

**ANNUAL REPORT  
OF THE  
ADMINISTRATIVE RULES OVERSIGHT  
COMMITTEE**



**Indiana Legislative Services Agency  
200 W. Washington Street, Suite 301  
Indianapolis, Indiana 46204**

**October, 2007**

# INDIANA LEGISLATIVE COUNCIL

## 2007

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# ADMINISTRATIVE RULES OVERSIGHT COMMITTEE

## Membership Roster

### Representatives

Scott Pelath, Chairperson  
Michigan City

Dennie Oxley  
English

Phil Hinkle  
Indianapolis

Michael Murphy  
Indianapolis

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### Senators

Joseph Zakas  
Granger

R. Michael Young  
Indianapolis

Lindel Hume  
Princeton

Richard Young  
Milltown

### Staff

Allen Morford  
Attorney for the Committee

Chuck Mayfield  
Fiscal Analyst for the Committee

A copy of this report is available on the Internet. Reports, minutes, and notices are organized by committee. This report and other documents for this Committee can be accessed from the General Assembly Homepage at <http://www.in.gov/legislative/>.

## **I. STATUTORY DIRECTIVE**

IC 2-5-18-4 establishes the Administrative Rules Oversight Committee (AROC) and gives the Committee oversight over the rules of most state agencies. IC 2-5-18-8 specifies that the Committee's oversight functions include the authority to do the following:

- Sec. 8. (a) The committee shall receive and may, at its discretion, review a complaint filed by a person regarding a rule or practice of an agency.
- (b) The committee may review an agency rule, an agency practice, or a failure of an agency to adopt a rule.
- (c) The committee may recommend that a rule be modified, repealed, or adopted.
- (d) When appropriate, the committee shall prepare and arrange for the introduction of a bill to clarify the intent of the general assembly when the general assembly enacted a law or to correct the misapplication of a law by an agency.

Additionally, under IC 4-22-2-46, the Committee "shall carry out a program to review each rule adopted under this chapter [IC 4-22-2] that has a fiscal impact of more than five hundred thousand dollars (\$500,000)." Under IC 4-3-22-13, the Office of Management and Budget (OMB) is directed to: (1) perform a cost benefit analysis on each proposed rule; and (2) provide to the Governor and the Committee an assessment of the rule's effect on Indiana business. In accordance with the Committee's "program of review" under IC 4-22-2-46, the Committee may review, at the discretion of the Chair, any rule determined by the OMB, in its analysis under IC 4-3-22-13, to have a fiscal impact of more than \$500,000.

## **II. SUMMARY OF WORK PROGRAM**

The Committee met three times during the 2007 interim session on August 22, 2007, September 19, 2007, and November 19, 2007.

At the August 22, 2007, meeting, the Committee received information concerning the Indiana Department of Environmental Management's approval of BP's National Pollutant Discharge Elimination System (NPDES) permit as well as information pertaining to the NPDES permit requirements.

At the September 19, 2007, meeting, the Committee received information pertaining the Indiana Gaming Commission's (IGC) Indiana riverboat construction standards. There was also discussion of the IGC's imposition of minority ownership transfer fees.

At the November 19, 2007, meeting, the Committee considered and adopted preliminary draft (PD) 3349 concerning minority ownership transfer fees. The draft was approved by a vote of 5 to 1.

The Committee is not required to file a final report. Additional details of the Committee's proceedings are available in the meeting minutes for the Committee, which can be accessed from the General Assembly Homepage at <http://www.in.gov/legislative/>.