

**Senate Committee on Federal and State Affairs Testimony in Support of House Bill 2526** Presented by Eric Stafford, Vice President of Government Affairs

## Monday, April 2, 2018

Mister Chairman and members of the committee, my name is Eric Stafford, Vice President of Government Affairs for the Kansas Chamber. The Kansas Chamber appreciates the opportunity to testify in support of House Bill 2526 which amends the rules and regulations act.

In 2017, the state of Wisconsin passed Act 57, known as the REINS Act, or Wisconsin Regulations from the Executive in Need of Scrutiny Act. Wisconsin's statute books trailed Kansas in some ways relative to legislative oversight and public input during the rule and reg process, and the passage of Act 57 was a significant victory for their state's business climate.

The REINS Act offered significant protections against excessive regulations by authorizing the ability for their legislature to stop implementation of rules and regulations. We are here today proposing language which is a hybrid of what Wisconsin passed, and existing Kansas law.

HB 2526, as amended by the House, strengthens the legislative oversight during the rulemaking process to ensure state agencies are conducting thorough research on the economic impact statements required by law. Specifically, the economic analysis must look at "the extent to which the rule and regulation will enhance or restrict business growth; the economic effect...on specific business sectors, individuals and local governmental units that will be affected by the proposed rule and regulation and on the state economy as a whole."

HB 2526 when amended by the House took provisions of existing Kansas law and meshed those statutes with provisions from Wisconsin's Act 57 to provide greater protections to the business community and residents of this state when an economic impact is shown to be greater than \$5 million over a two-year period as verified by the Division of the Budget. Today, the requirement for an economic impact analysis is loosely followed. HB 2526 also requires the agency to report on how our neighboring states have addressed this issue, if at all, and if this rule differs than those states, why did the agency choose a different approach.

In closing, House Bill 2526 is a positive step toward protecting Kansas businesses against burdensome rules and regulations by strengthening legislative oversight. We appreciate the opportunity to testify in support of House Bill 2526 and I am happy to answer questions at the appropriate time.