

March 26, 2003

**S 540. APA RULES/ECONOMIC IMPACT REVIEW.** *PROVIDING FOR A SEPARATE PROCESS REQUIRING AGENCIES TO REVIEW THE ECONOMIC IMPACT OF PROPOSED RULES ON SMALL BUSINESS BEFORE PUBLISHING THE PROPOSED TEXT OF THE RULE IN THE NORTH CAROLINA REGISTER.* Enacts new Art. 2A of GS Ch. 150B as title indicates. Defines "small business" as a business entity, including its affiliates, that is both independently owned and operated and employs fewer than 500 full-time employees or has gross sales of less than \$6 million. Requires agencies to prepare economic impact statements that (1) identify and estimate the number of small businesses to be affected by a proposed rule, (2) project reporting, record keeping, and other administrative costs required for compliance with the proposed rule, (3) state the probable effect of the rule on small businesses, and (4) describe less intrusive or less costly alternative methods of achieving the purpose of the rule. Further requires agencies to prepare a regulatory flexibility analysis before publishing proposed text of a permanent rule that would impact small businesses in the North Carolina Register. Sets forth the following considerations for analysis: (1) establishing less stringent compliance or reporting requirements for small businesses, (2) establishing less stringent schedules or deadlines for compliance, (3) consolidating or simplifying compliance or reporting requirements, (4) establishing different performance standards for small businesses, and (5) exempting small businesses from all or any part of the proposed rule. Authorizes the Dep't of Commerce to assist agencies in developing the regulatory flexibility analyses. Provides for review of existing rules consistent with the provisions of the act within four years of its effective date and review of rules enacted subject to the act every five years. Effective Oct. 1, 2004.

**Intro. by Hartsell.**

|                  |         |
|------------------|---------|
| Ref. to Commerce | GS 150B |
|------------------|---------|