

SENATE SUBSTITUTE  
FOR  
HOUSE COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 268  
AN ACT

To repeal sections 100.265, 215.020, 536.300, 536.303, 536.305, 536.310, 536.315, 536.323, 536.325, and 536.328, RSMo, and to enact in lieu thereof twelve new sections relating to the promotion of business development.

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*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 100.265, 215.020, 536.300, 536.303, 2 536.305, 536.310, 536.315, 536.323, 536.325, and 536.328, RSMo, 3 are repealed and twelve new sections enacted in lieu thereof, 4 to be known as sections 34.195, 100.265, 215.020, 536.300, 5 620.3800, 620.3900, 620.3905, 620.3910, 620.3915, 620.3920, 6 620.3925, and 620.3930, to read as follows:

34.195. 1. This section shall be known and may be  
2 cited as the "Right-to-Start Act".

3 2. No later than June 30, 2025, and annually  
4 thereafter, the commissioner of administration shall file a  
5 report with the general assembly that includes, but is not  
6 limited to:

7 (1) The number of contracts awarded to businesses that  
8 have been in operation for less than three years;

9 (2) The percentage of the number of contracts awarded  
10 to businesses that have been in operation for less than  
11 three years compared to the total number of contracts  
12 awarded;

13           (3) The total dollar amount of all contracts awarded  
14 to businesses that have been in operation for less than  
15 three years;

16           (4) The percentage of the total dollar amount of  
17 contracts awarded to businesses that have been in operation  
18 for less than three years compared to the total dollar  
19 amount of contracts awarded; and

20           (5) The number and total dollar amount of contracts  
21 awarded to businesses owned by each racial minority group,  
22 as such term is defined in section 37.013, women-owned  
23 businesses, and veteran-owned businesses compared to the  
24 total number and dollar amount of contracts awarded.

25           3. The commissioner of administration, in conjunction  
26 with the office of entrepreneurship under section 620.3800,  
27 shall produce and file a report with the general assembly  
28 making recommendations on improving access and resources for  
29 new Missouri businesses that have been in operation for less  
30 than three years on or before January 1, 2025. The report  
31 shall also include recommendations on improving access and  
32 resources for new businesses owned by a racial minority  
33 group, as such term is defined in section 37.013, women-  
34 owned businesses, and veteran-owned Missouri businesses that  
35 have been in operation for less than three years on or  
36 before January 1, 2025.

          100.265. 1. There is hereby created within the  
2 department of economic development the "Missouri Development  
3 Finance Board", which shall constitute a body corporate and  
4 politic and shall consist of **[twelve]** sixteen members,  
5 including the lieutenant governor, the director of the  
6 department of economic development, the director of the  
7 department of natural resources, **[and]** the director of the  
8 department of agriculture, two members of the senate, one of  
9 which shall be from the majority party appointed by the

10 president pro tempore of the senate and one of which shall  
11 be from the minority party appointed by the minority leader,  
12 and two members of the house of representatives, one of  
13 which shall be from the majority party appointed by the  
14 speaker of the house of representatives and one of which  
15 shall be from the minority party appointed by the minority  
16 leader. No more than five members appointed by the governor  
17 to the board shall be of the same political party. Except  
18 for the lieutenant governor, the director of the department  
19 of economic development, the director of the department of  
20 natural resources, [and] the director of the department of  
21 agriculture, and members of the general assembly, all  
22 members shall be appointed by the governor by and with the  
23 advice and consent of the senate, and shall serve for terms  
24 of four years. The persons serving as members of the  
25 Missouri economic development, export and infrastructure  
26 board on August 28, 1994, shall become members of the  
27 Missouri development finance board for terms to expire at  
28 the same time their terms would have expired if they had  
29 remained members of the Missouri economic development,  
30 export and infrastructure board. The Missouri development  
31 finance board shall replace the Missouri economic  
32 development, export and infrastructure board. All moneys,  
33 property, any other assets or liabilities of the Missouri  
34 economic development, export and infrastructure board on  
35 August 28, 1994, shall be transferred to the Missouri  
36 development finance board. All powers, duties and functions  
37 performed by the Missouri economic development, export and  
38 infrastructure board pursuant to sections 100.250 to 100.297  
39 shall be transferred to the Missouri development finance  
40 board.

41 2. Each member of the board appointed by the governor  
42 shall have resided in this state for at least five years

43 prior to appointment. Except for the lieutenant governor,  
44 director of the department of economic development, the  
45 director of the department of natural resources, [and] the  
46 director of the department of agriculture, and members of  
47 the general assembly, no person may be appointed to the  
48 board who is an elected officer or employee of the state, or  
49 any agency, board, commission, or authority established by  
50 the state.

51 3. The governor shall designate one of the members of  
52 the board to serve as chairman. The board shall meet at  
53 such times and places it shall designate. [Seven] Nine  
54 members shall constitute a quorum. No vacancy in the  
55 membership shall impair the right of a quorum of the members  
56 to exercise all of the rights and powers and to perform all  
57 of the duties of the board.

58 4. Members of the board shall serve without  
59 compensation but shall be reimbursed for their reasonable  
60 and necessary expenses incurred in the performance of their  
61 duties.

215.020. 1. There is hereby created and established  
2 as a governmental instrumentality of the state of Missouri  
3 the "Missouri Housing Development Commission" which shall  
4 constitute a body corporate and politic.

5 2. The commission shall consist of the governor,  
6 lieutenant governor, the state treasurer, the state attorney  
7 general, two members of the senate, one of which shall be  
8 from the majority party appointed by the president pro  
9 tempore of the senate and one of which shall be from the  
10 minority party appointed by the minority leader, and two  
11 members of the house of representatives, one of which shall  
12 be from the majority party appointed by the speaker of the  
13 house of representatives and one of which shall be from the  
14 minority party appointed by the minority leader, and six

15 members to be selected by the governor, with the advice and  
16 consent of the senate. The persons to be selected by the  
17 governor shall be individuals knowledgeable in the areas of  
18 housing, finance or construction. Not more than four of the  
19 members appointed by the governor shall be from the same  
20 political party. The members of the commission appointed by  
21 the governor shall serve the following terms: Two shall  
22 serve two years, two shall serve three years, and two shall  
23 serve four years, respectively. Thereafter, each  
24 appointment shall be for a term of four years. If for any  
25 reason a vacancy occurs, the governor, with the advice and  
26 consent of the senate, shall appoint a new member to fill  
27 the unexpired term. Members are eligible for reappointment.

28 3. ~~Six~~ Eight members of the commission shall  
29 constitute a quorum. No vacancy in the membership of the  
30 commission shall impair the right of a quorum to exercise  
31 all the rights and perform all the duties of the  
32 commission. No action shall be taken by the commission  
33 except upon the affirmative vote of at least ~~six~~ eight of  
34 the members of the commission.

35 4. Each member of the commission appointed by the  
36 governor is entitled to compensation of fifty dollars per  
37 diem plus his reasonable and necessary expenses actually  
38 incurred in discharging his duties under sections 215.010 to  
39 215.250.

536.300. 1. Prior to submitting proposed rules for  
2 adoption, amendment, revision, or repeal, under this chapter  
3 the state agency shall determine whether the proposed  
4 rulemaking affects small businesses and, if so, the  
5 availability and practicability of less-restrictive  
6 alternatives that could be implemented to achieve the same  
7 results of the proposed rulemaking. This requirement shall  
8 not apply to emergency rulemaking pursuant to section

9 536.025 or to constitutionally authorized rulemaking  
10 pursuant to Article IV, Section 45 of the Missouri  
11 Constitution. This requirement shall be in addition to the  
12 fiscal note requirement of sections 536.200 to 536.210.

13 2. If the proposed rules affect small businesses, the  
14 state agency shall consider creative, innovative, or  
15 flexible methods of compliance for small business and  
16 prepare a small business impact statement to be submitted to  
17 the secretary of state and the joint committee on  
18 administrative rules with the proposed rules. [A copy of  
19 the proposed rules and the small business impact statement  
20 shall also be filed with the board on the same date as they  
21 are filed with the secretary of state.] Such business  
22 impact statement and proposed rules shall be submitted to  
23 the board prior to providing notice for a public hearing.  
24 The statement shall provide a reasonable determination of  
25 the following:

26 (1) The methods the agency considered or used to  
27 reduce the impact on small businesses such as consolidation,  
28 simplification, differing compliance, or reporting  
29 requirements, less stringent deadlines, performance rather  
30 than design standards, exemption, or any other mitigating  
31 techniques;

32 (2) How the agency involved small businesses in the  
33 development of the proposed rules;

34 (3) The probable monetary costs and benefits to the  
35 implementing agency and other agencies directly affected,  
36 including the estimated total amount the agency expects to  
37 collect from any additionally imposed fees and the manner in  
38 which the moneys will be used, if such costs are capable of  
39 determination;

40 (4) A description of the small businesses that will be  
41 required to comply with the proposed rules and how they may

42 be adversely affected, except in cases where the state  
43 agency has filed a fiscal note that complies with all of the  
44 provisions of section 536.205;

45 (5) In dollar amounts, the increase in the level of  
46 direct costs, such as fees or administrative penalties, and  
47 indirect costs, such as reporting, record keeping,  
48 equipment, construction, labor, professional services,  
49 revenue loss, or other costs associated with compliance if  
50 such costs are capable of determination, except in cases  
51 where the state agency has filed a fiscal note that complies  
52 with all of the provisions of section 536.205;

53 (6) The business that will be directly affected by,  
54 bear the cost of, or directly benefit from the proposed  
55 rules;

56 (7) Whether the proposed rules include provisions that  
57 are more stringent than those mandated by any comparable or  
58 related federal, state, or county standards, with an  
59 explanation of the reason for imposing the more-stringent  
60 standard.

61 3. Any proposed rule that is required to have a small  
62 business impact statement but does not include such a  
63 statement shall be invalid and the secretary of state should  
64 not publish the rule until such time as the statement is  
65 provided. If the state agency determines that its proposed  
66 rule does not affect small business, the state agency shall  
67 so certify this finding in the transmittal letter to the  
68 secretary of state, stating that it has determined that such  
69 proposed rule will not have an economic impact on small  
70 businesses and the secretary of state shall publish the rule.

71 4. [Sections 536.300 to 536.310] This section and  
72 section 536.020 shall not apply where the proposed rule is  
73 being promulgated on an emergency basis, where the rule is  
74 federally mandated, or where the rule substantially codifies

75 existing federal or state law. Notwithstanding the  
76 provisions of this section, federally mandated regulations  
77 are subject to the federal Regulatory Flexibility Act as  
78 amended by the Small Business Regulatory and Enforcement  
79 Fairness Act of 1996, P.L. 96-354, as amended by P.L.  
80 104.121. Any federally mandated regulations that do not  
81 comply with these acts shall be subject to this section.

620.3800. There is hereby created within the  
2 department of economic development the "Office of  
3 Entrepreneurship". The office shall employ an individual to  
4 promote policies and initiatives to support the growth of  
5 entrepreneurship of Missouri-based businesses with less than  
6 ten employees, including entrepreneurship within racial  
7 minority groups, as such term is defined in section 37.013,  
8 and women and veteran entrepreneurship, in the state. The  
9 office shall work with Missouri stakeholders and  
10 communities, including minority communities, to provide  
11 information and technical support to entrepreneurs. The  
12 office shall support and advise the office of administration  
13 with preparing the report pursuant to subsection 3 of  
14 section 34.195.

620.3900. 1. Sections 620.3900 to 620.3930 shall be  
2 known and may be cited as the "Regulatory Sandbox Act".

3 2. For the purposes of sections 620.3900 to 620.3930,  
4 the following terms shall mean:

5 (1) "Advisory committee", the general regulatory  
6 sandbox program advisory committee created in section  
7 620.3910;

8 (2) "Applicable agency", a department or agency of the  
9 state that by law regulates a business activity and persons  
10 engaged in such business activity, including the issuance of  
11 licenses or other types of authorization, and which the  
12 regulatory relief office determines would otherwise regulate



13 a sandbox participant. A participant may fall under  
14 multiple applicable agencies if multiple agencies regulate  
15 the business activity that is subject to the sandbox program  
16 application. "Applicable agency" shall not include the  
17 division of professional registration and its boards,  
18 commissions, committees, and offices;

19 (3) "Applicant" or "sandbox applicant", a person or  
20 business that applies to participate in the sandbox program;

21 (4) "Consumer", a person who purchases or otherwise  
22 enters into a transaction or agreement to receive a product  
23 or service offered through the sandbox program pursuant to a  
24 demonstration by a program participant;

25 (5) "Demonstrate" or "demonstration", to temporarily  
26 provide an offering of an innovative product or service in  
27 accordance with the provisions of the sandbox program;

28 (6) "Department", the department of economic  
29 development;

30 (7) "Innovation", the use or incorporation of a new  
31 idea, a new or emerging technology, or a new use of existing  
32 technology to address a problem, provide a benefit, or  
33 otherwise offer a product, production method, or service;

34 (8) "Innovative offering", an offering of a product or  
35 service that includes an innovation;

36 (9) "Product", a commercially distributed good that is:

37 (a) Tangible personal property; and

38 (b) The result of a production process;

39 (10) "Production", the method or process of creating  
40 or obtaining a good, which may include assembling, breeding,  
41 capturing, collecting, extracting, fabricating, farming,  
42 fishing, gathering, growing, harvesting, hunting,  
43 manufacturing, mining, processing, raising, or trapping a  
44 good;

45 (11) "Regulatory relief office", the office  
46 responsible for administering the sandbox program within the  
47 department;

48 (12) "Sandbox participant" or "participant", a person  
49 or business whose application to participate in the sandbox  
50 program is approved in accordance with the provisions of  
51 section 620.3915;

52 (13) "Sandbox program", the general regulatory sandbox  
53 program created in sections 620.3900 to 620.3930 that allows  
54 a person to temporarily demonstrate an innovative offering  
55 of a product or service under a waiver or suspension of one  
56 or more state laws or regulations;

57 (14) "Sandbox program director", the director of the  
58 regulatory relief office;

59 (15) "Service", any commercial activity, duty, or  
60 labor performed for another person or business. "Service"  
61 shall not include a product or service when its use would  
62 impact rates, statutorily authorized service areas, or  
63 system safety or reliability of an electrical corporation or  
64 gas corporation, as defined in section 386.020, as  
65 determined by the public service commission, or of any rural  
66 electric cooperative organized or operating under the  
67 provisions of chapter 394, or to any corporation organized  
68 on a nonprofit or a cooperative basis as described in  
69 subsection 1 of section 394.200, or to any electrical  
70 corporation operating under a cooperative business plan as  
71 described in subsection 2 of section 393.110, or of any  
72 municipally owned utility organized or operating under the  
73 provisions of chapter 91, or of any joint municipal utility  
74 commission organized or operating under the provisions of  
75 sections 393.700 to 393.770.

2 620.3905. 1. There is hereby created within the  
department of economic development the "Regulatory Relief

3 Office", which shall be administered by the sandbox program  
4 director. The sandbox program director shall report to the  
5 director of the department and may appoint staff, subject to  
6 the approval of the director of the department.

7 2. The regulatory relief office shall:

8 (1) Administer the sandbox program pursuant to  
9 sections 620.3900 to 620.3930;

10 (2) Act as a liaison between private businesses and  
11 applicable agencies that regulate such businesses to  
12 identify state laws or regulations that could potentially be  
13 waived or suspended under the sandbox program;

14 (3) Consult with each applicable agency; and

15 (4) Establish a program to enable a person to obtain  
16 monitored access to the market in the state along with legal  
17 protections for a product or service related to the laws or  
18 regulations that are being waived as a part of participation  
19 in the sandbox program, in order to demonstrate an  
20 innovative product or service without obtaining a license or  
21 other authorization that might otherwise be required.

22 3. The regulatory relief office shall:

23 (1) Review state laws and regulations that may  
24 unnecessarily inhibit the creation and success of new  
25 companies or industries and provide recommendations to the  
26 governor and the general assembly on modifying or repealing  
27 such state laws and regulations;

28 (2) Create a framework for analyzing the risk level of  
29 the health, safety, and financial well-being of consumers  
30 related to permanently removing or temporarily waiving laws  
31 and regulations inhibiting the creation or success of new  
32 and existing companies or industries;

33 (3) Propose and enter into reciprocity agreements  
34 between states that use or are proposing to use similar  
35 regulatory sandbox programs as described in sections

36 620.3900 to 620.3930, provided that such reciprocity  
37 agreement is supported by a majority vote of the advisory  
38 committee and the regulatory relief office is directed by an  
39 order of the governor to pursue such reciprocity agreement;  
40 (4) Enter into agreements with or adopt best practices  
41 of corresponding federal regulatory agencies or other states  
42 that are administering similar programs;  
43 (5) Consult with businesses in the state about  
44 existing or potential proposals for the sandbox program; and  
45 (6) In accordance with the provisions of chapter 536  
46 and the provisions of sections 620.3900 to 620.3930, make  
47 rules regarding the administration of the sandbox program,  
48 including making rules regarding the application process and  
49 the reporting requirements of sandbox participants. Any  
50 rule or portion of a rule, as that term is defined in  
51 section 536.010, that is created under the authority  
52 delegated in this section shall become effective only if it  
53 complies with and is subject to all of the provisions of  
54 chapter 536 and, if applicable, section 536.028. This  
55 section and chapter 536 are nonseverable and if any of the  
56 powers vested with the general assembly pursuant to chapter  
57 536 to review, to delay the effective date, or to disapprove  
58 and annul a rule are subsequently held unconstitutional,  
59 then the grant of rulemaking authority and any rule proposed  
60 or adopted after August 28, 2023, shall be invalid and void.  
61 4. (1) The regulatory relief office shall create and  
62 maintain on the department's website a web page that invites  
63 residents and businesses in the state to make suggestions  
64 regarding laws and regulations that could be modified or  
65 eliminated to reduce the regulatory burden on residents and  
66 businesses in the state.  
67 (2) On at least a quarterly basis, the regulatory  
68 relief office shall compile the relevant suggestions from

69 the web page created pursuant to subdivision (1) of this  
70 subsection and provide a written report to the governor and  
71 the general assembly.

72 (3) In creating the report described in subdivision  
73 (2) of this subsection, the regulatory relief office:

74 (a) Shall provide the identity of residents and  
75 businesses that make suggestions on the web page if those  
76 residents and businesses wish to comment publicly, and shall  
77 ensure that the private information of residents and  
78 businesses that make suggestions on the web page is not made  
79 public if they do not wish to comment publicly; and

80 (b) May evaluate the suggestions and provide analysis  
81 and suggestions regarding which state laws and regulations  
82 could be modified or eliminated to reduce the regulatory  
83 burden on residents and businesses in the state while still  
84 protecting consumers.

85 5. (1) By October first of each year, the department  
86 shall submit an annual report to the governor, the general  
87 assembly, and to each state agency which shall include:

88 (a) Information regarding each participant in the  
89 sandbox program, including industries represented by each  
90 participant and the anticipated or actual cost savings that  
91 each participant experienced;

92 (b) The anticipated or actual benefit to consumers  
93 created by each demonstration in the sandbox program;

94 (c) Recommendations regarding any laws or regulations  
95 that should be permanently modified or repealed;

96 (d) Information regarding any health and safety events  
97 related to the activities of a participant in the sandbox  
98 program; and

99 (e) Recommendations for changes to the sandbox program  
100 or other duties of the regulatory relief office.

101           (2) The department may provide an interim report from  
102 the sandbox program director to the governor and general  
103 assembly on specific, time-sensitive issues for the  
104 functioning of the sandbox program, for the health and  
105 safety of consumers, for the success of participants in the  
106 program, and for other issues of urgent need.

620.3910. 1. There is hereby created within the  
2 department of economic development the "General Regulatory  
3 Sandbox Program Advisory Committee", to be composed of the  
4 following members:

5           (1) The director of the department of economic  
6 development or his or her designee;

7           (2) The director of the department of commerce and  
8 insurance or his or her designee;

9           (3) The attorney general or his or her designee;

10          (4) Two members of the public to be appointed by the  
11 governor;

12          (5) A member of the public or of an institution of  
13 higher education, to be appointed by the governor;

14          (6) A member of an institution of higher education, to  
15 be appointed by the director of the department of higher  
16 education and workforce development;

17          (7) Two members of the house of representatives, one  
18 to be appointed by the speaker of the house of  
19 representatives and one to be appointed by the minority  
20 leader of the house of representatives; and

21          (8) Two members of the senate, one to be appointed by  
22 the president pro tempore of the senate and one to be  
23 appointed by the minority leader of the senate;

24          2. (1) Advisory committee members shall be appointed  
25 to a four-year term. Members who cease holding elective  
26 office shall be replaced by the speaker or minority leader  
27 of the house of representatives or the president pro tempore

28 or minority floor leader of the senate, as applicable. The  
29 sandbox program director may establish the terms of initial  
30 appointments so that approximately half of the advisory  
31 committee is appointed every two years.

32 (2) The sandbox program director shall select a chair  
33 of the advisory committee every two years in consultation  
34 with the members of the advisory committee.

35 (3) No appointee of the governor, speaker of the house  
36 of representatives, or president pro tempore of the senate  
37 may serve more than two consecutive complete terms.

38 3. A majority of the advisory committee shall  
39 constitute a quorum for the purpose of conducting business,  
40 and the action of a majority of a quorum shall constitute  
41 the action of the advisory committee, except as provided in  
42 subsection 4 of this section.

43 4. The advisory committee may, at its own discretion,  
44 meet to override a decision of the regulatory relief office  
45 on the admission or denial of an applicant to the sandbox  
46 program, provided such override is decided with a two-thirds  
47 majority vote of the members of the advisory committee, and  
48 further provided that such vote shall be taken within  
49 fifteen business days of the regulatory relief office's  
50 decision.

51 5. The advisory committee shall advise and make  
52 recommendations to the regulatory relief office on whether  
53 to approve applications to the sandbox program pursuant to  
54 section 620.3915.

55 6. The regulatory relief office shall provide  
56 administrative staff support for the advisory committee.

57 7. The members of the advisory committee shall serve  
58 without compensation, but may be reimbursed for any actual  
59 and necessary expenses incurred in the performance of the  
60 advisory committee's official duties.

61 8. Meetings of the advisory committee shall be  
62 considered public meetings for the purposes of chapter 610.  
63 However, a meeting of the committee shall be a closed  
64 meeting if the purpose of the meeting is to discuss an  
65 application for participation in the regulatory sandbox  
66 program and failing to hold a closed meeting would reveal  
67 information that constitutes proprietary or confidential  
68 trade secrets. Upon approval by a majority vote by members  
69 of the advisory committee, the advisory committee shall be  
70 allowed to conduct remote meetings, and individual members  
71 shall be allowed to attend meetings remotely. The advisory  
72 committee shall provide the public the ability to view any  
73 such remote meetings.

620.3915. 1. An applicant for the sandbox program  
2 shall provide to the regulatory relief office an application  
3 in a form prescribed by the regulatory relief office that:

4 (1) Confirms the applicant is subject to the  
5 jurisdiction of the state;

6 (2) Confirms the applicant has established physical  
7 residence or a virtual location in the state from which the  
8 demonstration of an innovative offering will be developed  
9 and performed, and where all required records, documents,  
10 and data will be maintained;

11 (3) Contains relevant personal and contact information  
12 for the applicant, including legal names, addresses,  
13 telephone numbers, email addresses, website addresses, and  
14 other information required by the regulatory relief office;

15 (4) Discloses criminal convictions of the applicant or  
16 other participating personnel, if any; and

17 (5) Contains a description of the innovative offering  
18 to be demonstrated, including statements regarding:



- 19           (a) How the innovative offering is subject to  
20 licensing, legal prohibition, or other authorization  
21 requirements outside of the sandbox program;
- 22           (b) Each law or regulation that the applicant seeks to  
23 have waived or suspended while participating in the sandbox  
24 program;
- 25           (c) How the innovative offering would benefit  
26 consumers;
- 27           (d) How the innovative offering is different from  
28 other innovative offerings available in the state;
- 29           (e) The risks that might exist for consumers who use  
30 or purchase the innovative offering;
- 31           (f) How participating in the sandbox program would  
32 enable a successful demonstration of the innovative offering  
33 of an innovative product or service;
- 34           (g) A description of the proposed demonstration plan,  
35 including estimated time periods for beginning and ending  
36 the demonstration;
- 37           (h) Recognition that the applicant will be subject to  
38 all laws and regulations pertaining to the applicant's  
39 innovative offering after the conclusion of the  
40 demonstration;
- 41           (i) How the applicant will end the demonstration and  
42 protect consumers if the demonstration fails;
- 43           (j) A list of each applicable agency, if any, that the  
44 applicant knows regulates the applicant's business; and
- 45           (k) Any other required information as determined by  
46 the regulatory relief office.
- 47           2. An applicant shall remit to the regulatory relief  
48 office an application fee of three hundred dollars per  
49 application for each innovative offering. Such application  
50 fees shall be used by the regulatory relief office solely

51 for the purpose of implementing the provisions of sections  
52 620.3900 to 620.3930.

53 3. An applicant shall file a separate application for  
54 each innovative offering that the applicant wishes to  
55 demonstrate.

56 4. An applicant for the sandbox program may contact  
57 the regulatory relief office to request a consultation  
58 regarding the sandbox program before submitting an  
59 application. The regulatory relief office may provide  
60 assistance to an applicant in preparing an application for  
61 submission.

62 5. (1) After an application is filed, the regulatory  
63 relief office shall:

64 (a) Consult with each applicable agency that regulates  
65 the applicant's business regarding whether more information  
66 is needed from the applicant; and

67 (b) Seek additional information from the applicant  
68 that the regulatory relief office determines is necessary.

69 (2) No later than fifteen business days after the day  
70 on which a completed application is received by the  
71 regulatory relief office, the regulatory relief office shall:

72 (a) Review the application and refer the application  
73 to each applicable agency that regulates the applicant's  
74 business; and

75 (b) Provide to the applicant:

76 a. An acknowledgment of receipt of the application; and

77 b. The identity and contact information of each  
78 applicable agency to which the application has been referred  
79 for review.

80 (3) No later than sixty days after the day on which an  
81 applicable agency receives a completed application for  
82 review, the applicable agency shall provide a written report

83 to the sandbox program director with the applicable agency's  
84 findings. Such report shall:

85 (a) Describe any identifiable, likely, and significant  
86 harm to the health, safety, or financial well-being of  
87 consumers that the relevant law or regulation protects  
88 against; and

89 (b) Make a recommendation to the regulatory relief  
90 office that the applicant either be admitted or denied  
91 entrance into the sandbox program.

92 (4) An applicable agency may request an additional ten  
93 business days to deliver the written report required by  
94 subdivision (3) of this subsection by providing notice to  
95 the sandbox program director, which request shall  
96 automatically be granted. An applicable agency may request  
97 only one extension per application. The sandbox program  
98 director may also provide an additional extension to the  
99 applicable agency for cause.

100 (5) If an applicable agency recommends an applicant  
101 under this section be denied entrance into the sandbox  
102 program, the written report required by subdivision (3) of  
103 this subsection shall include a description of the reasons  
104 for such recommendation, including the reason a temporary  
105 waiver or suspension of the relevant laws or regulations  
106 would potentially significantly harm the health, safety, or  
107 financial well-being of consumers or the public and the  
108 assessed likelihood of such harm occurring.

109 (6) If an applicable agency determines that the  
110 consumer's or public's health, safety, or financial well-  
111 being can be protected through less restrictive means than  
112 the existing relevant laws or regulations, the applicable  
113 agency shall provide a recommendation of how that can be  
114 achieved.

115 (7) If an applicable agency fails to deliver the  
116 written report required by subdivision (3) of this  
117 subsection, the sandbox program director shall provide a  
118 final notice to the applicable agency for delivery of the  
119 written report. If the report is not delivered within five  
120 days of such final notice, the sandbox program director  
121 shall assume that the applicable agency does not object to  
122 the temporary waiver or suspension of the relevant laws or  
123 regulations for an applicant seeking to participate in the  
124 sandbox program.

125 6. (1) Notwithstanding any provision of this section  
126 to the contrary, an applicable agency may, by written notice  
127 to the regulatory relief office:

128 (a) Reject an application, provided such rejection  
129 occurs within forty-five days after the day on which the  
130 applicable agency receives a complete application for  
131 review, or within fifty days if an extension has been  
132 requested by the applicable agency, if the applicable agency  
133 determines, in the applicable agency's sole discretion, that  
134 the applicant's offering fails to comply with standards or  
135 specifications:

136 a. Required by federal rule or regulation; or  
137 b. Previously approved for use by a federal agency; or

138 (b) Reject an application preliminarily approved by  
139 the regulatory relief office, if the applicable agency:

140 a. Recommends rejection of the application in the  
141 applicable agency's written report submitted pursuant to  
142 subdivision (3) of subsection 5 of this section; and

143 b. Provides in the written report submitted pursuant  
144 to subdivision (3) of subsection 5 of this section a  
145 description of the applicable agency's reasons approval of  
146 the application would create a substantial risk of harm to

147 the health or safety of the public, or create unreasonable  
148 expenses for taxpayers in the state.

149 (2) If any applicable agency rejects an application on  
150 a nonpreliminary basis pursuant to subdivision (1) of this  
151 subsection, the regulatory relief office shall not approve  
152 the application.

153 7. (1) The sandbox program director shall provide all  
154 applications and associated written reports to the advisory  
155 committee upon receiving a written report from an applicable  
156 agency.

157 (2) The sandbox program director may call the advisory  
158 committee to meet as needed, but not less than once per  
159 quarter if applications are available for review.

160 (3) After receiving and reviewing the application and  
161 each associated written report, the advisory committee shall  
162 provide to the sandbox program director the advisory  
163 committee's recommendation as to whether the applicant  
164 should be admitted as a sandbox participant.

165 (4) As part of the advisory committee's review of each  
166 report, the advisory committee shall use criteria used by  
167 applicable agencies to evaluate applications.

168 8. The regulatory relief office shall consult with  
169 each applicable agency and the advisory committee before  
170 admitting an applicant into the sandbox program. Such  
171 consultation may include seeking information about whether:

172 (1) The applicable agency has previously issued a  
173 license or other authorization to the applicant; and

174 (2) The applicable agency has previously investigated,  
175 sanctioned, or pursued legal action against the applicant.

176 9. In reviewing an application under this section, the  
177 regulatory relief office and applicable agencies shall  
178 consider whether:

179           (1) A competitor to the applicant is or has been a  
180 sandbox participant and, if so, weigh that as a factor in  
181 favor of allowing the applicant to also become a sandbox  
182 participant;

183           (2) The applicant's plan will adequately protect  
184 consumers from potential harm identified by an applicable  
185 agency in the applicable agency's written report;

186           (3) The risk of harm to consumers is outweighed by the  
187 potential benefits to consumers from the applicant's  
188 participation in the sandbox program; and

189           (4) Certain state laws or regulations that regulate an  
190 innovative offering should not be waived or suspended even  
191 if the applicant is approved as a sandbox participant,  
192 including applicable anti-fraud or disclosure provisions.

193           10. An applicant shall become a sandbox participant if  
194 the regulatory relief office approves the application for  
195 the sandbox program and enters into a written agreement with  
196 the applicant describing the specific laws and regulations  
197 that are waived or suspended as part of participation in the  
198 sandbox program. Notwithstanding any other provision of  
199 this section to the contrary, the regulatory relief office  
200 shall not enter into a written agreement with an applicant  
201 that exempts the applicant from any income, property, or  
202 sales tax liability unless such applicant otherwise  
203 qualifies for an exemption from such tax.

204           11. (1) The sandbox program director may deny at his  
205 or her sole discretion any application submitted under this  
206 section for any reason, including if the sandbox program  
207 director determines that the preponderance of evidence  
208 demonstrates that suspending or waiving enforcement of a law  
209 or regulation would cause significant risk of harm to  
210 consumers or residents of the state.

211           (2) If the sandbox program director denies an  
212 application submitted under this section, the regulatory  
213 relief office shall provide to the applicant a written  
214 description of the reasons for not allowing the applicant to  
215 become a sandbox participant.

216           (3) The denial of an application submitted under this  
217 section shall not be subject to judicial or administrative  
218 review.

219           (4) The acceptance or denial of an application  
220 submitted under this section may be overridden by an  
221 affirmative vote of a two-thirds majority of the advisory  
222 committee at the discretion of the advisory committee,  
223 provided such vote shall take place within fifteen business  
224 days of the sandbox program director's decision.  
225 Notwithstanding any other provision of this section to the  
226 contrary, the advisory committee shall not override a  
227 rejection made by an applicable agency.

228           (5) The sandbox program director shall deny an  
229 application for participation in the sandbox program if the  
230 applicant or any person who seeks to participate with the  
231 applicant in demonstrating an innovative offering has been  
232 convicted, entered into a plea of nolo contendere, or  
233 entered a plea of guilty or nolo contendere held in  
234 abeyance, for any crime involving significant theft, fraud,  
235 or dishonesty if the crime bears a significant relationship  
236 to the applicant's or other participant's ability to safely  
237 and competently participate in the sandbox program.

238           12. When an applicant is approved for participation in  
239 the sandbox program, the sandbox program director shall  
240 provide notice of the approval on the department's website.

241           13. Applications to participate in the sandbox program  
242 shall be considered public records for the purposes of  
243 chapter 610, provided, however, that any information

244 contained in such applications that constitutes proprietary  
245 or confidential trade secrets shall not be subject to  
246 disclosure pursuant to chapter 610.

2 620.3920. 1. If the regulatory relief office approves  
3 an application pursuant to section 620.3915, the sandbox  
4 participant shall have twenty-four months after the day on  
5 which the application was approved to demonstrate the  
6 innovative offering described in the sandbox participant's  
7 application.

8 2. An innovative offering that is demonstrated within  
9 the sandbox program shall only be available to consumers who  
10 are residents of Missouri or of another state. No law or  
11 regulation shall be waived or suspended if waiving or  
12 suspending such law or regulation would prevent a consumer  
13 from seeking restitution in the event that the consumer is  
14 harmed.

15 3. Nothing in sections 620.3900 to 620.3930 shall  
16 restrict a sandbox participant that holds a license or other  
17 authorization in another jurisdiction from acting in that  
18 jurisdiction in accordance with such license or other  
19 authorization.

20 4. (1) During the demonstration period, a sandbox  
21 participant shall not be subject to the enforcement of state  
22 laws or regulations identified in the written agreement  
23 between the regulatory relief office and the sandbox  
24 participant.

25 (2) A prosecutor shall not file or pursue charges  
26 pertaining to any action related to a law or regulation  
27 identified in the written agreement between the regulatory  
28 relief office and the sandbox participant that occurs during  
29 the demonstration period.

30 (3) A state agency shall not file or pursue any  
punitive action against a sandbox participant, including a



31 fine or license suspension or revocation, for the violation  
32 of a law or regulation that is identified as being waived or  
33 suspended in the written agreement between the regulatory  
34 relief office and the sandbox participant that occurs during  
35 the demonstration period.

36 5. Notwithstanding any provision of this section to  
37 the contrary, a sandbox participant shall not have immunity  
38 related to any criminal offense committed during the sandbox  
39 participant's participation in the sandbox program.

40 6. By written notice, the regulatory relief office may  
41 end a sandbox participant's participation in the sandbox  
42 program at any time and for any reason, including if the  
43 sandbox program director determines that a sandbox  
44 participant is not operating in good faith to bring an  
45 innovative offering to market; provided, however, that the  
46 sandbox program director's decision may be overridden by an  
47 affirmative vote of a two-thirds majority of the members of  
48 the advisory committee.

49 7. The regulatory relief office and regulatory relief  
50 office's employees shall not be liable for any business  
51 losses or the recouping of application expenses or other  
52 expenses related to the sandbox program, including for:

53 (1) Denying an applicant's application to participate  
54 in the sandbox program for any reason; or

55 (2) Ending a sandbox participant's participation in  
56 the sandbox program at any time and for any reason.

620.3925. 1. Before demonstrating an innovative  
2 offering to a consumer, a sandbox participant shall disclose  
3 the following information to the consumer:

4 (1) The name and contact information of the sandbox  
5 participant;

6 (2) A statement that the innovative offering is  
7 authorized pursuant to the sandbox program and, if

8 applicable, that the sandbox participant does not have a  
9 license or other authorization to provide an innovative  
10 offering under state laws that regulate offerings outside of  
11 the sandbox program;

12 (3) A statement that specific laws and regulations  
13 have been waived for the sandbox participant for the  
14 duration of its demonstration in the sandbox program, with a  
15 summary of such waived laws and regulations;

16 (4) A statement that the innovative offering is  
17 undergoing testing and may not function as intended and may  
18 expose the consumer to certain risks as identified by the  
19 applicable agency's written report;

20 (5) A statement that the provider of the innovative  
21 offering is not immune from civil liability for any losses  
22 or damages caused by the innovative offering;

23 (6) A statement that the provider of the innovative  
24 offering is not immune from criminal prosecution for  
25 violations of state law or regulations that are not  
26 suspended or waived as allowed within the sandbox program;

27 (7) A statement that the innovative offering is a  
28 temporary demonstration that may be discontinued at the end  
29 of the demonstration period;

30 (8) The expected end date of the demonstration period;  
31 and

32 (9) A statement that a consumer may contact the  
33 regulatory relief office and file a complaint regarding the  
34 innovative offering being demonstrated, providing the  
35 regulatory relief office's telephone number, email address,  
36 and website address where a complaint may be filed.

37 2. The disclosures required by subsection 1 of this  
38 section shall be provided to a consumer in a clear and  
39 conspicuous form and, for an internet- or application-based

40 innovative offering, a consumer shall acknowledge receipt of  
41 the disclosure before any transaction may be completed.

42 3. The regulatory relief office may require that a  
43 sandbox participant make additional disclosures to a  
44 consumer.

620.3930. 1. At least forty-five days before the end  
2 of the twenty-four-month demonstration period, a sandbox  
3 participant shall:

4 (1) Notify the regulatory relief office that the  
5 sandbox participant will exit the sandbox program and  
6 discontinue the sandbox participant's demonstration after  
7 the day on which the twenty-four-month demonstration period  
8 ends; or

9 (2) Seek an extension pursuant to subsection 4 of this  
10 section.

11 2. If the regulatory relief office does not receive  
12 notification as required by subsection 1 of this section,  
13 the demonstration period shall end at the end of the twenty-  
14 four-month demonstration period.

15 3. If a demonstration includes an innovative offering  
16 that requires ongoing services or duties beyond the twenty-  
17 four-month demonstration period, the sandbox participant may  
18 continue to demonstrate the innovative offering but shall be  
19 subject to enforcement of the laws or regulations that were  
20 waived or suspended as part of the sandbox program.

21 4. (1) No later than forty-five days before the end  
22 of the twenty-four-month demonstration period, a sandbox  
23 participant may request an extension of the demonstration  
24 period.

25 (2) The regulatory relief office shall grant or deny a  
26 request for an extension by the end of the twenty-four-month  
27 demonstration period.

28           (3) The regulatory relief office may grant an  
29 extension for not more than twelve months after the end of  
30 the demonstration period.

31           (4) Sandbox participants may apply for additional  
32 extensions in accordance with the criteria used to assess  
33 their initial application, up to a cumulative maximum of  
34 seven years inclusive of the original twenty-four-month  
35 demonstration period.

36           (5) Notwithstanding the provisions of subsection 3 of  
37 this section to the contrary, if a sandbox participant is  
38 granted an extension pursuant to this subsection beyond the  
39 twenty-four-month demonstration period, the demonstration  
40 shall not be subject to enforcement of the laws or  
41 regulations that were waived or suspended as part of the  
42 sandbox program until the end of the extended demonstration  
43 period.

44           5. (1) A sandbox participant shall retain records,  
45 documents, and data produced in the ordinary course of  
46 business regarding an innovative offering demonstrated in  
47 the sandbox program for twenty-four months after exiting the  
48 sandbox program.

49           (2) The regulatory relief office may request relevant  
50 records, documents, and data from a sandbox participant,  
51 and, upon the regulatory relief office's request, the  
52 sandbox participant shall make such records, documents, and  
53 data available for inspection by the regulatory relief  
54 office.

55           6. If a sandbox participant ceases to provide an  
56 innovative offering before the end of a demonstration  
57 period, the sandbox participant shall notify the regulatory  
58 relief office and each applicable agency and report on  
59 actions taken by the sandbox participant to ensure consumers  
60 have not been harmed as a result.

61           7. The regulatory relief office shall establish  
62 quarterly reporting requirements for each sandbox  
63 participant, including information about any consumer  
64 complaints.

65           8. (1) The sandbox participant shall notify the  
66 regulatory relief office and each applicable agency of any  
67 incidents that result in harm to the health, safety, or  
68 financial well-being of a consumer. The parameters for such  
69 incidents that shall be reported shall be laid out in the  
70 written agreement between the applicant and the regulatory  
71 relief office. Any incident reports shall be publicly  
72 available on the regulatory sandbox webpage provided,  
73 however, that any information contained in such reports that  
74 constitutes proprietary or confidential trade secrets shall  
75 not be subject to disclosure pursuant to chapter 610.

76           (2) If a sandbox participant fails to notify the  
77 regulatory relief office and each applicable agency of any  
78 incidents required to be reported, or the regulatory relief  
79 office or an applicable agency has evidence that significant  
80 harm to a consumer has occurred, the regulatory relief  
81 office may immediately remove the sandbox participant from  
82 the sandbox program.

83           9. No later than thirty days after the day on which a  
84 sandbox participant exits the sandbox program, the sandbox  
85 participant shall submit a written report to the regulatory  
86 relief office and each applicable agency describing an  
87 overview of the sandbox participant's demonstration.  
88 Failure to submit such a report shall result in the sandbox  
89 participant and any entity that later employs a member of  
90 the leadership team of the sandbox participant being  
91 prohibited from future participation in the sandbox  
92 program. Such report shall include any:

93           (1) Incidents of harm to consumers;

94           (2) Legal action filed against the sandbox participant  
95 as a result of the participant's demonstration; or  
96           (3) Complaint filed with an applicable agency as a  
97 result of the sandbox participant's demonstration.

98 Any incident reports of harm to consumers, legal actions  
99 filed against a sandbox participant, or complaints filed  
100 with an applicable agency shall be compiled and made  
101 publicly available on the regulatory sandbox webpage  
102 provided, however, that any information contained in such  
103 reports or complaints that constitutes proprietary or  
104 confidential trade secrets shall not be subject to  
105 disclosure pursuant to chapter 610.

106           10. No later than thirty days after the day on which  
107 an applicable agency receives the quarterly report required  
108 by subsection 7 of this section or a written report from a  
109 sandbox participant as required by subsection 9 of this  
110 section, the applicable agency shall provide a written  
111 report to the regulatory relief office on the demonstration,  
112 which describes any statutory or regulatory reform the  
113 applicable agency recommends as a result of the  
114 demonstration.

115           11. The regulatory relief office may remove a sandbox  
116 participant from the sandbox program at any time if the  
117 regulatory relief office determines that a sandbox  
118 participant has engaged in, is engaging in, or is about to  
119 engage in any practice or transaction that is in violation  
120 of sections 620.3900 to 620.3930 or that constitutes a  
121 violation of a law or regulation for which suspension or  
122 waiver has not been granted pursuant to the sandbox  
123 program. Information on any removal of a sandbox  
124 participant for engaging in any practice or transaction that  
125 constitutes a violation of law or regulation for which  
126 suspension or waiver has not been granted pursuant to the

127 sandbox program shall be made publicly available on the  
128 regulatory sandbox webpage, provided, however, that any  
129 information that constitutes proprietary or confidential  
130 trade secrets shall not be subject to disclosure pursuant to  
131 chapter 610.

2 [536.303. 1. For any proposed rules that  
3 affect small business, the agency shall also  
4 submit a small business statement to the board  
5 after a public hearing is held. This section  
6 shall not apply to emergency rules. The small  
7 business statement required by this section  
8 shall provide the following information:

9 (1) A description of how the opinions or  
10 comments from affected small businesses were  
11 solicited;

12 (2) A summary of the public and small  
13 business comments;

14 (3) A summary of the agency's response to  
15 those comments; and

16 (4) The number of persons who attended the  
17 public hearing, testified at the hearing, and  
18 submitted written comments.

19 2. If a request to change the proposed  
20 rule was made at the hearing in a way that  
21 affected small business, a statement of the  
22 reasons for adopting the proposed rule without  
23 the requested change shall be included in the  
small business statement.]

2 [536.305. 1. There is hereby established  
3 the "Small Business Regulatory Fairness Board".  
4 The department of economic development shall  
5 provide staff support for the board.

6 2. The board shall be composed of nine  
7 members appointed in the following manner:

8 (1) One member who is the chair of the  
9 minority business advocacy commission;

10 (2) One member appointed by the president  
11 pro tempore of the senate;

12 (3) One member appointed by the minority  
13 leader of the senate;

14 (4) One member appointed by the speaker of  
15 the house of representatives;

16 (5) One member appointed by the minority  
17 leader of the house of representatives; and

18 (6) Four members appointed by the governor.

19 3. Each member of the board, except for  
20 the public members and the chair of the minority  
21 business advocacy commission, shall be a current  
22 or former owner or officer of a small business.

23 All members of the board shall represent a  
24 variety of small businesses, both rural and  
25 urban, and be from a variety of geographical  
26 areas of this state, provided that no more than  
27 two members shall represent the same type of  
small business.

28 4. Members of the board shall serve a term  
29 of three years and may be reappointed at the  
30 conclusion of the term. No member shall serve  
31 more than three consecutive terms. Appointments  
32 shall be made so that one-third of the  
33 membership of the board shall terminate each  
34 year. The governor shall appoint the initial  
35 chairperson of the board and a majority of the  
36 board shall elect subsequent chairpersons. The  
37 chairperson shall serve as chair for a term of  
38 not more than two years.

39 5. Members of the board shall serve  
40 without compensation, but may be reimbursed for  
41 reasonable and necessary expenses relating to  
42 their performance of duties, according to the  
43 rules and regulations of travel issued by the  
44 office of administration. Members will be  
45 required to submit an expense account form in  
46 order to obtain reimbursement for expenses  
47 incurred.

48 6. The board shall meet as often as  
49 necessary, as determined by the chairperson of  
50 the board. All meetings of the board will be  
51 conducted in accordance with the governmental  
52 bodies and records act, chapter 610, including  
53 closed sessions. Notice will be posted and will  
54 be provided to the joint committee on  
55 administrative rules. Minutes of the meetings  
56 shall be provided to all members, the office of  
57 the governor, and the joint committee on  
58 administrative rules.

59 7. In addition to any other powers  
60 provided by sections 536.300 to 536.328, the  
61 board may adopt any rules necessary to implement  
62 sections 536.300 to 536.328 and take any action  
63 necessary to effectuate the purposes of sections  
64 536.300 to 536.328. Any rule or portion of a  
65 rule, as that term is defined in section  
66 536.010, that is created under the authority  
67 delegated in this section shall become effective  
68 only if it complies with and is subject to all  
69 of the provisions of this chapter and, if  
70 applicable, section 536.028. This section and  
71 this chapter are nonseverable and if any of the  
72 powers vested with the general assembly pursuant  
73 to this chapter to review, to delay the  
74 effective date, or to disapprove and annul a  
75 rule are subsequently held unconstitutional,  
76 then the grant of rulemaking authority and any  
77 rule proposed or adopted after August 28, 2005,  
78 shall be invalid and void.]

[536.310. 1. The board shall:

2 (1) Provide state agencies with input  
3 regarding rules that adversely affect small  
4 businesses;

5 (2) Solicit input and conduct hearings  
6 from small business owners and state agencies  
7 regarding any rules proposed by a state agency;  
8 and



9 (3) Provide an evaluation report to the  
10 governor and the general assembly, including any  
11 recommendations and evaluations of state  
12 agencies regarding regulatory fairness for  
13 Missouri's small businesses. The report shall  
14 include comments from small businesses, state  
15 agency responses, and a summary of any public  
16 testimony on rules brought before the board for  
17 consideration.

18 2. In any inquiry conducted by the board  
19 because of a request from a small business  
20 owner, the board may make recommendations to the  
21 state agency. If the board makes  
22 recommendations, such recommendations shall be  
23 based on any of the following grounds:

24 (1) The rule creates an undue barrier to  
25 the formation, operation, and expansion of small  
26 businesses in a manner that significantly  
27 outweighs the rule's benefits to the public; or

28 (2) New or significant economic  
29 information indicates the proposed rule would  
30 create an undue impact on small businesses; or

31 (3) Technology, economic conditions, or  
32 other relevant factors justifying the purpose  
33 for the rule has changed or no longer exists; or

34 (4) If the rule was adopted after August  
35 28, 2004, whether the actual effect on small  
36 businesses was not reflected in or significantly  
37 exceeded the small business impact statement  
38 submitted prior to the adoption of the rules.

39 3. Subject to appropriations, by a  
40 majority vote of the board, the board may hire a  
41 one-half full-time equivalent employee for  
42 clerical support and a full-time equivalent  
43 employee with total salaries funded from the  
44 department of economic development  
45 appropriations up to one hundred fifty thousand  
46 dollars adjusted annually for inflation for  
47 professional positions to:

48 (1) Conduct internet website additions,  
49 corrections, and deletions;

50 (2) Develop training programs for agencies;

51 (3) Send regulatory alerts to interested  
52 small business subscribers;

53 (4) Track small business comments  
54 regarding agencies and review and respond to the  
55 agency and small business accordingly;

56 (5) Prepare for board meetings and  
57 hearings, including outreach, travel, agendas,  
58 and minutes;

59 (6) Prepare member maintenance expense  
60 reports and appointments;

61 (7) Analyze small business impact  
62 statements. After such analysis, the employee  
63 shall review such statements, offer suggestions,  
64 and work with agencies to meet the statute  
65 requirements;

66 (8) Analyze biannual report reviews;

67 (9) Conduct agency correspondence and  
68 training;  
69 (10) Conduct small business outreach by  
70 speaking at chamber and association events;  
71 (11) Review the Missouri Register and  
72 other sources to look for proposed rules that  
73 may affect small business.  
74 4. Subject to appropriations, the board  
75 may receive additional funds for:  
76 (1) Upkeep of its internet website;  
77 (2) Information technology;  
78 (3) Mileage for board members;  
79 (4) Publication, printing, and  
80 distribution of annual reports;  
81 (5) Outreach costs; and  
82 (6) Expenses and equipment for the one and  
83 one-half full-time equivalent employee of the  
84 board.  
85 5. A majority vote of the board members  
86 shall be required for the hiring, retention, and  
87 termination of board employees. All duties of  
88 board employees shall be dedicated solely to the  
89 support of and for the furtherance of the  
90 purpose and mission of the board.]

2 [536.315. Any state agency receiving  
3 recommendations from the board shall promptly  
4 consider such recommendations and may file a  
5 response with the board within sixty days of  
6 receiving the board's recommendations. If the  
7 state agency determines that no action shall be  
8 taken on the board's recommendations, the agency  
9 should explain its reasons for its  
10 determination. If the state agency determines  
11 that the board's recommendations merit adoption,  
12 amendment or repeal of a rule, the agency should  
indicate this in its response.]

2 [536.323. 1. In addition to the basis for  
3 filing a petition provided in section 536.041,  
4 any affected small business may file a written  
5 petition with the agency that has adopted rules  
6 objecting to all or part of any rule affecting  
7 small business on any of the following grounds:  
8 (1) The actual effect on small business  
9 was not reflected in or significantly exceeded  
10 the small business impact statement submitted  
11 prior to the adoption of the rules;  
12 (2) The small business impact statement  
13 did not consider new or significant economic  
14 information that reveals an undue impact on  
15 small business; or  
16 (3) The impacts were not previously  
17 considered at the public hearing on the rules.  
18 2. For any rule adopted prior to August  
19 28, 2005, an affected small business may file a  
20 written petition with the agency that adopted  
21 the rule objecting to all or part of any rule  
22 affecting small business on any of the following  
grounds:

23 (1) The rule creates an undue barrier to  
24 the formation, operation, and expansion of small  
25 businesses in a manner that significantly  
26 outweighs the rule's benefit to the public;

27 (2) The rule duplicates, overlaps, or  
28 conflicts with rules adopted by the agency or  
29 any other agency or violates the substantive  
30 authority under which the rule was adopted; or

31 (3) The technology, economic conditions,  
32 or other relevant factors justifying the purpose  
33 for the rule has changed or no longer exist.

34 3. Upon submission of the petition, the  
35 agency shall forward a copy of the petition to  
36 the board and the joint committee on  
37 administrative rules, as required by section  
38 536.041, as notification of a petition filed  
39 under sections 536.300 to 536.328. The agency  
40 shall promptly consider the petition and may  
41 seek advice and counsel regarding the petition.  
42 Within sixty days after the receipt of the  
43 petition, the agency shall determine whether the  
44 impact statement or public hearing addressed the  
45 actual and significant impact on small  
46 business. The agency shall submit a written  
47 response of the agency's determination to the  
48 board within sixty days of the receipt of the  
49 petition. If the agency determines that the  
50 petition merits the adoption, amendment, or  
51 repeal of a rule, it may initiate proceedings in  
52 accordance with the applicable requirements of  
53 this chapter.

54 4. If the agency determines that the  
55 petition does not merit the adoption, amendment,  
56 or repeal of a rule, any affected small business  
57 may seek a review of the decision by the board.  
58 The board may convene a hearing or by other  
59 means solicit testimony that will assist in its  
60 determination of whether to recommend that the  
61 agency initiate proceedings in accordance with  
62 this chapter. For rules adopted after August  
63 28, 2005, the board shall base its  
64 recommendations on any of the following reasons:

65 (1) The actual effect on small business  
66 was not reflected in or significantly exceeded  
67 the impact statement submitted prior to the  
68 adoption of the rule;

69 (2) The impact statement did not consider  
70 new or significant economic information that  
71 reveals an undue impact on small business;

72 (3) Such impacts were not previously  
73 considered by the agency; or

74 (4) Such impacts were not previously  
75 considered at the public hearing on the rules.

76 5. For rules adopted prior to August 28,  
77 2005, the board shall base its recommendations  
78 on any of the following reasons:

79 (1) The rules created an undue barrier to  
80 the formation, operation, and expansion of small

81 businesses in a manner that significantly  
82 outweighs its benefit to the public;  
83 (2) The rules duplicate, overlap, or  
84 conflict with rules adopted by the agency or any  
85 other agency or violate the substantive  
86 authority under which the rules were adopted; or  
87 (3) The technology, economic conditions,  
88 or other relevant factors justifying the purpose  
89 for the rules have changed or no longer exist.  
90 6. The board shall make an evaluation  
91 report to the governor and the general assembly  
92 on rulemaking proceedings, comments from small  
93 business, and agency response as provided in  
94 this section. The governor or general assembly  
95 may subsequently take such action in response to  
96 the evaluation report and agency response as  
97 they find appropriate.]

2 [536.325. 1. The board shall provide to  
3 the head of each agency a list of any rules  
4 adopted by the agency that affect small business  
5 and have generated complaints or concerns,  
6 including any rules that the board determines  
7 may duplicate, overlap, or conflict with other  
8 rules or exceed statutory authority. Within  
9 forty-five days after being notified by the  
10 board the list of rules adopted, the agency  
11 shall submit a written report to the board in  
12 response to the complaints or concerns. The  
13 agency shall also state whether the agency has  
14 considered the continued need for the rules and  
15 the degree to which technology, economic  
16 conditions, and other relevant factors may have  
17 diminished or eliminated the need for  
18 maintaining the rules.

18 2. The board may solicit testimony from  
19 the public at a public meeting regarding any  
20 report submitted by the agency under this  
21 section or section 536.175. The board shall  
22 electronically submit an evaluation report to  
23 the governor and the general assembly regarding  
24 small business comments, agency response, and  
25 public testimony on rules in this section and  
26 the report shall be maintained on the board's  
27 website. The governor and the general assembly  
28 may take such action in response to the report  
29 as they find appropriate.]

2 [536.328. For any regulation subject to  
3 sections 536.300 to 536.328, a small business  
4 that is adversely affected or aggrieved by final  
5 agency action is entitled to judicial review of  
6 agency compliance with the requirements of  
7 sections 536.300 to 536.328. Judicial review  
8 shall be commenced in the circuit court of the  
9 county in which the small business has its  
10 primary place of business, or in Cole County.  
11 If the small business does not have a primary  
12 place of business in the state, proper venue  
shall be in Cole County. Notwithstanding any

13 provisions of this chapter to the contrary, an  
14 affected small business may seek such judicial  
15 review during the period beginning on the date  
16 the proposed rule becomes final and ending one  
17 year later.]