The Florida Senate

BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Governmental Oversight and Accountability

BILL:	SPB 7058
INTRODUCER:	Governmental Oversight and Accountability Committee
SUBJECT:	Administrative Procedures
DATE:	March 24, 2015 REVISED:

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Kim	McVaney		**GO Submitted as Committee Bill**
2.				
3.				

I. Summary:

SPB 7058 amends the rulemaking procedures of the Administrative Procedure Act to improve public notices and the preparation of statement of estimated regulatory costs (SERC) beginning in the period of rule development. The bill also revises the requirements for preparing a SERC to improve and standardize guidance for administrative agencies in preparing information necessary for decision makers and affected constituencies to understand the economic and policy impacts of proposed rules.

The bill amends the statutory rulemaking process to:

- Conform the information required in notices of rule development to certain information required for notices of proposed rules.
- Require published notices of proposed rules to state whether the agency conducted a rule development workshop.
- Require agencies to make certain documents available by hyperlink from published notices to the agency website.
- Amend the requirements for rule development to include in workshops and other public hearings the development of information beneficial to the preparation of a SERC.
- Require agencies to ensure the availability of personnel responsible for preparing a SERC at rule development workshops, hearings, and public hearings on proposed rules.
- Create six new factors agencies must consider when evaluating the impact of proposed rules on small businesses, presuming each of these factors to be adverse to small business.
- Clarify present statutes on hearings, agency responses to submitted lower cost regulatory alternatives and conform other provisions to these changes.

The statutory requirements for preparing a SERC are revised to:

- Authorize agencies to respond to a lower cost regulatory alternative by modifying a proposed rule to substantially reduce estimated regulatory costs, and, if so, requiring the agency to

revise its SERC and include a summary of the revised SERC in subsequent rulemaking notices.
- Require agencies to provide the rules ombudsman with any revised SERC.
- Revise the impacts and costs agencies must evaluate when preparing a SERC and provide specific guidance on the discrete types of costs and economic impacts of a proposed rule.

The bill also requires a petitioner proposing the creation of a community development district to provide a statement explaining the prospective economic impact of the proposed district rather than completing a SERC.

The bill provides an effective date of July 1, 2015.

II. Present Situation:

Agency Rulemaking

One important aspect of the Administrative Procedure Act (APA)[1] is the emphasis on public notice and opportunity for participation in agency rulemaking. A rule is an agency statement of general applicability interpreting, implementing, or prescribing law or policy, including the procedure and practice requirements of an agency, as well as certain types of forms.[2] The APA provides specific requirements agencies must follow in order to adopt rules.[3]

With some exceptions,[4] required rulemaking begins with an agency publishing a notice of rule development in the Florida Administrative Register (F.A.R.).[5] If the agency conducts public rule development workshops,[6] the persons responsible for preparing the draft rule under consideration must be available to explain the proposal and respond to public questions or comments.[7]

Once the final form of the proposed rule is developed (whether the proposal creates a new rule or amends or repeals an existing rule), the agency must publish a notice of the proposed rule before it may be adopted.[8] The publication of this notice triggers certain deadlines for the rulemaking process.[9]

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[1] Ch. 120, F.S.
[2] Section 120.52(16), F.S.; *Florida Department of Financial Services v. Capital Collateral Regional Counsel-Middle Region*, 969 So. 2d 527, 530 (Fla. 1st DCA 2007).
[3] Section 120.54, F.S.
[4] Rule repeals do not require initial rule development. Section 120.54(2)(a), F.S. Emergency rulemaking proceeds separately under s. 120.54(4), F.S.
[5] Section 120.54(2)(a), F.S. The APA is silent on the initial, internal process an agency follows prior to initiating public rule development. *Adam Smith Enterprises, Inc. v. Dept. of Environmental Regulation*, 553 So. 2d 1260, 1265, n. 4 (Fla. 1st DCA 1990).
[6] An agency must conduct public workshops if so requested in writing by any affected person unless the agency head explains in writing why a workshop is not necessary. Section 120.52(c), F.S.
[7] Section 120.52(c), F.S.
[8] Section 120.54(3)(a)1., F.S.
[9] Persons affected by the proposed rule have 21 days from the date of publication to request a hearing on the proposed rule. Section 120.54(3)(c), F.S. Those wanting to submit a lower cost regulatory alternative to the proposed rule have the same 21 day time limit. Sections 120.54(3)(a)1., 120.541(1)(a), F.S. The agency must wait at least 28 days from the date of publication before filing the proposed rule for final adoption. Section 120.54(3)(a)2., (3)(e)1., F.S.

Each notice must include the full text of the proposed rule and other additional information, such as a summary of the agency's statement of estimated regulatory costs (SERC) and the opportunity for anyone to provide the agency with information pertaining to the SERC or to propose a lower cost regulatory alternative to the proposed rule. The notice must also state the procedure to request a hearing on the proposed rule.[10]

At a public rulemaking hearing agency staff must be available to explain the proposed rule and respond to public questions or comments. Material pertaining to the proposed rulemaking submitted to the agency between the date of publishing the notice of proposed rule and the end of the final public hearing must be considered by the agency and made a part of the rulemaking record.[11] If a person substantially affected by the proposed rule shows the proceeding does not provide adequate opportunity to protect those interests, and the agency concurs, the agency must suspend the rulemaking proceeding and convene a separate, more formal proceeding, including referring the matter to the Division of Administrative Hearings (DOAH). Once the separate proceeding concludes the rulemaking proceeding resumes.[12]

Subsequent to the final rulemaking hearing, if the agency makes any substantial change to the proposed rule the agency must provide additional notice and publish a notice of change in the F.A.R. at least 21 days before the rule may be filed for adoption.[13] If the change increases the regulatory costs of the rule the agency must revise its SERC.[14]

Statement of Estimated Regulatory Costs (SERC)

A SERC is an agency estimate of the potential impact of a proposed rule on the public, particularly the potential costs to the public of complying with the rule as well as to the agency and other governmental entities to implement the rule.[15] Agencies are encouraged to prepare a SERC before adopting, amending, or repealing any rule,[16] but are required to prepare a SERC if:

- The proposed rule will have an adverse impact on small businesses;[17]
- The proposed rule is likely to directly or indirectly increase aggregate regulatory costs by more than $200,000 in the first year after the rule is implemented;[18] or
- A substantially affected person submits a proposal for a lower cost regulatory alternative to the proposed rule. The proposal must substantially accomplish the same objectives in the law being implemented by the agency.[19]

[10] Section 120.54(3)(a)1., F.S.
[11] Section 120.54(3)(c)1., F.S.
[12] Section 120.54(3)(c)2., F.S.
[13] Section 120.54(3)(d)1., F.S.
[14] Section 120.541(1)(c), F.S.
[15] Section 120.541(2), F.S. Beginning in 1975, the APA required agencies to estimate the economic impact of proposed rules or explain why such an estimate could not be prepared. Ch. 75-191, s. 3, LOF, codified at 120.54(1), Fla. Stat. (1975).
[16] Section 120.54(3)(b)1., F.S.
[17] Sections 120.54(3)(b)1.a. & 120.541(1)(b), F.S.
[18] Sections 120.54(3)(b)1.b. & 120.541(1)(b), F.S.
[19] Section 120.541(1)(a), F.S. Upon the submission of the lower cost regulatory alternative, the agency must revise its initial SERC, or prepare one if not done previously, and either adopt the proposed alternative or state its reasons for rejecting the proposal.

Each SERC, at a minimum, must contain the following elements:

- An economic analysis of the proposed rule's potential direct or indirect impacts,[20] including whether any of the following exceed an aggregate of $1,000,000 in the first five years after implementing the rule:
  - Any adverse impact on economic growth, private sector job creation or employment, or private sector investment;[21]
  - Any adverse impact on business competitiveness (including the ability to compete with businesses in other states or markets), productivity, or innovation;[22] or
  - Any likely increase in regulatory costs (including transactional costs). [23]
- A good faith estimate of the number and a general description of the individuals and entities required to comply with the rule.[24]
- A good faith estimate of the cost of implementing the rule to the agency and any other state or local governmental entities, including any anticipated impacts on state or local revenues.[25]
- A good faith estimate of the transactional costs members of the public and local governmental entities are likely to incur to comply with the rule.[26]
- An analysis of the impact of the rule on small businesses, including the agency's explanation for not implementing alternatives which could reduce adverse impacts, and of the impact on small counties and small cities.[27]
- A description of each lower cost regulatory alternative submitted to the agency with a statement adopting the alternative or explaining the reasons for rejection.[28]

Additional information may be included if the agency determines such would be useful.[29] The agency's failure to prepare a SERC when required or failure to respond to a written proposed lower cost regulatory alternative[30] is a material failure to follow the APA rulemaking

[20] Section 120.541(2)(a), F.S.
[21] Section 120.541(2)(a)1., F.S.
[22] Section 120.541(2)(a)2., F.S.
[23] Section 120.541(2)(a)3., F.S.
[24] Section 120.541(2)(b), F.S.
[25] Section 120.541(2)(c), F.S.
[26] Section 120.541(2)(d), F.S. The definition of "transactional costs" is discussed later in this analysis.
[27] Section 120.541(2)(e), F.S. This statute incorporates the definitions of "small city" and "small county" in ss. 120.52(18) & 120.52(19), F.S., respectively. The statute also incorporates the definition of "small business" in s. 288.703, F.S. *Compare*, s. 120.54(3)(b)2., F.S., which uses similar language requiring agencies to consider the impact of every proposed rule, amendment, or repeal on small businesses, small cities, and small counties but also permits agencies to rely on expanded versions of these definitions if necessary to more adapt the rule for more specific needs or problems. Section 120.54(3)(b)2.a., F.S., specifies five methods agencies must consider to reduce the rule's impact on small businesses, cities, and counties. If the agency determines the rule will affect defined small businesses, notice of the rule must be sent to the rules ombudsman in the Executive Office of the Governor. Section 120.54(3)(b)2.b.(I), F.S. The agency must adopt regulatory alternatives reducing impacts on small businesses timely offered by the rules ombudsman or provide the Joint Administrative Procedures Committee a written explanation for failing to do so. Section 120.54(3)(b)2.b.(II), (III), F.S.
[28] Section 120.541(2)(g), F.S.
[29] Section 120.541(2)(f), F.S.
[30] The party submitting a proposal to the agency must designate it as a lower cost regulatory alternative or at a minimum discuss cost issues with the proposed rule in order to inform the agency of the purpose of the submittal. A party challenging the validity of a school board rule argued the board failed to prepare a SERC after receiving a lower cost regulatory alternative. The administrative law judge (ALJ) found the proposal submitted to the board neither referenced s. 120.541, F.S., nor asserted it would result in lower costs. The ALJ ruled the failure to demonstrate the proposal presented a lower cost alternative meant the agency was not informed of the purpose of the submission and thus had a duty to prepare a SERC or

requirements.[31] Consequently, if challenged the rule could be found to be an invalid exercise of delegated legislative authority.[32] Even when the agency properly prepares a SERC and responds to all proposed lower cost regulatory alternatives, the resulting rule could be challenged as an invalid exercise of delegated legislative authority if the rule imposes regulatory costs greater than a proposed alternative which substantially accomplishes the same result.[33]

If the economic impact of a proposed rule exceeds SERC limits, then the rule must be submitted to the legislature 30 days before the next regular session begins.[34] As previously mentioned, a SERC is necessary when the economic impact would have an impact of more than $1 million dollars over five years on employment, business competitiveness or regulatory costs.[35] The proposed rule cannot take effect until the Legislature ratifies the proposed rule.[36]

The specific requirements of s. 120.541, F.S., were adopted in 1996 as part of the comprehensive revision of the APA.[37] The revisions resulted from the Final Report of the Commission appointed by the Governor to study and recommend improvements to the APA, particularly in rulemaking and making agencies more accountable to the Legislature and the public.[38] The Commission found the purpose for economic impact statements was to assist both the government and the public to understand the potential financial impacts of a rule before adoption but "[t]he quality of economic analyses … prepared by state agencies is inadequate, and existing law requirements … are ineffective."[39] Although the Commission recommended a number of revisions to improve the evaluation of costs, which serve as the basis for the present statute, these recommendations provided little guidance on the actual cost components relevant to evaluating the potential impact of a proposed rule.[40]

For example, neither a definition nor examples of "regulatory costs" are found in the APA although the concept is important to an agency's economic analysis. "Transactional costs" are defined as direct costs of compliance, readily ascertainable based on standard business practices, including:

- Filing fees;
- Costs to obtain a license;
- Costs of equipment installed or used for rule compliance;

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respond to a lower cost regulatory alternative. *RHC and Associates, Inc. v. Hillsborough County School Board*, Final Order, DOAH Case no. 02-3138RP at http://www.doah.state.fl.us/ALJ/searchDOAH/ (accessed Jan.28, 2014).

[31] Section 120.541(1)(e), F.S. Unlike other failures to follow the APA rulemaking requirements, this provision prevents the challenged agency from rebutting the presumed material failure by proving the substantial interests of the petitioner and the fairness of the proceedings were not impaired. Section 120.56(1)(c), F.S. This limitation applies only if the challenge is brought by a substantially affected person within one year from the rule going into effect. Section 120.541(1)(f), F.S.

[32] Section 120.52(8)(a), F.S.

[33] Section 120.52(8)(f), F.S. This type of challenge must be to the agency's rejection of a lower cost regulatory alternative and brought by a substantially affected person within a year of the rule going into effect. Section 120.541(1)(g), F.S.

[34] Section 120.541(3), F.S.

[35] Section 120.541(2)(a), F.S.

[36] Section 120.541(3), F.S.

[37] Ch.96-159, s. 11, LOF.

[38] *Final Report of the Governor's Administrative Procedure Act Review Commission*, 1 (Feb. 20, 1996), at http://japc.state.fl.us/research.cfm (accessed 1/29/2014).

[39] *Final Report of the Governor's APA Review Commission*, supra at 31.

[40] *Final Report of the Governor's APA Review Commission*, supra at 32.

- Costs of procedures required for compliance;
- Additional operating costs;
- Costs for monitoring and reporting; and
- Any other necessary costs of compliance.[41]

The statute does not provide guidance or reference on how agencies are to identify and apply standard business practices in the development of required SERCs. As a result, some agencies with access to, and familiarity with, cost impact data from entities affected by specific rules provide comprehensive analyses of such impacts in SERCs. Other agencies, less familiar with costs to individuals and entities to conduct the regulated activities and comply with specific rules, prepare SERCs which do not reflect the full impact of particular rules.

Creation of Community Development Districts

Under current law, community development districts larger than 1,000 acres are established by rule under ch. 120, F.S., by the Florida Land and Water Adjudicatory Commission through a petition. The petitioner must provide a SERC related to the establishment of the district.

III. Effect of Proposed Changes:

The bill amends the rulemaking procedures of the APA to improve public notices and the preparation of SERCs, beginning in the period of rule development. Agencies must consider specific factors when evaluating the overall impact on small businesses of a proposed rule, amendment, or repeal. When conducting a public workshop or hearing, the agency must make available those personnel responsible for preparing the SERC and those personnel responding to lower cost regulatory alternatives. The statute controlling the actual preparation of SERCs is revised to clarify agency responsibilities for public notice and responding to lower cost regulatory alternatives. A new subsection provides agencies flexibility for obtaining necessary data and increases legislative guidance for evaluating cost impacts by identifying specific cost and economic factors all agencies must consider when preparing a SERC.

Revisions to Rulemaking Requirements

Section 120.54(2): Rule Development

The bill conforms the requirement for information in a notice of rule development[42] with that required for a notice of proposed rule.[43] In notices of rule development, agencies will be required to provide:

- Citations to the grant of rulemaking authority and the specific law(s) being implemented or interpreted under which the proposed rule will be developed;
- How the public may access online a draft of the rule being developed (when available) or obtain a hard copy of the preliminary draft; and
- Information on how the public may comment on the proposed rule development and provide the agency with information on regulatory costs which may result from a proposed rule.

[41] Section 120.541(2)(d), F.S.
[42] Section 120.54(2)(a), F.S.
[43] Section 120.54(3)(a)1., F.S.

Agencies conducting public rule development workshops[44] will be required to ensure the attendance at such workshops not only of the people responsible for preparing the proposed rule but also those responsible for preparing the SERC to receive public input, explain the agency's proposal, how the agency arrived at its estimation of costs, respond to public questions or comments. The bill deletes a sentence stating an agency's failure to provide the agency head's written explanation as to why a requested workshop was not necessary "may be a material error" in the rulemaking procedure because the statement is redundant of s. 120.56(1)(c), F.S.

The bill makes other technical revisions conforming the rule development statute to these changes.

Section 120.54(3): Rule Adoption

The bill makes several changes to the requirement for notices of proposed rules:[45]

- Additional information must be included in the published notice of proposed rule:[46]
  - The notice must state whether the agency held a public workshop for rule development. If not, whether the agency received a written request to conduct a workshop.
  - If the agency received a written request but did not conduct a workshop, whether the agency head provided a written explanation as to why the workshop was unnecessary.
  - The required summary of the SERC (if one is prepared) must include a hyperlink to a copy of the SERC on the agency's website.
  - The agency must make all materials referenced in the proposed rule available by hyperlink. If posting the relevant materials would violate federal copyright laws, then the notice must include a statement citing that reason.
- When an agency must deliver additional copies of the published notice of proposed rule to those who requested advance notice of the agency's proceedings,[47] agencies will have the option of providing such copies by mail or electronic delivery.
- In lieu of filing physical copies of a required statement or copy of additional material incorporated by reference in the proposed rule,[48] the agency may provide the Joint Administrative Procedures Committee (JAPC)[49] access to a copy of these materials by hyperlink to a webpage on the agency's website.

The guidance and direction for agencies to consider the impact on small businesses of proposed rules[50] is revised. A rule will be presumed to have an adverse impact, and a SERC will be required, if for any small business:

- The owner or other specified person must complete any education, training or testing, is likely to expend 10 or more hours, or must hire professional services, in order to understand and comply with the rule in the first year.

[44] Section 120.54(2)(c), F.S.
[45] Section 120.54(3)(a), F.S.
[46] Section 120.54(3)(a)1., F.S.
[47] Section 120.54(3)(a)3., F.S.
[48] Section 120.54(1)(i)1., 2., 3., F.S.
[49] Section 120.54(3)(a)4., F.S.
[50] Section 120.54(3)(b)2.a., F.S. The bill inserts the new provisions as a revised 120.54(3)(b)2.a., renumbering existing (3)(b)2.a. as (3)(b)2.b.

- Taxes or fees assessed on transactions are likely to increase by at least $500 in the aggregate in one year due to the rule.
- Prices charged for goods and services are restricted or likely to increase due to the rule.
- Compliance with the rule will require specially trained, licensed, or tested employees.
- Operating costs are expected to increase by $100,000 annually because of the rule.
- Capital expenditures of at least $1,000 are necessary to comply with the rule.

Consistent with the revised requirements for rule development workshops, agencies will be required to ensure the availability at hearings on proposed rules both of those responsible for preparing the proposed rule and those responsible for preparing the SERC. Those made available must be able to explain the proposed rule and the SERC and respond to public questions or comments about the proposed rule, SERC, and the agency's decision whether to adopt offered lower cost regulatory alternatives.

An agency deciding to commence a requested separate, more formal proceeding[51] will be required to publish notice of that proceeding in the Florida Administrative Register. The bill expressly tolls all timelines under the standard rulemaking procedures during the suspension of the rulemaking proceeding until the date following the conclusion of the separate proceeding.

An agency publishing a notice of change to a proposed rule will be required to include one of the following:
- A summary of the SERC prepared as a consequence of the change to the proposed rule; or
- A summary of the revision to the SERC required by s. 120.541(1)(c), F.S.; or
- A statement the proposed rule as changed does not require preparation of a SERC.

In addition to technical changes conforming other statutory provisions to these changes, the bill requires agencies to make a SERC available to the public at a readily accessible page on the agency's website.[52]

Section 120.541: Statements of Estimated Regulatory Costs

The bill expressly provides for the submission of lower cost regulatory alternatives in response to any non-technical noticed change to the proposed rule. Submissions of lower cost regulatory alternatives responding to notices of change will only be in good faith if the person submitting the alternative notes the reason for believing the change creates increased regulatory costs or an adverse effect on small businesses that was not created by the original proposed rule.

An agency receiving a proposed lower cost regulatory alternative will now have the choice of modifying the proposed rule to substantially reduce regulatory costs, adopting the alternative proposal, or rejecting the alternative proposal. If the agency rejects the alternative proposal or modifies the proposed rule, then the agency must explain why it has done so.

If so, the agency also must revise the SERC. When a SERC is revised because a change to a proposed rule increases the projected regulatory costs or the agency modified the rule in response

[51] Section 120.54(3)(c)2., F.S.
[52] Section 120.54(3)(e)2., F.S.

to a lower cost regulatory alternative, a summary of the revised SERC must be included in subsequent published rulemaking notices. Under the bill, the revised SERC must be served on the rules ombudsman,[53] in addition to the party submitting the lower cost regulatory alternative and JAPC, and must be published in the same manner as the original SERC.

The bill provides that when a rule withdrawn or repealed; or if the rule is amended and accompanied by a new SERC, an agency will publish on the internet the following documents:

- A SERC prepared for a rule proposed or adopted after November 16, 2010;
- A revised SERC for a rule proposed or adopted after November 16, 2010;
- A compliance economic review; and
- An Office of Fiscal Accountability and Regulatory Reform (OFARR) report on the estimated costs.

The bill significantly revises the guidance on which agencies must rely when preparing SERCs. The definition and use of "transactional" costs is replaced with more specific terms.

- The required economic analysis must still analyze the proposed rule's impact on regulatory costs, which will include all costs and impacts estimated in the SERC.
- The agency must estimate the number of small businesses and other entities required to comply with the proposed rule, in addition to individuals.
- The SERC must estimate the costs of compliance by individuals and entities.
- The bill requires agencies to estimate all impacts and costs for the first five years after full implementation of all provisions of the rule, not simply from the effective date of the proposed rule.
- The bill requires estimates of economic, market and small business impacts likely to result from compliance with the proposed rule and provides specific guidance for agencies to consider elements such as:
  - Increased consumer prices;
  - Decreased market value of goods and services produced, provided or sold;
  - Increased costs due to obtaining substitute or alternative products or services;
  - The value of time expended by business owners and other business personnel to comply with the proposed rule; and
  - Capital costs incurred to comply with the proposed rule.
- The bill provides agencies with specific guidance and flexibility for obtaining information and data necessary to prepare economic analyses.
- The bill directs agencies to consider all direct and indirect costs of rule compliance and provides 18 specific types of costs as examples, including:
  - Filing fees;
  - Costs of obtaining a license;
  - Costs to obtain, install, and maintain equipment necessary for compliance;
  - Costs related to accounting, financial, information, and management systems;
  - Labor costs;
  - Costs of education, training, and testing necessary for compliance; and
  - Allocation of administrative and other overhead.

[53] The rule ombudsman is appointed by the Governor and located in the Executive Office of the Governor. Section 288.7015, F.S.

With greater specificity on the costs that must be considered in the SERC, there is a likelihood that more rules may exceed the economic analysis thresholds established in s. 120.541(2)(a), F.S., and thus more rules may require legislative ratification. This ratification process may delay implementation of the rule until after the next Regular Session of the Legislature.

Section 190.005 Creation of Community Development Districts

The bill removes the requirement that the petitioner to establish a community development districts must include a SERC. Instead, the petitioner must provide a statement explaining the prospective economic impact of the establishment of the proposed district.

This bill will take effect on July 1, 2015.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

The bill does not appear to require counties or municipalities to take any action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

B. Private Sector Impact:

The bill is expected to provide better estimation of economic impacts of agency rules, better opportunity for local government and private entities to participate in rulemaking and in estimating regulatory costs with the clear intent to better facilitate the selection of lower cost alternatives. In addition, more complete estimates of regulatory costs and economic impacts may bring more agency rules under the scrutiny of legislative ratification prior to those rules becoming effective.

C. Government Sector Impact:

State agencies currently are required to comply with notice, publication, and hearing requirements for rulemaking and with the requirements for preparing SERCs. The bill

marginally adds to these requirements but specifically provides for electronic and internet provision of many documents that may currently be delivered in paper form.

VI. Technical Deficiencies:

None.

VII. Related Issues:

With greater specificity on the costs that must be considered in the SERC, there is a likelihood that more rules may exceed the economic analysis thresholds established in s. 120.541(2)(a), F.S., and thus more rules may require legislative ratification. This ratification process may delay implementation of the rule until after the next Regular Session of the Legislature.

VIII. Statutes Affected:

This bill substantially amends sections 120.54, 120.541, and 190.005 of the Florida Statutes.

IX. Additional Information:

A. Committee Substitute – Statement of Changes:
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.