

POLICY MEMO

RESTORING LEGISLATIVE OVERSIGHT
OCTOBER 29, 2026

The Buckeye Institute's Recommendation

Ohio House Bill 1024 would move the Common Sense Initiative (CSI) from the executive branch to the legislative branch so that administrative regulations align with executive and legislative objectives. **Ohio House Bill 11** requires legislative approval for proposed agency rules that meet specific financial thresholds. Together, these proposals give the General Assembly more responsibility and oversight over costly administrative rules while preserving executive authority to handle essential administrative functions and manage emergency responses.

A National Trend

States across the country are strengthening legislative oversight of administrative regulations through legislation called Regulations from the Executive in Need of Scrutiny (REINS). **Wisconsin** adopted this reform early and now requires legislative authorization for state agencies to continue rulemaking when implementation and compliance costs reach \$10 million over a two-year period. That **reform** likely slowed regulatory growth and strengthened scrutiny of rules with underestimated compliance costs. But the relatively high-cost threshold allows some burdensome regulations to evade this requirement and may prompt agencies to split expensive rules to avoid legislative scrutiny. Several other **states** have adopted similar oversight requirements for rules with lower thresholds of approximately \$1 million over multiple years.

Ohio House Bill 11 takes a different approach by requiring legislative approval of administrative rule proposals that would increase agency expenditures or compliance costs on any directly affected person by at least \$100,000 during a biennium. The Legislative Service Commission anticipates minimal administrative costs for agencies complying with House Bill 11 if enacted and **estimated** that only about one percent of the rules submitted between 2023 and 2024 might have required legislative approval had the bill been in effect then. But that does not mean that the remaining rules impose insignificant costs. As written, House Bill 11 could allow regulations that impose substantial aggregate costs across numerous businesses and individuals to avoid legislative approval if the thresholds are not met.

To ensure that no costly regulation escapes legislative scrutiny, Ohio should instead adopt a hybrid threshold that measures economic impact in three ways. First, legislative approval should be required for any proposed rule with aggregate compliance costs across all affected businesses, individuals, and local governments that reach \$1 million in a single year, which would allow the General Assembly to address each rule individually rather than collectively. An aggregate test captures broad regulations that impose modest costs on many individuals but substantial costs on the economy as a whole. Second, legislative approval should be required when a rule would impose \$100,000 or more in compliance costs on any single person or business, preserving House Bill 11's protection against rules that fall heavily on a small number of employers. Third, consistent with House Bill 11, legislative approval should be required when a rule would increase agency

expenditures by \$100,000 or more during a two-year General Assembly term, ensuring that rules with significant budget effects, such as Medicaid provider rate changes, also come before the General Assembly. A rule meeting any of these three tests would require legislative approval. CSI would apply each test to the combined impact of related rules, so agencies cannot divide large regulatory initiatives into smaller proposals to avoid a statutory threshold.

Legislative Oversight of Education

A separate approval requirement should be applied to the Ohio Department of Education and Workforce (DEW) because its regulations directly affect school district finances, local operations, staffing, and educational initiatives. All new or amended rules—except those currently under **five-year reviews**—should be subject to legislative approval, regardless of their expected economic impact. To avoid overburdening the General Assembly or delaying implementation, DEW-related rules could be passed in omnibus bills on a quarterly basis or as part of the biennial budget. Separately identifying each proposed rule would allow legislators to evaluate potential regulatory impacts and purposes. Legislative approval should also extend beyond DEW’s formal rules to the instruments that shape education policy, including report card methodology and major guidance documents, but the State Board of Education’s **authority** over teacher licensing should not be diminished.

Emergency Rulemaking

Ohio **law** currently permits the governor to authorize agencies to immediately adopt, amend, or rescind administrative rules during declared emergencies. This executive authority should be preserved so that agencies can respond promptly to important crises without procedural delays. With some exceptions, emergency-related rules would remain effective for up to 120 days. Any attempt to make emergency rules permanent, however, should subject such rules to the legislative approval process.

Conclusion

The representatives proposing House Bills 11 and 1024 **recognize** that strengthening legislative oversight of agency rulemaking supports the constitutional order of checks and balances across the branches of government. These proposed bills would establish reasonable economic thresholds for oversight, provide independent regulatory cost evaluations through CSI, and protect the governor’s emergency rulemaking authority to avoid harmful delays during crises.