S-3364.1			

SENATE BILL 6249

State of Washington 52nd Legislature 1992 Regular Session

By Senators Anderson, Rasmussen and Newhouse

Read first time 01/22/92. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to fees and costs of the judicial review of agency
- 2 actions; adding new sections to chapter 4.84 RCW; and creating new
- 3 sections.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that certain
- 6 individuals, smaller partnerships, smaller corporations, and other
- 7 organizations may be deterred from seeking review of or defending
- 8 against an unreasonable agency action because of the expense involved
- 9 in securing the vindication of their rights in administrative
- 10 proceedings. The legislature further finds that because of the greater
- 11 resources and expertise of the state of Washington, individuals,
- 12 smaller partnerships, smaller corporations, and other organizations are
- 13 often deterred from seeking review of or defending against state agency
- 14 actions because of the costs for attorneys, expert witnesses, and other

- 1 costs. The legislature therefore adopts this equal access to justice
- 2 act to ensure that these parties have a greater opportunity to defend
- 3 themselves from inappropriate state agency actions and to protect their
- 4 rights.
- 5 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 4.84 RCW
- 6 to read as follows:
- 7 Unless the context clearly requires otherwise, the definitions in
- 8 this section apply throughout sections 2 through 4 of this act.
- 9 (1) "Agency action" means agency action as defined by chapter 34.05
- 10 RCW.
- 11 (2) "Fees and other expenses" includes the reasonable expenses of
- 12 expert witnesses, the reasonable cost of any study, analysis,
- 13 engineering report, test, or project that is found by the court to be
- 14 necessary for the preparation of the party's case, and reasonable
- 15 attorney fees. Reasonable attorney fees shall be based on the
- 16 prevailing market rates for the kind and quality of services furnished,
- 17 except that (a) no expert witness shall be compensated at a rate in
- 18 excess of the highest rates of compensation for expert witnesses paid
- 19 by the state of Washington, and (b) attorney fees shall not be awarded
- 20 in excess of one hundred fifty dollars per hour unless the court
- 21 determines that an increase in the cost of living or a special factor,
- 22 such as the limited availability of qualified attorneys for the
- 23 proceedings involved, justifies a higher fee. In no single proceeding
- 24 under sections 2 through 4 of this act, shall the court award more than
- 25 ten thousand dollars for fees and other expenses.
- 26 (3) "Judicial review" means a judicial review as defined by chapter
- 27 34.05 RCW.
- 28 (4) "Party" means (a) an individual whose net worth did not exceed
- 29 one million dollars at the time the judicial review was filed, (b) a

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- 1 sole owner of an unincorporated business, or a partnership,
- 2 corporation, association, or organization whose net worth did not
- 3 exceed five million dollars at the time the judicial review was filed,
- 4 except that an organization described in section 501(c)(3) of the
- 5 federal internal revenue code of 1954 as exempt from taxation under
- 6 section 501(a) of the code and a cooperative association as defined in
- 7 section 15(a) of the agricultural marketing act (12 U.S.C. 1141J(a)),
- 8 may be a party regardless of the net worth of such organization or
- 9 cooperative association, or (c) a sole owner of an unincorporated
- 10 business, or a partnership, corporation, association, or organization,
- 11 having not more than one hundred employees at the time the judicial
- 12 review was filed.
- 13 <u>NEW SECTION.</u> **Sec. 3.** A new section is added to chapter 4.84 RCW
- 14 to read as follows:
- 15 Any party that prevails in a judicial review of an agency action
- 16 shall be awarded by the court, fees and other expenses to the same
- 17 extent authorized in sections 2 through 4 of this act.
- 18 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 4.84 RCW
- 19 to read as follows:
- 20 Fees and other expenses awarded under sections 2 through 4 of this
- 21 act shall be paid by the agency over which the party prevails from
- 22 operating funds appropriated to the agency. Agencies paying fees and
- 23 other expenses pursuant to sections 2 through 4 of this act shall
- 24 report all payments to the office of financial management within five
- 25 days of paying the fees and other expenses. Any fees and other
- 26 expenses awarded by the court shall be subject to the provisions of
- 27 chapter 39.76 RCW and shall be deemed payable on the date the court
- 28 announces the award.

- 1 <u>NEW SECTION.</u> **Sec. 5.** The office of financial management shall
- 2 report annually to the legislature on the amount of fees and other
- 3 expenses awarded during the preceding fiscal year pursuant to sections
- 4 2 through 4 of this act. The report shall describe the number, nature,
- 5 and amount of the awards, the claims involved in the controversy, and
- 6 any other relevant information which may aid the legislature in
- 7 evaluating the scope and impact of such awards.