The letter may be sent by <u>email</u> [e mail] if the administrative body uses an
23		elec	tronic signature and letterhead for the <u>emailed</u> [e-mailed] document.
24	(11)	Eve	ry hearing shall be conducted in such a manner as to guarantee each person who
25		wish	nes to offer comment a fair and reasonable opportunity to do so, whether or not
26		such	person has given the notice contemplated by subsection (6) of this section. No
27		trans	script need be taken of the hearing, unless a written request for a transcript is

made,	ın	which	case	the	person	requesting	the	transcript	shall	have	the
respons	sibil	ity of pa	aying	for s	ame. A 1	recording ma	ay be	made in li	eu of a	transc	cript
under t	he s	ame ter	ms an	d cor	nditions a	as a transcrip	ot. Th	nis section s	hall no	ot prec	lude
an adm	ninis	strative	body	from	making	a transcrip	t or	making a r	ecordi	ng if i	t so
desires.											

- Nothing in this section shall be construed as requiring a separate hearing on each administrative regulation. Administrative regulations may be grouped at the convenience of the administrative body for purposes of hearings required by this section.
- → Section 4. KRS 13A.280 is amended to read as follows:

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- 11 (1) Following the last day of the comment period, the administrative body shall give 12 consideration to all comments received at the public hearing and all written 13 comments received during the comment period, including:
 - (a) Any report filed by the Commission on Small Business Innovation and Advocacy in accordance with KRS 11.202(1)(e) and 13A.270(4), or by a local government in accordance with KRS 11.202(1)(e) and 13A.270(5); and
 - (b) Any comments regarding the administrative regulation's major economic impact, as defined in KRS 13A.010, as submitted by agencies, local governments, or regulated entities.
- 20 (2) (a) Except as provided in paragraph (b) of this subsection, the administrative body shall file with the commission on or before 12 noon, eastern time, on the fifteenth day of the calendar month following the end of the public comment period the statement of consideration relating to the administrative regulation and, if applicable, the amended after comments version.
- 25 (b) If the administrative body has received a significant number of public comments:
- 1. It may extend the time for filing the statement of consideration for an

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1			ordinary administrative regulation and, if applicable, the amended after
2			comments version by notifying the regulations compiler in writing on or
3			before 12 noon, eastern time, on the fifteenth day of the calendar month
4			following the end of the public comment period; and
5			2. The administrative body shall file the statement of consideration for an
6			ordinary administrative regulation and, if applicable, the amended after
7			comments version, with the Commission on or before 12 noon, eastern
8			time, no later than the fifteenth day of the second calendar month
9			following the end of the public comment period.
10	(3)	(a)	If the administrative regulation is amended as a result of the hearing or written
11			comments received, the administrative body shall forward the items specified
12			in this paragraph to the regulations compiler by 12 noon, eastern time, on the
13			applicable deadline specified in subsection (2) of this section:
14			1. The original and five (5) copies of the administrative regulation
15			indicating any amendments resulting from comments received at the
16			public hearing and during the comment period. The amendments shall
17			be indicated in:
18			a. The original wording for an ordinary administrative regulation; or
19			b. The wording of an emergency administrative regulation as
20			amended, for an emergency administrative regulation that was
21			amended at a legislative committee meeting pursuant to KRS
22			13A.190(3);
23			2. The original and five (5) copies of the statement of consideration as
24			required by subsection (2) of this section, attached to the back of the
25			original and each copy of the administrative regulation; and
26			3. The regulatory impact analysis, tiering statement, federal mandate
27			comparison, or fiscal note on local government. These documents shall

1			reflect changes resulting from amendments made after the public
2			hearing.
3		(b)	The original and four (4) copies of the amended after comments version, the
4			statement of consideration, and the attachments required by paragraph (a)3. of
5			this subsection shall be stapled in the top left corner. The fifth copy shall not
6			be stapled.
7		(c)	At the same time as, or prior to, filing the paper version, the administrative
8			body shall file an electronic version of the amended after comments version,
9			the statement of consideration, and the required attachments saved as a single
10			document for each amended after comments administrative regulation in an
11			electronic format approved by the regulations compiler.
12	(4)	(a)	If the administrative regulation is not amended as a result of the public
13			hearing, or written comments received, the administrative body shall file the
14			original and five (5) copies of the statement of consideration with the
15			regulations compiler by 12 noon, eastern time, on the deadline established in
16			subsection (2) of this section. The original and four (4) copies of the statement
17			of consideration shall be stapled in the top left corner. The fifth copy of each
18			statement of consideration shall not be stapled.
19		(b)	If the statement of consideration covers multiple administrative regulations, as
20			authorized by subsection (6)(g)1. of this section, the administrative body shall
21			file with the regulations compiler:
22			1. The original and five (5) copies of the statement of consideration as
23			required by paragraph (a) of this subsection; and
24			2. Two (2) additional unstapled copies of the statement of consideration for
25			each additional administrative regulation included in the group of
26			administrative regulations.
27		(c)	At the same time as, or prior to, filing the paper version, the administrative

1			body shall file an electronic version of the statement of consideration saved as
2			a single document for each statement of consideration in an electronic format
3			approved by the regulations compiler.
4	(5)	<u>(a)</u>	If comments are received either at the public hearing or during the public
5			comment period, the administrative regulation shall be deferred to the next
6			regularly scheduled meeting of the subcommittee following the month in
7			which the statement of consideration is due.
8		<u>(b)</u>	A filed administrative regulation that is deferred under this subsection due
9			to receipt of public comments may still be placed on the subcommittee's
10			agenda for informational review pursuant to subsection (3) or (4) of Section
11			2 of this Act.
12		<u>(c)</u>	If a filed administrative regulation is placed on the agenda pursuant to
13			paragraph (a) of this subsection, the full review of the filed administrative
14			regulation shall still be deferred in accordance with this subsection.
15	(6)	The	format for the statement of consideration shall be as follows:
16		(a)	The statement shall be typewritten on white paper, size eight and one-half (8-
17			1/2) by eleven (11) inches. Copies of the statement may be mechanically
18			reproduced;
19		(b)	The first page of the statement of consideration shall have a two (2) inch top
20			margin;
21		(c)	The heading of the statement shall consist of the words "STATEMENT OF
22			CONSIDERATION RELATING TO" followed by the number of the
23			administrative regulation that was the subject of the public hearing and
24			comment period and the name of the promulgating administrative body. The
25			heading shall be centered. This shall be followed by the words "Not Amended
26			After Comments," "Emergency Not Amended After Comments," "Amended
27			After Comments," or "Emergency Amended After Comments," whichever is

1		applicable;
2	(d)	If a hearing has been held or written comments received, the heading is to be
3		followed by:
4		1. A statement setting out the date, time and place of the hearing, if the
5		hearing was held;
6		2. A list of those persons who attended the hearing or who submitted
7		comments and the organization, agency, or other entity represented, if
8		applicable; and
9		3. The name and title of the representative of the promulgating
10		administrative body;
11	(e)	Following the general information, the promulgating administrative body
12		shall summarize the comments received at the public hearing and during the
13		comment period and the response of the promulgating administrative body.
14		Each subject commented upon shall be summarized in a separate numbered
15		paragraph. Each numbered paragraph shall contain two (2) subsections:
16		1. Subsection (a) shall be labeled "Comment," shall identify the name of
17		the person, and the organization represented if applicable, who made the
18		comment, and shall contain a summary of the comment; and
19		2. Subsection (b) shall be labeled "Response" and shall contain the
20		response to the comment by the promulgating administrative body;
21	(f)	Following the summary and comments, the promulgating administrative body
22		shall:
23		1. Summarize the statement and the action taken by the administrative
24		body as a result of comments received at the public hearing and during
25		the comment period; and
26		2. If amended after the comment period, list the changes made to the
27		administrative regulation in the format prescribed by KRS

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(g) 1. If administrative regulations were considered as a group at a public hearing, one (1) statement of consideration may include the group of administrative regulations. If a comment relates to one (1) or more of the administrative regulations in the group, the summary of the comment and response shall specify each administrative regulation to which it applies.

- 2. Emergency administrative regulations shall be in a separate statement of consideration from ordinary administrative regulations.
- 10 (7) If the administrative regulation is amended pursuant to subsection (3) of this section, the full text of the administrative regulation shall be published in the Administrative Register. The changes made to the administrative regulation shall be typed in bold and made in the format prescribed by KRS 13A.222(2). The administrative regulation shall be reviewed by the Administrative Regulation Review Subcommittee after such publication.
 - (8) If requested, copies of the statement of consideration and, if applicable, the amended after comments version of the administrative regulation shall be made available by the promulgating administrative body to persons attending the hearing or submitting comments or who specifically request a copy from the administrative body.
- → Section 5. KRS 13A.290 is amended to read as follows:
- 22 (1) (a) Except as provided by KRS 158.6471 and 158.6472, the Administrative Regulation Review Subcommittee shall meet monthly to review administrative regulations prior to close of business on the fifteenth day of the calendar month.
- (b) The agenda shall:
- 27 1. Include each administrative regulation that completed the public

1		comment process;
2		2. Include each administrative regulation for which a statement of
3		consideration was received on or before 12 noon, eastern time, on the
4		fifteenth day of the prior calendar month;
5		3. Include each effective administrative regulation or administrative
6		regulation filed with the commission that the subcommittee has decided
7		to review pursuant to subsection (3) of Section 2 of this Act;
8		4. <u>Include each administrative regulation required to be on the agenda</u>
9		pursuant to subsection (4) of Section 2 of this Act;
10		<u>5.</u> Include each administrative regulation that was deferred from the prior
11		month's meeting of the subcommittee; and
12		6.[5.] Not include an administrative regulation that is deferred, withdrawn
13		expired, or automatically taken off the agenda under the provisions of
14		this chapter, unless it is being reviewed pursuant to subsection (3) or
15		(4) of Section 2 of this Act.
16		(c) Review of an administrative regulation shall include the entire administrative
17		regulation and all attachments filed with the administrative regulation. The
18		review of amendments to existing administrative regulations shall not be
19		limited to only the changes proposed by the promulgating administrative
20		body.
21	(2)	The meetings shall be open to the public.
22	(3)	Public notice of the time, date, and place of the Administrative Regulation Review
23		Subcommittee meeting shall be given in the Administrative Register.
24	(4)	(a) A representative of the administrative body for an administrative regulation
25		on the agenda[under consideration] shall be present to explain the
26		administrative regulation and to answer questions thereon.
27		(b) If a representative of <u>an[the]</u> administrative body with authority to amend,

I		aefer, and answer questions about a filed administrative regulation that is on
2		the agenda for full review fails to appear before is not present at the
3		subcommittee meeting, the administrative regulation shall be deferred to the
4		next regularly scheduled meeting of] the subcommittee, the subcommittee
5		may:
6		1. Defer the administration regulation to the next regularly scheduled
7		meeting of the subcommittee; and
8		2. Make a determination pursuant to subsections (2), (3), and (4) of
9		Section 2 of this Act or KRS 13A.190(3).
10		(c) If a representative of an administrative body with authority to defer and
11		answer questions about an [for an effective] administrative regulation that
12		was placed on the agenda for informational review pursuant to subsection
13		(3) or (4) of Section 2 of this Act fails to appear before the subcommittee, the
14		subcommittee may:
15		1. Defer the <u>informational review of the</u> administrative regulation to the
16		next regularly scheduled meeting of the subcommittee; <u>and</u> [or]
17		2. Make a determination pursuant to KRS 13A.030(2), (3), and (4), or KRS
18		13A.190(3).
19	(5)	Following the meeting and before the next regularly scheduled meeting of the
20		Commission, the Administrative Regulation Review Subcommittee shall forward to
21		the Commission its findings, recommendations, or other comments it deems
22		appropriate in writing.[The Administrative Regulation Review Subcommittee shall
23		also forward to the Commission its findings, recommendations, or other comments
24		it deems appropriate on an effective administrative regulation it has reviewed.] The
25		Administrative Regulation Review Subcommittee's findings shall be published in
26		the Administrative Register.
27	(6)	(a) After review by the Administrative Regulation Review Subcommittee, the

1			Commission shall, on the first Wednesday of the following month, or if the
2			first Wednesday is a legal holiday, the next workday of the month:[,]
3			1. Assign a filed administrative regulation to a legislative committee with
4			subject matter jurisdiction if the administrative regulation was on the
5			agenda for full review pursuant to subsection (1)(b)1., 2., or 5. of this
6			section; and
7			2. Not assign a filed administrative regulation to a legislative committee
8			with subject matter jurisdiction if the administrative regulation was
9			solely on the agenda for informational review pursuant to subsection
10			(3) or (4) of Section 2 of this Act.
11		(b)	Upon notification of the assignment by the Commission, the legislative
12			committee to which the administrative regulation is assigned shall notify the
13			regulations compiler:
14			1. Of the date, time, and place of the meeting at which it will consider the
15			administrative regulation; or
16			2. That it will not meet to consider the administrative regulation.
17	(7)	(a)	Within ninety (90) days of the assignment, the legislative committee may hold
18			a public meeting during which the administrative regulation shall be
19			reviewed.
20		(b)	If the ninetieth day of the assignment falls on a Saturday, Sunday, or holiday,
21			the deadline for review shall be the workday following the Saturday, Sunday,
22			or holiday.
23		(c)	1. If the administrative regulation is assigned to an interim joint committee
24			and a session of the General Assembly begins during the review period,
25			the assignment shall transfer to the Senate and House standing
26			committees with subject matter jurisdiction.
27			2. If the administrative regulation is assigned to Senate and House standing

1			committees and a session of the General Assembly adjourns sine die
2			during the review period, the assignment shall transfer to the interim
3			joint committee with subject matter jurisdiction.
4			3. An administrative regulation may be transferred more than one (1) time
5			under this paragraph. A transfer shall not extend the review period
6			established by this subsection.
7		(d)	Notice of the time, date, and place of the meeting shall be placed in the
8			legislative calendar.
9	(8)	Exce	ept as provided in subsection (9) of this section, a legislative committee shall be
10		emp	owered to make the same determinations and to exercise the same authority as
11		the	Administrative Regulation Review Subcommittee, including all powers and
12		<u>restr</u>	rictions relating to informational reviews conducted under subsection (3) or
13		<u>(4) o</u>	of Section 2 of this Act.
14	(9)	(a)	This subsection shall apply to administrative regulations filed with the
15			Commission and reviewed pursuant to subsection (7) of this section.
16		(b)	A majority of the entire membership of the legislative committee shall
17			constitute a quorum for purposes of reviewing administrative regulations.
18		(c)	In order to amend an administrative regulation pursuant to KRS 13A.320,
19			defer an administrative regulation pursuant to KRS 13A.300, or find an
20			administrative regulation deficient pursuant to KRS 13A.030(2), (3), or (4) or
21			13A.190(3), the motion to amend, defer, or find deficient shall be approved by
22			a majority of the entire membership of the legislative committee.
23			Additionally, during a session of the General Assembly, standing committees
24			of the Senate and House of Representatives shall agree in order to amend an
25			administrative regulation, defer an administrative regulation, or find an
26			administrative regulation deficient by:
27			1. Meeting separately; or

I		2. Meeting jointly. If the standing committees meet jointly, it shall require
2		a majority vote of Senate members voting and a majority of House
3		members voting, as well as the majority vote of the entire membership
4		of the standing committees meeting jointly, in order to take action on the
5		administrative regulation.
6	(10) (a)	The quorum requirements of subsection (9)(b) of this section shall apply to an
7		effective <u>or filed</u> administrative regulation <u>that is</u> under <u>informational</u> review
8		by a legislative committee pursuant to subsection (3) or (4) of Section 2 of
9		this Act and subsection (8) of this section.
10	(b)	A motion to <u>defer the informational review of an[find an effective]</u>
11		administrative regulation or find the administrative regulation deficient shall
12		be approved by:
13		1. A majority of the entire membership of the Administrative Regulation
14		Review Subcommittee; or
15		2. A legislative committee in accordance with subsection (9)(c) of this
16		section.
17	(11) (a)	Upon adjournment of the meeting at which a legislative committee has
18		considered an administrative regulation pursuant to subsection (7) or (10) of
19		this section, the legislative committee shall inform the regulations compiler of
20		its findings, recommendations, or other action taken on the administrative
21		regulation.
22	(b)	Following the meeting and before the next regularly scheduled meeting of the
23		Commission, the legislative committee shall forward to the Commission its
24		findings, recommendations, or other comments it deems appropriate in
25		writing. The legislative committee's findings shall be published in the
26		Administrative Register.
27	→ S	ection 6. KRS 13A.300 is amended to read as follows:

1	(1)	The	administrative body that promulgated an administrative regulation may request
2		that	consideration of the administrative regulation be deferred by a legislative
3		com	mittee.
4	(2)	The	deferral of an administrative regulation scheduled for <u>full</u> review by the
5		Adn	ninistrative Regulation Review Subcommittee pursuant to subsection (1)(b)1.,
6		2., a	or 5. of Section 5 of this Act shall be governed by KRS 13A.020(4) and the
7		follo	owing:
8		(a)	A request for deferral of an ordinary administrative regulation filed with the
9			Commission shall be automatically granted if:
10			1. The administrative body submits a written letter to the regulations
11			compiler; and
12			2. The letter is received by 12 noon, eastern time, at least five (5)
13			<u>calendar days</u> prior to the subcommittee meeting;
14		(b)	A request for deferral of an [effective administrative regulation or an]
15			emergency administrative regulation may be granted if:
16			1. The administrative body submits a written letter to the regulations
17			compiler;
18			2. The letter is received prior to the subcommittee meeting; and
19			3. Approved by the co-chairs of the Administrative Regulation Review
20			Subcommittee;
21		(c)	A request for deferral may be granted at the discretion of the subcommittee if
22			the request is made by the administrative body orally at a meeting of the
23			subcommittee;
24		(d)	The subcommittee may request that consideration of an administrative
25			regulation be deferred by the promulgating administrative body. Upon receipt
26			of the request, the promulgating administrative body may agree to defer
27			consideration of the administrative regulation;

1			meeting; and
2			3. Approved by the co-chairs of the Administrative Regulation Review
3			<u>Subcommittee</u> ;
4		<u>(b)</u> [2	A request for deferral may be granted at the discretion of the
5			subcommittee[second legislative committee] if the request is made by the
6			administrative body orally at a meeting of the <u>subcommittee</u> [legislative
7			eommittee]; and
8			[3. The legislative committee may request that consideration of an
9			administrative regulation be deferred by the promulgating administrative
10			body. Upon receipt of the request, the promulgating administrative body
11			may agree to defer consideration of the administrative regulation.]
12		(c) [1.] An <u>informational review for an</u> administrative regulation that is
13			deferred may be placed on the automate agenda of the next scheduled
14			meeting of the subcommittee [legislative committee or committees within the
15			review period.
16			2. If a filed ordinary administrative regulation that has been deferred is not
17			placed on a subsequent agenda within the review period, the
18			administrative regulation shall take effect at the expiration of the review
19			period] .
20	(4)	(a)	The deferral of <u>a filed ordinary or emergency</u> [an effective] administrative
21			regulation assigned to a second for an emergency administrative regulation
22			under review by a] legislative committee or committees for full review
23			pursuant to subsections (6) and (7) of Section 5 of this Act shall be governed
24			by this subsection and the voting requirements of KRS 13A.290(9).
25		(b)	A request for deferral may be granted if:
26			1. The administrative body submits a written letter to the regulations
27			compiler;

1		2. The letter is received:
2		<u>a.</u> Prior to the legislative committee meeting <u>for an emergency</u>
3		administrative regulation; or
4		b. By 12 noon, eastern time, at least five (5) calendar days prior to
5		the legislative committee meeting for an ordinary administrative
6		<u>regulation</u> ; and
7		3. Approved by the presiding chair or chairs.
8	(c)	A request for deferral may be granted at the discretion of the second
9		legislative committee if the request is made by the administrative body orally
10		at a meeting of the legislative committee.
11	(d)	1. At a meeting of a legislative committee, the legislative committee may
12		request that consideration of an administrative regulation be deferred by
13		the administrative body. Upon receipt of the request, the administrative
14		body may agree to defer consideration of the administrative regulation.
15		2.[(e)] An administrative regulation that is deferred <u>for full review</u> may
16		be placed on a subsequent agenda of the legislative committee or
17		committees within the review period.
18		3. If a filed ordinary administrative regulation that has been deferred for
19		full review is not placed on a subsequent agenda within the review
20		period, the administrative regulation shall take effect at the expiration
21		of the review period.
22	<u>(e)</u>	1. A filed administrative regulation deferred under this subsection may
23		still be placed on the agenda for informational review pursuant to
24		subsection (3) or (4) of Section 2 of this Act and subsection (8) of
25		Section 5 of this Act; and
26		2. If a filed administrative regulation is placed on the agenda pursuant to
27		subparagraph 1. of this paragraph, the full review of the filed

1		administrative regulation may be scheduled by the legislative		
2		committee at a subsequent meeting during the ninety (90) day review		
3		<u>period</u> .		
4	(5)	The deferral of an informational review for an administrative regulation		
5		scheduled by a legislative committee pursuant to subsection (3) or (4) of Section 2		
6		of this Act and subsection (8) of Section 5 of this Act shall be governed by this		
7		subsection and the voting requirements of subsection (9) of Section 5 of this Act.		
8		(a) A request to defer an informational review for an administrative regulation		
9		that was placed on the legislative committee's agenda may be granted if:		
10		1. The administrative body submits a written letter to the regulations		
11		<u>compiler;</u>		
12		2. The letter is received prior to the legislative committee meeting; and		
13		3. Approved by the presiding chair or chairs.		
14		(b) A request for deferral of an informational review for an administrative		
15		regulation may be granted at the discretion of the legislative committee if		
16		the request is made by the administrative body orally at a meeting of the		
17		legislative committee.		
18		(c) An informational review for an administrative regulation that is deferred		
19		may be placed on a subsequent agenda of the legislative committee.		
20	<u>(6)</u>	Except as provided by KRS 13A.290(4), if a representative of an administrative		
21		body with authority to amend, defer, and answer questions about a filed [whose]		
22		administrative regulation <u>that is on the agenda</u> [is scheduled] for <u>full</u> review fails to		
23		appear before a legislative committee, the legislative committee in conformance		
24		with KRS 13A.290(9) may:		
25		(a) Defer the administrative regulation to <u>a subsequent</u> [the next regularly		
26		scheduled] meeting of the legislative committee; and[or]		
27		(b) Make a determination pursuant to KRS 13A.030(2), (3), and (4) or		

1			13A.190(3).					
2	<u>(7)</u>	If a	representative of an administrative body with authority to defer and answer					
3		ques	stions about an administrative regulation that was placed on the agenda for					
4		informational review pursuant to subsection (3) or (4) of Section 2 of this Act and						
5		subs	subsection (8) of Section 5 of this Act fails to appear before the legislative					
6		committee, the legislative committee in conformance with subsection (9) of						
7		Section 5 of this Act may:						
8		<u>(a)</u>	Defer the informational review for the administrative regulation to a					
9			subsequent meeting of the legislative committee; and					
10		<u>(b)</u>	Make a determination pursuant to subsection (2), (3), and (4) of Section 2					
11			of this Act or KRS 13A.190(3).					
12		→ S	ection 7. KRS 13A.335 is amended to read as follows:					
13	(1)	(a)	A filed administrative regulation found deficient by a legislative committee					
14			shall not be considered deficient if:					
15			1. A subsequent amendment of that administrative regulation is filed with					
16			the Commission by the administrative body;					
17			2. The legislative committee that found the administrative regulation					
18			deficient approves a motion that the subsequent amendment corrects the					
19			deficiency; and					
20			3. The administrative regulation is not found deficient by any other					
21			legislative committee that reviews the administrative regulation under					
22			the provisions of KRS Chapter 13A[finds that the administrative					
23			regulation is not deficient].					
24		(b)	A filed administrative regulation found deficient by the Administrative					
25			Regulation Review Subcommittee shall not be considered deficient if:					
26			1. The administrative regulation is amended to correct the deficiency at a					
27			meeting of the legislative committee to which it was assigned by the					

1			Commission;
2			2. That legislative committee does not determine that the administrative
3			regulation is deficient for any other reason; and
4			3. The Administrative Regulation Review Subcommittee approves a
5			motion that the deficiency has been corrected and that the administrative
6			regulation should not be considered deficient.
7		(c)	A filed administrative regulation found deficient by a legislative committee[
8			with subject matter jurisdiction] shall not be considered deficient if the
9			legislative committee:
10			1. Reconsiders the administrative regulation and its finding of deficiency;
11			and
12			2. Approves a motion that the administrative regulation is not deficient.
13		(d)	If an amendment to an effective administrative regulation is going through the
14			KRS Chapter 13A promulgation process and is found deficient by a
15			legislative committee, the administrative regulation shall not be considered
16			deficient if the:
17			1. Administrative regulation was found deficient due to the amendment;
18			2. Promulgating administrative body has withdrawn the proposed
19			amendment of the existing administrative regulation; and
20			3. Regulations compiler has not received the Governor's determination
21			pursuant to KRS 13A.330.
22	(2)	If a	n effective administrative regulation is found deficient by a legislative
23		com	mittee, the administrative regulation shall not be considered deficient if the
24		legis	lative committee:
25		(a)	Reconsiders the administrative regulation and its finding of deficiency; and
26		(b)	Approves a motion that the administrative regulation is not deficient.
27	(3)	(a)	If an administrative regulation has been found deficient by a legislative

committee, the regulations compiler shall add the following notice to the administrative regulation: "This administrative regulation was found deficient by the [name of legislative committee] on [date]." This notice shall be the last section of the administrative regulation.

- (b) If an administrative regulation has been found deficient by a legislative committee, subsequent amendments of that administrative regulation filed with the Commission shall contain the notice provided in paragraph (a) of this subsection.
- (c) If an administrative regulation that has been found deficient by a legislative committee has subsequently been determined not to be deficient under the provisions of this section, the regulations compiler shall delete the notice required by paragraph (a) of this subsection.
- → Section 8. KRS 67.767 is amended to read as follows:
- 14 (1) (a) The Secretary of State shall prescribe a standard form or forms, through 15 promulgation of an administrative regulation, which shall be accepted by all 16 tax districts and shall allow for returns of net profits and gross receipts 17 occupational license taxes by all business entities unless the tax district opts 18 out from acceptance in accordance with subsection (2) of this section or is 19 exempted under subsection (3) of this section. The Secretary shall also 20 develop and update as necessary instructions or a set of instructions for 21 business entities on the completion of the standard form or forms so that 22 business entities have the current information necessary to ensure the proper 23 payment of the tax to each tax district.
 - (b) The Secretary shall seek advice and comments on the development, amendment, and maintenance of the form or forms and instructions from an advisory committee chaired by the Secretary, or his or her designee, that is composed of a representative from the Kentucky Association of Counties, the

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Kentucky League of Cities, the Kentucky Occupational License Association, the Kentucky School Boards Association, the Kentucky Society of Certified Public Accountants, urban-county governments, and consolidated local governments, and a representative of business entities appointed by the Secretary.

- (c) During the development of the proposed initial form or forms, the Secretary of State shall report in writing to the Interim Joint Committee on Local Government on the progress of the development process. When the proposed administrative regulation is filed with the Legislative Research Commission pursuant to KRS Chapter 13A, the Secretary of State shall also submit a copy thereof, via regular or electronic mail, to the members of the Interim Joint Committee on Local Government or, if during a session of the General Assembly, to the members of the House Standing Committee on Local Government and the Senate Standing Committee on State and Local Government. The submission to the members shall include a note from the Secretary of State stating that the members may submit any comments regarding the proposed administrative regulation in accordance with the deadline established in KRS 13A.270(1)(c).
- (d) Notwithstanding KRS 13A.290(6)(a), after *full* review by the Administrative Regulation Review Subcommittee, the Legislative Research Commission shall assign the administrative regulation to the Interim Joint Committee on Local Government for consideration or, if during a session of the General Assembly, to the House Standing Committee on Local Government and the Senate Standing Committee on State and Local Government.
- (e) Once the standard form or forms are adopted or amended, the Secretary of State shall include the form or forms, instructions, and any updates on the one-stop business portal or another public website [Web site] maintained by

that office along with information submitted to the Secretary of State pursuant to subsection (2) or (3) of this section. The form or forms and instructions shall be updated and maintained by the Secretary of State at no cost to the tax districts. No fee shall be levied against the public or businesses for accessing and downloading forms, instructions, or other information maintained by the Secretary of State under this section.

- July 1, 2017, a tax district may adopt the standard form or forms as its exclusive return form or forms, may accept the standard form or forms in addition to the tax district's own return form or forms, or may elect to opt out of accepting the standard form or forms through adoption of a written order by the tax district's governing body. If a tax district elects not to accept the standard form or forms, it shall forward the following information to the Secretary of State for inclusion on the one-stop business portal or another public *website*[Web site] maintained by that office:
 - (a) A copy of the written order specifying that the tax district will not accept the standard form or forms within thirty (30) days of its adoption; and
 - (b) A copy of occupational license tax forms that the tax district accepts, any accompanying instructions, and any future amendments to those forms and instructions within thirty (30) days of any change.
- (3) After July 1, 2017, a tax district shall either adopt the standard form or forms as its exclusive return form or forms or accept the standard form or forms in addition to the tax district's own return form or forms, unless:
 - (a) The tax district submits a written request approved by the tax district's governing body to the Secretary of State for an exemption based on documented information that acceptance of the form will impose an undue financial hardship on the tax district; and
- (b) The Secretary of State approves the request for an exemption and obtains the

return form or forms that will be accepted by the tax district and any applicable instructions for inclusion on the one-stop business portal or another public <u>website</u>[Web site] maintained by that office. In exercising his or her discretion to grant an exemption under this subsection, the Secretary of State may impose any reasonable terms and limitations upon the exemption.

- (4) Upon receipt of an order pursuant to subsection (2) of this section or upon the issuance of an exemption under subsection (3) of this section, the Secretary of State shall provide notice to the Kentucky Society of Certified Public Accountants of the tax districts that have submitted a written order to opt out under subsection (2) of this section or that are granted an exemption under subsection (3) of this section.
- 11 (5) The Secretary of State shall, only upon the request of a tax district, include 12 electronic links for the electronic filing of forms with the local tax district by no 13 later than July 1, 2017.
 - (6) Nothing in this section or KRS 67.766 shall be interpreted to alter or preempt the requirements imposed by a tax district regarding deadlines, reporting, rates, or other legally imposed procedures regarding the imposition, administration, and collection of local occupational license taxes by a tax district. Nor shall the adoption or use of a standard form or forms developed under this section release the taxpayer from any liability or responsibility to the tax district for the correct payment of taxes, penalties, and any other obligations imposed by the tax district. This section and KRS 67.766 shall not be interpreted to authorize the collection of local tax revenues by the state government or any other agency of the state.
 - → Section 9. Whereas it is essential that the public and the General Assembly promptly receive the necessary information to make informed decisions about administrative regulations, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.