

**Office of the Governor
Regulatory Compliance Division**

Rule Submission Memorandum Template

To: [Regulatory Compliance Division Director]

From: [State Agency Contact Regarding Proposed Rule Submission]

Date:

Subject: [Short Description of Proposed Rule]

The [Name of State Agency] has proposed a rulemaking for [Citation to Texas Administrative Code] in the [Publication Date] Issue of the *Texas Register*. The proposed rule affects market competition and is, thus, submitted to the Regulatory Compliance Division for review. The proposed rule, as it appeared in the *Texas Register* in its entirety, is attached to this memorandum.

To facilitate the Regulatory Compliance Division's review of the proposed rule, the [Name of State Agency] provides answers to the following questions.

1. Briefly describe the proposed rule.
2. What is the purpose of the proposed rule?
3. Describe any relevant factual background to the proposed rule and the impetus for the state agency to consider rulemaking.
4. Describe the legal authority for the proposed rule.
 - a. Is the proposed rule specifically required or authorized by state statute? If so, list the statute(s).
 - b. Is the proposed rule within the scope of the state agency's general authority to regulate in a given occupation or industry? If so, describe how the rule is within the scope, and reference the applicable state statute(s).
5. Describe the process that the state agency followed in developing the proposed rule, including any public hearings held, public comments invited, studies conducted, and data collected or analyzed.
6. Describe the harm that the proposed rule is intended to address and how the proposed rule will address the harm. If applicable, attach any documentation or records of the harm.
7. Summarize any less restrictive alternatives that the state agency identified for addressing the same harm, including a comparison of the proposed rule to the alternatives, and provide a justification for not pursuing a less restrictive alternative.

8. Indicate how the proposed rule affects market competition (See Section 57.105(d), Texas Occupations Code).
 - It creates a barrier to market participation in the state.
 - It results in higher prices or reduced competition for a product or service provided by or to a license holder in the state.
 - It both creates a barrier to market participation in the state and results in higher prices or reduced competition for a product or service provided by or to a license holder in the state.
9. Describe the specific impact that the proposed rule will have on market competition and how that effect is consistent with state policy as established by the Legislature in state statute.
10. Did the state agency self-determine that the proposed rule affects market competition or did the Regulatory Compliance Division identify the proposed rule as possibly affecting market competition?
11. Does the proposed rule relate to a question that is the subject of an opinion request pending before the Office of the Attorney General? Does the proposed rule relate to an opinion previously issued by the Office of the Attorney General?
12. Does the proposed rule relate to a matter on which there is pending litigation?
13. Is there anything else that you would like the Regulatory Compliance Division to know about the proposed rule?