Barcode 841926

CHAMBER ACTION

1	Senate House			
1	Comm: RCS			
2	04/23/2007 04:25 PM .			
	÷			
3	·			
4				
5				
6				
7				
8				
9				
10				
11	The Committee on Judiciary (Gaetz) recommended the following			
12	amendment:			
13				
14	Senate Amendment (with title amendment)			
15	Delete everything after the enacting clause			
16				
17	and insert:			
18	Section 1. Subsection (8) of section 120.52, Florida			
19	Statutes, is amended, present subsections (9) through (15) of			
20	that section are renumbered as subsections (10) through (16),			
21	respectively, present subsections (16) through (19) of that			
22	section are renumbered as subsections (18) through (21),			
23	respectively, and new subsections (9) and (17) are added to			
24	that section, to read:			
25	120.52 DefinitionsAs used in this act:			
26	(8) "Invalid exercise of delegated legislative			
27	authority" means action <u>that</u> which goes beyond the powers,			
28	functions, and duties delegated by the Legislature. A proposed			
29	or existing rule is an invalid exercise of delegated			
30	legislative authority if any one of the following applies:			
31	(a) The agency has materially failed to follow the			
	1 4:24 PM 04/05/07 s1594d-ju04-bz1			

s1594d-ju04-bz1

Bill No. SB 1594

Barcode 841926

applicable rulemaking procedures or requirements set forth in this chapter;

- (b) The agency has exceeded its grant of rulemaking authority, citation to which is required by s. 120.54(3)(a)1.;
- (c) The rule enlarges, modifies, or contravenes the specific provisions of law implemented, citation to which is required by $s.\ 120.54(3)(a)1.;$
- (d) The rule is vague, fails to establish adequate standards for agency decisions, or vests unbridled discretion in the agency;
- (e) The rule is arbitrary or capricious. A rule is arbitrary if it is not supported by logic or the necessary facts; a rule is capricious if it is adopted without thought or reason or is irrational; or
- (f) The rule imposes regulatory costs on the regulated person, county, or city which could be reduced by the adoption of less costly alternatives that substantially accomplish the statutory objectives.

4:24 PM

04/05/07

A grant of rulemaking authority is necessary but not sufficient to allow an agency to adopt a rule; a specific law to be implemented is also required. An agency may adopt only rules that implement or interpret the specific powers and duties granted by the enabling statute. No agency shall have authority to adopt a rule only because it is reasonably related to the purpose of the enabling legislation and is not arbitrary and capricious or is within the agency's class of powers and duties, nor shall an agency have the authority to implement statutory provisions setting forth general legislative intent or policy. Statutory language granting rulemaking authority or generally describing the powers and

Barcode 841926

1 functions of an agency shall be construed to extend no further
2 than implementing or interpreting the specific powers and
3 duties conferred by the same statute.

- (9) "Law implemented" means the statutory language being carried out or interpreted by an agency through rulemaking.
- (17) "Rulemaking authority" means statutory language that explicitly authorizes or requires an agency to adopt, develop, establish, or otherwise create any statement coming within the definition of "rule."
- Section 2. Subsection (1) of section 120.536, Florida Statutes, is amended to read:
 - 120.536 Rulemaking authority; repeal; challenge.--
- not sufficient to allow an agency to adopt a rule; a specific law to be implemented is also required. An agency may adopt only rules that implement or interpret the specific powers and duties granted by the enabling statute. No agency shall have authority to adopt a rule only because it is reasonably related to the purpose of the enabling legislation and is not arbitrary and capricious or is within the agency's class of powers and duties, nor shall an agency have the authority to implement statutory provisions setting forth general legislative intent or policy. Statutory language granting rulemaking authority or generally describing the powers and functions of an agency shall be construed to extend no further than implementing or interpreting the specific powers and duties conferred by the same statute.
- Section 3. Paragraph (i) of subsection (1), paragraphs (a) and (e) of subsection (3), and paragraph (a) of subsection (4) of section 120.54, Florida Statutes, are amended, and 3 s1594d-ju04-bz1

Barcode 841926

1	paragraph (k) is added to subsection (1) of that section, to
2	read:
3	120.54 Rulemaking
4	(1) GENERAL PROVISIONS APPLICABLE TO ALL RULES OTHER
5	THAN EMERGENCY RULES
6	(i)1. A rule may incorporate material by reference but
7	only as the material exists on the date the rule is adopted.
8	For purposes of the rule, changes in the material are not
9	effective unless the rule is amended to incorporate the
10	changes. Material incorporated by reference in a rule may not
11	incorporate additional material by reference unless the rule
12	specifically identifies the additional material.
13	2. An agency rule that incorporates by specific
14	reference another rule of that agency automatically
15	incorporates subsequent amendments to the referenced rule,
16	unless a contrary intent is clearly indicated in the
17	referencing rule. Any notice of amendments to a rule that has
18	been incorporated by specific reference in other rules of that
19	agency must explain the effect of the amendments on the
20	referencing rules.
21	3. In rules adopted after December 31, 2009, material
22	may not be incorporated by reference unless:
23	a. The material has been submitted in the prescribed
24	electronic format to the Department of State and can be made
25	available for free public access through an electronic
26	hyperlink from the rule in the Florida Administrative Code
27	making the reference; or
28	b. The agency has determined that posting the material
29	on the Internet for purposes of public examination and
30	inspection would constitute a violation of federal copyright
31	law, in which case a statement to that effect, along with the 4
	4:24 PM 04/05/07 s1594d-ju04-bz1

5

7

8

9

10

11

12 13

14 15

16

17

18 19

2021

22

2324

25

26

27

28 29

30

Barcode 841926

address of locations at the Department of State and the agency

at which the material is available for public examination and

inspection, is included in the notice required by subparagraph

(3)(a)1.

4. A rule may not be amended by reference only.

Amendments must set out the amended rule in full in the same manner as required by the State Constitution for laws. The Department of State may prescribe by rule requirements for incorporating materials by reference pursuant to this paragraph.

5.2. Notwithstanding any contrary provision in this section, when an adopted rule of the Department of Environmental Protection or a water management district is incorporated by reference in the other agency's rule to implement a provision of part IV of chapter 373, subsequent amendments to the rule are not effective as to the incorporating rule unless the agency incorporating by reference notifies the committee and the Department of State of its intent to adopt the subsequent amendment, publishes notice of such intent in the Florida Administrative Weekly, and files with the Department of State a copy of the amended rule incorporated by reference. Changes in the rule incorporated by reference are effective as to the other agency 20 days after the date of the published notice and filing with the Department of State. The Department of State shall amend the history note of the incorporating rule to show the effective date of such change. Any substantially affected person may, within 14 days after the date of publication of the notice of intent in the Florida Administrative Weekly, file an objection to rulemaking with the agency. The objection shall specify the portions of the rule incorporated by 4:24 PM 04/05/07 s1594d-ju04-bz1

7

8

10

11

12 13

14 15

16

17

18 19

20

2122

2324

25

26

2728

29

30

Barcode 841926

reference to which the person objects and the reasons for the objection. The agency <u>does</u> shall not have the authority under this subparagraph to adopt those portions of the rule specified in such objection. The agency shall publish notice of the objection and of its action in response in the next available issue of the Florida Administrative Weekly.

- 6. The Department of State may prescribe by rule requirements for incorporating materials pursuant to this paragraph.
- (k) Rulemaking responsibilities of an agency head under subparagraph (3)(a)1., subparagraph (3)(e)1., or subparagraph (3)(e)6. may not be delegated or transferred.
 - (3) ADOPTION PROCEDURES. --
 - (a) Notices.--
- 1. Prior to the adoption, amendment, or repeal of any rule other than an emergency rule, an agency, upon approval of the agency head, shall give notice of its intended action, setting forth a short, plain explanation of the purpose and effect of the proposed action; the full text of the proposed rule or amendment and a summary thereof; a reference to the grant of specific rulemaking authority pursuant to which the rule is adopted; and a reference to the section or subsection of the Florida Statutes or the Laws of Florida being implemented <u>or</u>, interpreted, or made specific. The notice <u>must</u> shall include a summary of the agency's statement of the estimated regulatory costs, if one has been prepared, based on the factors set forth in s. 120.541(2), and a statement that any person who wishes to provide the agency with information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative as provided by s. 120.541(1), must do so in writing within 21 04/05/07 s1594d-ju04-bz1 4:24 PM

Barcode 841926

days after publication of the notice. The notice must state
the procedure for requesting a public hearing on the proposed
rule. Except when the intended action is the repeal of a rule,
the notice <u>must shall</u> include a reference both to the date on
which and to the place where the notice of rule development
that is required by subsection (2) appeared.

- 2. The notice shall be published in the Florida Administrative Weekly not less than 28 days prior to the intended action. The proposed rule shall be available for inspection and copying by the public at the time of the publication of notice.
- 3. The notice shall be mailed to all persons named in the proposed rule and to all persons who, at least 14 days prior to such mailing, have made requests of the agency for advance notice of its proceedings. The agency shall also give such notice as is prescribed by rule to those particular classes of persons to whom the intended action is directed.
- 4. The adopting agency shall file with the committee, at least 21 days prior to the proposed adoption date, a copy of each rule it proposes to adopt; a copy of any material incorporated by reference in the rule; a detailed written statement of the facts and circumstances justifying the proposed rule; a copy of any statement of estimated regulatory costs that has been prepared pursuant to s. 120.541; a statement of the extent to which the proposed rule relates to federal standards or rules on the same subject; and the notice required by subparagraph 1.
 - (e) Filing for final adoption; effective date. --
- 1. If the adopting agency is required to publish its rules in the Florida Administrative Code, the agency, upon approval of the agency head, it shall file with the Department 7
 4:24 PM 04/05/07 s1594d-ju04-bz1

7

9

11

12

13

14 15

16

17

18

19

20

21 22

23 24

25

26

27

28 29

30

Barcode 841926

of State three certified copies of the rule it proposes to adopt: 7 one copy of any material incorporated by reference in 2 the rule, certified by the agency; a summary of the rule; a 3 summary of any hearings held on the rule: and a detailed written statement of the facts and circumstances justifying 5 the rule. Agencies not required to publish their rules in the Florida Administrative Code shall file one certified copy of the proposed rule, and the other material required by this 8 subparagraph, in the office of the agency head, and such rules 10 shall be open to the public.

2. A rule may not be filed for adoption less than 28 days or more than 90 days after the notice required by paragraph (a), until 21 days after the notice of change required by paragraph (d), until 14 days after the final public hearing, until 21 days after preparation of a statement of estimated regulatory costs required under s. 120.541, or until the administrative law judge has rendered a decision under s. 120.56(2), whichever applies. When a required notice of change is published prior to the expiration of the time to file the rule for adoption, the period during which a rule must be filed for adoption is extended to 45 days after the date of publication. If notice of a public hearing is published prior to the expiration of the time to file the rule for adoption, the period during which a rule must be filed for adoption is extended to 45 days after adjournment of the final hearing on the rule, 21 days after receipt of all material authorized to be submitted at the hearing, or 21 days after receipt of the transcript, if one is made, whichever is latest. The term "public hearing" includes any public meeting held by any agency at which the rule is considered. If a petition for an administrative determination under s. 4:24 PM 04/05/07 s1594d-ju04-bz1

Barcode 841926

120.56(2) is filed, the period during which a rule must be filed for adoption is extended to 60 days after the administrative law judge files the final order with the clerk or until 60 days after subsequent judicial review is complete.

- 3. At the time a rule is filed, the agency shall certify that the time limitations prescribed by this paragraph have been complied with, that all statutory rulemaking requirements have been met, and that there is no administrative determination pending on the rule.
- 4. At the time a rule is filed, the committee shall certify whether the agency has responded in writing to all material and timely written comments or written inquiries made on behalf of the committee. The department shall reject any rule not filed within the prescribed time limits; that does not comply with satisfy all statutory rulemaking requirements and rules of the department; upon which an agency has not responded in writing to all material and timely written inquiries or written comments; upon which an administrative determination is pending; or which does not include a statement of estimated regulatory costs, if required.
- 5. If a rule has not been adopted within the time limits imposed by this paragraph or has not been adopted in compliance with all statutory rulemaking requirements, the agency proposing the rule shall withdraw the rule and give notice of its action in the next available issue of the Florida Administrative Weekly.
- 6. The proposed rule shall be adopted on being filed with the Department of State and become effective 20 days after being filed, on a later date specified in the rule, or on a date required by statute. Rules not required to be filed with the Department of State shall become effective when 9 s1594d-ju04-bz1

Barcode 841926

adopted by the agency head or on a later date specified by
rule or statute. If the committee notifies an agency that an
objection to a rule is being considered, the agency may

postpone the adoption of the rule to accommodate review of the
rule by the committee. When an agency postpones adoption of a
rule to accommodate review by the committee, the 90-day period
for filing the rule is tolled until the committee notifies the
agency that it has completed its review of the rule.

For the purposes of this paragraph, the term "administrative determination" does not include subsequent judicial review.

- (4) EMERGENCY RULES. --
- (a) If an agency finds that an immediate danger to the public health, safety, or welfare requires emergency action, the agency may adopt any rule necessitated by the immediate danger. The agency may adopt a rule by any procedure which is fair under the circumstances if:
- 1. The procedure provides at least the procedural protection given by other statutes, the State Constitution, or the United States Constitution.
- 2. The agency takes only that action necessary to protect the public interest under the emergency procedure.
- 3. The agency publishes in writing at the time of, or prior to, its action the specific facts and reasons for finding an immediate danger to the public health, safety, or welfare and its reasons for concluding that the procedure used is fair under the circumstances. In any event, notice of emergency rules, other than those of educational units or units of government with jurisdiction in only one or a part of one county, including the full text of the rules, shall be published in the first available issue of the Florida

 4:24 PM 04/05/07 s1594d-ju04-bz1

Barcode 841926

Administrative Weekly and provided to the committee along with any material incorporated by reference in the rules. The 2 agency's findings of immediate danger, necessity, and 3 4 procedural fairness shall be judicially reviewable. Section 4. Subsection (2) of section 120.545, Florida 5 Statutes, is amended to read: 6 7 120.545 Committee review of agency rules.--(2) The committee may request from an agency such 8 information as is reasonably necessary for examination of a 9 10 rule as required by subsection (1) or for examination of an 11 unadopted agency statement. The committee shall consult with legislative standing committees having with jurisdiction over 12 13 the subject areas. If the committee objects to an emergency rule or a proposed or existing rule, it shall, within 5 days 14 15 after of the objection, certify that fact to the agency whose 16 rule has been examined and include with the certification a statement detailing its objections with particularity. The 17 committee shall notify the Speaker of the House of 18 Representatives and the President of the Senate of any 19 objection to an agency rule concurrent with certification of 20 that fact to the agency. Such notice must shall include a 21 22 copy of the rule and the statement detailing the committee's 23 objections to the rule. 2.4 Section 5. Paragraph (c) of subsection (1) and subsection (3) of section 120.55, Florida Statutes, are 25 amended to read: 26 120.55 Publication.--27 (1) The Department of State shall: 28 29 (c) Prescribe by rule the style, and form and content 30 requirements required for rules, notices, and other materials 31 submitted for filing and establish the form for their 4:24 PM 04/05/07 s1594d-ju04-bz1

Barcode 841926

Cer	LI	$_{\rm LL}$	Ca	LΤ	OH.

(3) Any publication of a proposed rule promulgated by an agency, whether published in the Florida Administrative Code or elsewhere, shall include, along with the rule, the name of the person or persons originating such rule, the name of the agency head supervisor or person who approved the rule, and the date upon which the rule was approved.

Section 6. Effective December 31, 2007, paragraph (d) of subsection (1) and subsections (2) and (5) of section 120.55, Florida Statutes, as amended by section 4 of chapter 2006-82, Laws of Florida, are amended to read:

120.55 Publication.--

- (1) The Department of State shall:
- (d) Prescribe by rule the style, and form, and content requirements required for rules, notices, and other materials submitted for filing and establish the form for their certification.
- (2) The Florida Administrative Weekly Internet website must allow users to:
- (a) Search for notices by type, publication date, rule number, word, subject, and agency;
- (b) Search a database that makes available all notices published on the website for a period of at least 5 years;
- (c) Subscribe to an automated e-mail notification of selected notices to be sent out prior to or concurrently with weekly publication of the printed and electronic Florida

 Administrative Weekly. Such notification must include in the text of the e-mail a summary of the content of each notice;
- (d) View agency forms and other materials that have been submitted to the department in electronic form and that are being incorporated by reference in proposed rules; and 12 4:24 PM 04/05/07 s1594d-ju04-bz1

1

2

3

5

7

8

9

10

11

12

13

14 15

16

17

18 19

20

2122

23

2.4

25

26

27

28 29

30

31

Barcode 841926

- (e) Comment on proposed rules.
- (5) Any publication of a proposed rule promulgated by an agency, whether published in the Florida Administrative Code or elsewhere, shall include, along with the rule, the name of the person or persons originating such rule, the name of the agency head supervisor or person who approved the rule, and the date upon which the rule was approved.

Section 7. Effective December 31, 2008, paragraph (a) of subsection (1) of section 120.55, Florida Statutes, as amended by section 4 of chapter 2006-82, Laws of Florida, and by this act, is amended to read:

120.55 Publication.--

- (1) The Department of State shall:
- (a) 1. Through a continuous revision system, compile and publish electronically the "Florida Administrative Code-" on an Internet website managed by the department. The Florida Administrative Code shall contain all rules adopted by each agency, citing the grant of specific rulemaking authority and the specific law implemented pursuant to which each rule was adopted, all history notes as authorized in s. 120.545(9), and complete indexes to all rules contained in the code, and any other material required or authorized by law or deemed useful by the department. The electronic code shall display each rule chapter currently in effect in browse mode and allow full text search of the code and each rule chapter. Supplementation shall be made as often as practicable, but at least monthly. The department shall publish a printed version of the Florida Administrative Code and may contract with a publishing firm for <u>such printed</u> the publication, in a timely and useful form, of the Florida Administrative Code; however, the department shall retain responsibility for the code as provided in this 04/05/07 4:24 PM s1594d-ju04-bz1

Barcode 841926

section. Supplementation of the printed code shall be made as

often as practicable, but at least monthly. The printed This

publication shall be the official compilation of the

administrative rules of this state. The Department of State

shall retain the copyright over the Florida Administrative

Code.

- 2. Rules general in form but applicable to only one school district, community college district, or county, or a part thereof, or state university rules relating to internal personnel or business and finance shall not be published in the Florida Administrative Code. Exclusion from publication in the Florida Administrative Code shall not affect the validity or effectiveness of such rules.
- 3. At the beginning of the section of the code dealing with an agency that files copies of its rules with the department, the department shall publish the address and telephone number of the executive offices of each agency, the manner by which the agency indexes its rules, a listing of all rules of that agency excluded from publication in the code, and a statement as to where those rules may be inspected.
- Administrative Code; but any form which an agency uses in its dealings with the public, along with any accompanying instructions, shall be filed with the committee before it is used. Any form or instruction which meets the definition of "rule" provided in s. 120.52 shall be incorporated by reference into the appropriate rule. The reference shall specifically state that the form is being incorporated by reference and shall include the number, title, and effective date of the form and an explanation of how the form may be obtained. Each form created by an agency which is incorporated 4:24 PM 04/05/07 s1594d-ju04-bz1

Barcode 841926

1 | by reference in a rule notice of which is given under s. 120.54(3)(a) after December 31, 2007, must clearly display the number, title, and effective date of the form and the number 3 of the rule in which the form is incorporated. 5. The department shall allow material incorporated by 5 reference to be filed in electronic form as prescribed by 6 7 department rule. When a rule is filed for adoption with incorporated material in electronic form, the department's 8 publication of the Florida Administrative Code on its Internet 10 website must contain a hyperlink from the incorporating 11 reference in the rule directly to that material. The department may not allow hyperlinks from rules in the Florida 12 13 Administrative Code to any material other than that filed with and maintained by the department, but it may allow additional 14 15 hyperlinks to incorporated material maintained by the 16 department from the adopting agency's website or other sites. Section 8. Subsection (1) and paragraph (c) of 17 subsection (2) of section 120.569, Florida Statutes, are 18 amended to read: 19 120.569 Decisions which affect substantial 20 21 interests.--22 (1) The provisions of this section apply in all proceedings in which the substantial interests of a party are 23 24 determined by an agency, unless the parties are proceeding under s. 120.573 or s. 120.574. Unless waived by all parties, 25 s. 120.57(1) applies whenever the proceeding involves a 26 disputed issue of material fact. Unless otherwise agreed, s. 27 120.57(2) applies in all other cases. <u>If a disputed issue of</u> 28 29 material fact arises during a proceeding under s. 120.57(2), unless waived by all parties, the proceeding under s. 30 120.57(2) shall be terminated and a proceeding under s. 31 15 4:24 PM 04/05/07 s1594d-ju04-bz1

Barcode 841926

120.57(1) shall be conducted. Parties shall be notified of any order, including a final order. Unless waived, a copy of the order shall be delivered or mailed to each party or the 3 party's attorney of record at the address of record. Each notice shall inform the recipient of any administrative 5 hearing or judicial review that is available under this 7 section, s. 120.57, or s. 120.68; shall indicate the procedure which must be followed to obtain the hearing or judicial 8 review; and shall state the time limits which apply. 10 (2) 11 (c) Unless otherwise provided by law, a petition or request for hearing shall include those items required by the 12 13 uniform rules adopted pursuant to $\underline{s. 120.54(5)(b)}$ $\underline{s.}$ $\frac{120.54(5)(b)4}{}$. Upon the receipt of a petition or request for 14 15 hearing, the agency shall carefully review the petition to determine if it contains all of the required information. A 16 petition shall be dismissed if it is not in substantial 17 compliance with these requirements or it has been untimely 18 19 filed. Dismissal of a petition shall, at least once, be without prejudice to petitioner's filing a timely amended 20 petition curing the defect, unless it conclusively appears 21 22 from the face of the petition that the defect cannot be cured. The agency shall promptly give written notice to all parties 23 24 of the action taken on the petition, shall state with particularity its reasons if the petition is not granted, and 25 shall state the deadline for filing an amended petition if 26 applicable. This paragraph does not eliminate the availability 27 28 of equitable tolling as a defense to the untimely filing of a 29 petition. Section 9. Subsection (2) of section 120.74, Florida 30 Statutes, is amended to read: 16

	Barcode 841926				
1	120.74 Agency review, revision, and report				
2	(2) Beginning October 1, 1997, and by October 1 of				
3	every other year thereafter, the head of each agency shall				
4	file a report with the President of the Senate, the Speaker of				
5	the House of Representatives, and the committee, with a copy				
6	to each appropriate standing committee of the Legislature,				
7	which certifies that the agency has complied with the				
8	requirements of this <u>section</u> subsection . The report must				
9	specify any changes made to its rules as a result of the				
10	review and, when appropriate, recommend statutory changes that				
11	will promote efficiency, reduce paperwork, or decrease costs				
12	to government and the private sector. The report must identify				
13	the types of cases or disputes in which the agency is involved				
14	which should be conducted under the summary hearing process				
15	described in s. 120.574.				
16	Section 10. Except as otherwise expressly provided in				
17	this act, this act shall take effect July 1, 2007.				
18					
19					
20	======== T I T L E A M E N D M E N T =========				
21	And the title is amended as follows:				
22	Delete everything before the enacting clause				
23					
24	and insert:				
25	A bill to be entitled				
26	An act relating to rules and rulemaking;				
27	amending s. 120.52, F.S.; redefining the term				
28	"invalid exercise of delegated legislative				
29	authority"; defining the terms "law				
30	<pre>implemented" and "rulemaking authority";</pre>				
31	amending s. 120.536, F.S.; revising guidelines				
	4:24 PM 04/05/07 s1594d-ju04-bz1				

Barcode 841926

for the construction of statutory language
granting rulemaking authority; amending s.
120.54, F.S.; prescribing limits and guidelines
with respect to incorporation of material by
reference; prescribing requirements for
materials being incorporated by reference;
providing for rules; revising information to be
included in notices of proposed actions;
requiring that specified rulemaking
responsibilities of an agency head may not be
delegated or transferred; amending s. 120.545,
F.S.; authorizing the Administrative Procedures
Committee to request from agencies information
to examine unadopted agency statements;
amending s. 120.55, F.S.; requiring electronic
publication of the Florida Administrative Code;
prescribing requirements with respect to
content of such electronic publication;
providing for filing information incorporated
by reference in electronic form; amending s.
120.569, F.S.; requiring that certain
administrative proceedings be terminated and
subsequently reinstated under different
provisions of state law if a disputed issue of
material fact arises during such a proceeding;
providing for the waiver of such termination;
revising a cross-reference; amending s. 120.74,
F.S.; revising reporting requirements for
agency heads; providing effective dates.