

# HOUSE BILL REPORT

## HB 1276

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**As Reported by House Committee On:**  
State Government Operations & Accountability

**Title:** An act relating to the governor's signature on significant legislative rules.

**Brief Description:** Requiring the governor's signature on significant legislative rules.

**Sponsors:** Representatives Grant, Holmquist, Kessler, Upthegrove, Walsh, Linville, Nixon, Hinkle, Buri, Newhouse, Orcutt, Kristiansen, Campbell, Hankins, McDonald, Talcott, Bailey, Shabro, Skinner, Roach, Haigh, McCune, Kretz, Hunter, Moeller, Miloscia, Williams, O'Brien, Schindler, P. Sullivan, Blake, Anderson, Buck, Wallace, Chase, Condotta and Santos.

**Brief History:**

**Committee Activity:**

State Government Operations & Accountability: 1/25/05, 2/2/05 [DPS].

<p><b>Brief Summary of Substitute Bill</b></p> <ul style="list-style-type: none"><li>• Requires that the Governor sign certain significant legislative rules.</li></ul>
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**HOUSE COMMITTEE ON STATE GOVERNMENT OPERATIONS & ACCOUNTABILITY**

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 5 members: Representatives Haigh, Chair; Green, Vice Chair; Hunt, McDermott and Miloscia.

**Minority Report:** Do not pass. Signed by 4 members: Representatives Nixon, Ranking Minority Member; Clements, Assistant Ranking Minority Member; Schindler and Sump.

**Staff:** Jim Morishima (786-7191).

**Background:**

A significant legislative rule is a rule that:

- adopts substantive provisions of law that subject a violator to a penalty or sanction;
- establishes, alters, or revokes any qualification or standard for the issuance, suspension, or revocation of a license or permit; or
- adopts or amends a new policy or regulatory program.

The following agencies must engage in a special rulemaking process when adopting a significant legislative rule: The Department of Ecology, the Department of Labor and Industries, the Department of Health, the Department of Revenue, the Department of Social and Health Services, the Department of Natural Resources, the Employment Security Department, the Forest Practices Board, the Office of the Insurance Commissioner, and the Department of Fish and Wildlife. The significant legislative rule making process imposes requirements in addition to the "regular" rule making process such as requiring the agency to determine that the rule is really needed in order to achieve the rule's goals and requiring the agency to perform a cost-benefit analysis.

An agency that is not required to follow this process for its significant legislative rules may do so on its own initiative. The Joint Administrative Rule Review Committee may also order an agency to engage in the significant legislative rule making process.

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### **Summary of Substitute Bill:**

The Governor must sign a significant legislative rule if:

- the adopting agency's head or governing body is appointed by the Governor; and
- the rule has received public comments opposing the substance of the rule from at least 50 affected parties, not including form-letter or form-letter type comments.

### **Substitute Bill Compared to Original Bill:**

The substitute bill requires the Governor to sign a significant legislative rule of an agency whose head or governing body is appointed by the Governor, instead of an agency "under the Governor's authority." The substitute bill requires the Governor to sign a significant legislative rule only if the rule has received public comments opposing the substance of the rule from at least 50 affected parties, not including form-letter or form-letter type comments.

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**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of session in which bill is passed.

**Testimony For:** This bill is about accountability. Citizens want to know that the Governor is looking at the rules coming out of agencies. This bill will not cause delay or create red tape; it does not change statutory deadlines for when rules must be adopted under the Administrative Procedures Act. The bill will not endanger federal funding because the Governor would take federal funding impacts into account when signing the rules.

(With concerns) This bill creates a lot more delay and red tape. It increases the bureaucracy in that it will take time for the Governor to analyze all the rules. The bill could endanger federal funding. There should be measures in the bill to prioritize rules.

**Testimony Against:** None.

**Persons Testifying:** (In support) Representative Grant, prime sponsor; and Amber Carter, Association of Washington Businesses.

(With concerns) Genesee Adkins, 1000 Friends of Washington.

**Persons Signed In To Testify But Not Testifying:** None.