H-4154.1		
	HOUSE BILL 2959	

State of Washington 2000 Regular Session

By Representatives Lambert, McMorris, G. Chandler and Mulliken Read first time 01/25/2000. Referred to Committee on State Government.

56th Legislature

AN ACT Relating to legislative approval of agency rules; amending 1 2 RCW 19.85.030, 19.85.061, 34.05.010, 34.05.230, 34.05.314, 34.05.320, 3 34.05.328, 34.05.330, 34.05.350, 34.05.356, 34.05.534, 42.40.010, 42.40.020, 42.40.030, 43.31.086, and 43.180.110; adding new sections to chapter 34.05 RCW; creating a new section; and repealing RCW 34.05.610, 5 34.05.620, 34.05.630, 34.05.640, 34.05.650, 34.05.655, 34.05.660, 7 34.05.665, 34.05.671, 34.05.675, and 34.05.681.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON: 8

9 PART 1 10 LEGISLATIVE APPROVAL OF AGENCY RULES

- 11 NEW SECTION. Sec. 1. A new section is added to chapter 34.05 RCW 12 to read as follows:
- 13 (1) The legislature shall review all proposed rules in accordance 14 with the procedures of section 2 of this act. This subsection does not apply to emergency rules adopted in accordance with RCW 34.05.350. 15
- 16 (2) The legislature shall review an existing rule in accordance with section 2 of this act if a member of the house of representatives 17 18 or a member of the senate petitions the speaker of the house of

HB 2959 p. 1

- 1 representatives or the president of the senate, respectively, for
- 2 review of the existing rule. This subsection applies to all existing
- 3 rules, including emergency rules adopted in accordance with RCW
- 4 34.05.350.
- 5 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 34.05 RCW 6 to read as follows:
- 7 (1) Legislative review of an existing or proposed rule is limited 8 to the issue of the rule's validity or invalidity.
- 9 (2) The legislature shall review existing or proposed rules subject 10 to the following procedures:
- 11 (a) Upon receipt of a proposed rule or a written request to review 12 an existing rule, the speaker of the house of representatives and the 13 president of the senate shall refer the rule under review to the 14 appropriate standing committees in the house of representatives and the 15 senate, respectively.
- 16 (b) A standing committee may conduct a public hearing on the rule, 17 but must conduct a public hearing on the rule before the committee may 18 vote on the validity or invalidity of the rule.
- 19 (i) By majority vote, the committee may recommend to the 20 legislative body as a whole that the rule be declared invalid. If the 21 committee recommends that the rule be declared invalid, the committee 22 must state the reasons for its recommendation and may make 23 recommendations to the agency regarding how to make the rule valid;
- 24 (ii) By majority vote, the committee may recommend to the 25 legislative body as a whole that the rule be declared valid;
- (iii) The committee may make recommendations to the agency on how to make the rule valid and give the agency the opportunity to propose any rule changes the agency will agree to make. If the agency proposes changes to the rule, the committee may conduct a public hearing on the validity or invalidity of the proposed changes subject to the procedures of this subsection; or
- 32 (iv) The committee may take no action.
- 33 (c) The legislative body may, at any time, vote by a constitutional 34 majority to consider the rule under review.
- (i) A motion made by the legislative body as a whole to consider the rule may be made on any order of business and is a privileged motion.

HB 2959 p. 2

- 1 (ii) The legislative body may vote by a constitutional majority 2 that the rule is valid or invalid. If the legislative body votes that 3 the rule is invalid, it must state the reasons for its vote and may 4 include recommendations to the agency regarding how to make the rule 5 valid.
- 6 (iii) The legislative body may delay consideration on the validity 7 of the rule until the next regular or special legislative session in 8 order to give the agency time to change the rule.
- 9 (d) The legislature may vote, by a constitutional majority in both 10 houses, that the rule is valid or invalid. If the legislature votes 11 that the rule is invalid, it must state the reasons for its vote and 12 may include recommendations to the agency regarding how to make the 13 rule valid.
- (i) The legislature may delay consideration on the validity of the rule until the next regular or special legislative session in order to give the agency time to change the rule.
- 17 (ii) A resolution approved by the legislature under this subsection 18 will not be submitted to the governor for approval or disapproval.
- 19 (iii) A finding by the legislature under (d) of this subsection is 20 considered conclusive of legislative intent in any future court 21 proceedings.
- (3) The standing committees of the legislature may meet during the interim at the discretion of the speaker of the house of representatives or president of the senate, respectively, for purposes of carrying out this chapter.
- 26 (4) For purposes of this section, "legislative body" means the 27 Washington state house of representatives or the Washington state 28 senate.
- NEW SECTION. Sec. 3. A new section is added to chapter 34.05 RCW to read as follows:
- 31 (1) A member of the house of representatives or the senate may file 32 a resolution of noncompliance against an agency if the member believes:
- 33 (a) The agency has not adopted rules or updated existing rules as 34 required by law; or
- 35 (b) The agency is not complying with or is misapplying a statute or 36 rule.
- 37 (2) The legislature shall review a resolution of noncompliance 38 filed under this section subject to the following procedures:

p. 3 HB 2959

- 1 (a) Upon receipt of the resolution of noncompliance, the speaker of 2 the house of representatives and the president of the senate shall 3 refer the resolution to the appropriate standing committees of the 4 house of representatives and senate, respectively.
- 5 (b) A standing committee may conduct a public hearing on the 6 resolution, but must conduct a public hearing on the resolution before 7 the committee may vote on the resolution.
- 8 (i) By majority vote, the committee may recommend to the 9 legislative body as a whole that the resolution be adopted. If the 10 committee recommends that the resolution be adopted, the committee must 11 state the reasons for its recommendation and may make recommendations 12 to the agency regarding how the agency can come into compliance;
- (ii) By majority vote, the committee may amend the resolution and recommend to the legislative body as a whole that the rule is in compliance;
 - (iii) The committee may make recommendations to the agency on how the agency can come into compliance and give the agency the opportunity to propose any changes the agency will agree to make. If the agency proposes any changes regarding compliance, the committee may conduct a public hearing to determine if the proposed changes bring the agency into compliance subject to the procedures of this subsection; or
 - (iv) The committee may take no action.

16

17

18 19

20

2122

- 23 (c) The legislative body may, at any time, vote by a constitutional 24 majority to consider the resolution.
- 25 (i) A motion made by the legislative body as a whole to consider 26 the resolution may be made on any order of business and is a privileged 27 motion.
- (ii) The legislative body may vote by a constitutional majority that the agency is in compliance or is not in compliance. If the legislative body votes that the agency is not in compliance, it must state the reasons for its recommendation and may make recommendations to the agency regarding how to bring the agency into compliance.
- (iii) The legislative body may delay consideration on the resolution until the next regular or special legislative session in order to give the agency time to come into compliance.
- 36 (d) The legislature may vote, by a constitutional majority in both 37 houses, that the agency is in compliance or is not in compliance. If 38 the legislature votes that the agency is not in compliance, it must

HB 2959 p. 4

- state the reasons for its recommendation and may make recommendations to the agency regarding how the agency can come into compliance.
- 3 (i) The legislature may delay consideration on the resolution until 4 the next regular or special legislative session in order to give the 5 agency time to come into compliance.
- 6 (ii) A resolution approved by the legislature under this subsection 7 will not be submitted to the governor for approval or disapproval.
- 8 (3) The standing committees of the legislature may meet during the 9 interim at the discretion of the speaker of the house of 10 representatives or president of the senate, respectively, for purposes 11 of carrying out this chapter.
- 12 (4) For purposes of this section, "legislative body" means the 13 Washington state house of representatives or the Washington state 14 senate.
- 15 (5) Failure to comply with a resolution of noncompliance passed by 16 the legislature under this section is grounds for impeachment or 17 removal of the head of the agency under Article V of the state 18 Constitution.
- 19 <u>NEW SECTION.</u> **Sec. 4.** A new section is added to chapter 34.05 RCW 20 to read as follows:
- The legislature, by one-third vote of the house of representatives and the senate, may petition the attorney general to challenge the validity of a rule. Once the legislature has so petitioned, the attorney general must bring an action to determine the validity of the rule on behalf of the legislature.

26 PART 2

27

ELIMINATING THE JOINT ADMINISTRATIVE RULES REVIEW COMMITTEE

- 28 **Sec. 5.** RCW 19.85.030 and 1995 c 403 s 402 are each amended to 29 read as follows:
- 30 (1) In the adoption of a rule under chapter 34.05 RCW, an agency shall prepare a small business economic impact statement: (a) If the proposed rule will impose more than minor costs on businesses in an industry; or (b) if requested to do so by a constitutional majority ((vote of the joint administrative rules review committee)) of the legislature within forty-five days of receiving the notice of proposed rule making under RCW 34.05.320. However, if the agency has completed

p. 5 HB 2959

the pilot rule process as defined by RCW 34.05.313 before filing the notice of a proposed rule, the agency is not required to prepare a small business economic impact statement.

4

5

6 7

8

9

10

11

15

16

17

18 19

20

2122

23

24

36

An agency shall prepare the small business economic impact statement in accordance with RCW 19.85.040, and file it with the code reviser along with the notice required under RCW 34.05.320. An agency shall file a statement prepared at the request of the ((joint administrative rules review committee)) legislature with the code reviser upon its completion before the adoption of the rule. An agency shall provide a copy of the small business economic impact statement to any person requesting it.

An agency may request assistance from the ((business assistance center)) department of community, trade, and economic development in the preparation of the small business economic impact statement.

- (2) The ((business assistance center)) department of community, trade, and economic development shall develop guidelines to assist agencies in determining whether a proposed rule will impose more than minor costs on businesses in an industry and therefore require preparation of a small business economic impact statement. The ((business assistance center)) department of community, trade, and economic development may review an agency determination that a proposed rule will not impose such costs, and shall advise the ((joint administrative rules review committee)) legislature on disputes involving agency determinations under this section.
- 25 (3) Based upon the extent of disproportionate impact on small 26 business identified in the statement prepared under RCW 19.85.040, the 27 agency shall, where legal and feasible in meeting the stated objectives 28 of the statutes upon which the rule is based, reduce the costs imposed 29 by the rule on small businesses. Methods to reduce the costs on small 30 businesses may include:
- 31 (a) Reducing, modifying, or eliminating substantive regulatory 32 requirements;
- 33 (b) Simplifying, reducing, or eliminating recordkeeping and 34 reporting requirements;
- 35 (c) Reducing the frequency of inspections;
 - (d) Delaying compliance timetables;
- 37 (e) Reducing or modifying fine schedules for noncompliance; or
- 38 (f) Any other mitigation techniques.

нв 2959 р. 6

1 Sec. 6. RCW 19.85.061 and 1995 c 403 s 404 are each amended to 2 read as follows:

3 Unless so requested by a constitutional majority ((vote of the 4 joint administrative rules review committee)) of the legislature under RCW 19.85.030, an agency is not required to comply with this chapter 5 when adopting any rule solely for the purpose of conformity or 6 7 compliance, or both, with federal statute or regulations. In lieu of 8 the statement required under RCW 19.85.030, the agency shall file a 9 statement citing, with specificity, the federal statute or regulation 10 with which the rule is being adopted to conform or comply, and describing the consequences to the state if the rule is not adopted. 11

- 12 Sec. 7. RCW 34.05.010 and 1997 c 126 s 2 are each amended to read 13 as follows:
- 14 The definitions set forth in this section shall apply throughout 15 this chapter, unless the context clearly requires otherwise.
- 16 (1) "Adjudicative proceeding" means a proceeding before an agency in which an opportunity for hearing before that agency is required by 17 18 statute or constitutional right before or after the entry of an order 19 by the agency. Adjudicative proceedings also include all cases of licensing and rate making in which an application for a license or rate 20 change is denied except as limited by RCW 66.08.150, or a license is 21 revoked, suspended, or modified, or in which the granting of an 22 23 application is contested by a person having standing to contest under the law. 24
- "Agency" means any state board, commission, department, 25 (2) institution of higher education, or officer, authorized by law to make rules or to conduct adjudicative proceedings, except those in the 27 legislative or judicial branches, the governor, or the attorney general except to the extent otherwise required by law and any local governmental entity that may request the appointment of an administrative law judge under chapter 42.41 RCW. 31

26

28 29

30

- "Agency action" means licensing, the implementation 32 33 enforcement of a statute, the adoption or application of an agency rule 34 or order, the imposition of sanctions, or the granting or withholding of benefits. 35
- 36 Agency action does not include an agency decision regarding (a) 37 contracting or procurement of goods, services, public works, and the 38 purchase, lease, or acquisition by any other means, including eminent

HB 2959 p. 7

- domain, of real estate, as well as all activities necessarily related 1 2 to those functions, or (b) determinations as to the sufficiency of a showing of interest filed in support of a representation petition, or 3 4 mediation or conciliation of labor disputes or arbitration of labor 5 disputes under a collective bargaining law or similar statute, or (c) any sale, lease, contract, or other proprietary decision in the 6 7 management of public lands or real property interests, or (d) the 8 granting of a license, franchise, or permission for the use of 9 trademarks, symbols, and similar property owned or controlled by the 10 agency.
- 11 (4) "Agency head" means the individual or body of individuals in 12 whom the ultimate legal authority of the agency is vested by any 13 provision of law. If the agency head is a body of individuals, a 14 majority of those individuals constitutes the agency head.
- 15 (5) "Entry" of an order means the signing of the order by all 16 persons who are to sign the order, as an official act indicating that 17 the order is to be effective.
- 18 (6) "Filing" of a document that is required to be filed with an 19 agency means delivery of the document to a place designated by the 20 agency by rule for receipt of official documents, or in the absence of 21 such designation, at the office of the agency head.
- (7) "Institutions of higher education" are the University of 22 23 Washington, Washington State University, Central Washington University, 24 Eastern Washington University, Western Washington University, The 25 Evergreen State College, the various community colleges, and the 26 governing boards of each of the above, and the various colleges, 27 divisions, departments, or offices authorized by the governing board of the institution involved to act for the institution, all of which are 28 29 sometimes referred to in this chapter as "institutions."
- 30 (8) "Interpretive statement" means a written expression of the 31 opinion of an agency, entitled an interpretive statement by the agency 32 head or its designee, as to the meaning of a statute or other provision 33 of law, of a court decision, or of an agency order.
- (9)(a) "License" means a franchise, permit, certification, approval, registration, charter, or similar form of authorization required by law, but does not include (i) a license required solely for revenue purposes, or (ii) a certification of an exclusive bargaining representative, or similar status, under a collective bargaining law or similar statute, or (iii) a license, franchise, or permission for use

нв 2959 р. 8

- of trademarks, symbols, and similar property owned or controlled by the agency.
- 3 (b) "Licensing" includes the agency process respecting the 4 issuance, denial, revocation, suspension, or modification of a license.
- (10) "Mail" or "send," for purposes of any notice relating to rule making or policy or interpretive statements, means regular mail or electronic distribution, as provided in RCW 34.05.260. "Electronic distribution" or "electronically" means distribution by electronic mail or facsimile mail.
- (11)(a) "Order," without further qualification, means a written statement of particular applicability that finally determines the legal rights, duties, privileges, immunities, or other legal interests of a specific person or persons.
- 14 (b) "Order of adoption" means the official written statement by 15 which an agency adopts, amends, or repeals a rule.
- 16 (12) "Party to agency proceedings," or "party" in a context so 17 indicating, means:
- 18 (a) A person to whom the agency action is specifically directed; or
- 19 (b) A person named as a party to the agency proceeding or allowed 20 to intervene or participate as a party in the agency proceeding.
- 21 (13) "Party to judicial review or civil enforcement proceedings,"
 22 or "party" in a context so indicating, means:
- 23 (a) A person who files a petition for a judicial review or civil 24 enforcement proceeding; or
- 25 (b) A person named as a party in a judicial review or civil 26 enforcement proceeding, or allowed to participate as a party in a 27 judicial review or civil enforcement proceeding.
- 28 (14) "Person" means any individual, partnership, corporation, 29 association, governmental subdivision or unit thereof, or public or 30 private organization or entity of any character, and includes another 31 agency.
- 32 (15) "Policy statement" means a written description of the current 33 approach of an agency, entitled a policy statement by the agency head 34 or its designee, to implementation of a statute or other provision of 35 law, of a court decision, or of an agency order, including where 36 appropriate the agency's current practice, procedure, or method of 37 action based upon that approach.
- 38 (16) "Rule" means any agency order, directive, or regulation of 39 general applicability (a) the violation of which subjects a person to

p. 9 HB 2959

a penalty or administrative sanction; (b) which establishes, alters, or 2 revokes any procedure, practice, or requirement relating to agency hearings; (c) which establishes, alters, or revokes any qualification 3 4 or requirement relating to the enjoyment of benefits or privileges 5 conferred by law; (d) which establishes, alters, or revokes any qualifications or standards for the issuance, suspension, or revocation 6 of licenses to pursue any commercial activity, trade, or profession; or 7 (e) which establishes, alters, or revokes any mandatory standards for 8 9 any product or material which must be met before distribution or sale. 10 The term includes the amendment or repeal of a prior rule, but does not include (i) statements concerning only the internal management of an 11 12 agency and not affecting private rights or procedures available to the 13 public, (ii) declaratory rulings issued pursuant to RCW 34.05.240, (iii) traffic restrictions for motor vehicles, bicyclists, and 14 15 pedestrians established by the secretary of transportation or his designee where notice of such restrictions is given by official traffic 16 17 control devices, or (iv) rules of institutions of higher education involving standards of admission, academic advancement, academic 18 19 credit, graduation and the granting of degrees, employment 20 relationships, or fiscal processes.

(17) (("Rules review committee" or "committee" means the joint administrative rules review committee created pursuant to RCW 34.05.610 for the purpose of selectively reviewing existing and proposed rules of state agencies.

(18)) "Rule making" means the process for formulation and adoption of a rule.

((\(\frac{(19)}{)}\)) (18) "Service," except as otherwise provided in this chapter, means posting in the United States mail, properly addressed, postage prepaid, or personal service. Service by mail is complete upon deposit in the United States mail. Agencies may, by rule, authorize service by electronic telefacsimile transmission, where copies are mailed simultaneously, or by commercial parcel delivery company.

33 **Sec. 8.** RCW 34.05.230 and 1997 c 409 s 202 are each amended to 34 read as follows:

35 (1) ((An agency may file notice for the expedited adoption of rules 36 in accordance with the procedures set forth in this section for rules 37 meeting any one of the following criteria:

нв 2959 р. 10

21

2223

24

- 1 (a) The proposed rules relate only to internal governmental 2 operations that are not subject to violation by a person;
 - (b) The proposed rules adopt or incorporate by reference without material change federal statutes or regulations, Washington state statutes, rules of other Washington state agencies, shoreline master programs other than those programs governing shorelines of state-wide significance, or, as referenced by Washington state law, national consensus codes that generally establish industry standards, if the material adopted or incorporated regulates the same subject matter and conduct as the adopting or incorporating rule;
- 11 (c) The proposed rules only correct typographical errors, make 12 address or name changes, or clarify language of a rule without changing 13 its effect;
- 14 (d) The content of the proposed rules is explicitly and 15 specifically dictated by statute;
 - (e) The proposed rules have been the subject of negotiated rule making, pilot rule making, or some other process that involved substantial participation by interested parties before the development of the proposed rule; or
- 20 (f) The proposed rule is being amended after a review under RCW 21 34.05.328 or section 210 of this act.
 - (2) The expedited rule-making process must follow the requirements for rule making set forth in RCW 34.05.320, except that the agency is not required to prepare a small business economic impact statement under RCW 19.85.025, a statement indicating whether the rule constitutes a significant legislative rule under RCW 34.05.328(5)(c)(iii), or a significant legislative rule analysis under RCW 34.05.328. An agency is not required to prepare statements of inquiry under RCW 34.05.310 or conduct a hearing for the expedited adoption of rules. The notice for the expedited adoption of rules must contain a statement in at least ten-point type, that is substantially in the following form:

33 NOTICE

34 THIS RULE IS BEING PROPOSED TO BE ADOPTED USING AN
35 EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR
36 THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS
37 ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA
38 FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS RULE

p. 11 HB 2959

- BEING ADOPTED USING THE EXPEDITED RULE-MAKING PROCESS, YOU MUST

 EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO

 (INSERT NAME AND ADDRESS) AND RECEIVED BY (INSERT DATE).
- (3) The agency shall send a copy of the notice of the proposed expedited rule making to any person who has requested notification of proposals for the expedited adoption of rules or of agency rule making, as well as the joint administrative rules review committee, within three days after its publication in the Washington State Register. An agency may charge for the actual cost of providing a requesting party mailed copies of these notices. The notice of the proposed expedited rule making must be preceded by a statement substantially in the form provided in subsection (2) of this section. The notice must also include an explanation of the reasons the agency believes the expedited adoption of the rule is appropriate.
 - (4) The code reviser shall publish the text of all rules proposed for expedited adoption along with the notice required in this section in a separate section of the Washington State Register. Once the text of the proposed rules has been published in the Washington State Register, the only changes that an agency may make in the text of these proposed rules before their final adoption are to correct typographical errors.
 - (5) Any person may file a written objection to the expedited adoption of a rule. The objection must be filed with the agency rules coordinator within forty-five days after the notice of the proposed expedited rule making has been published in the Washington State Register. A person who has filed a written objection to the expedited adoption of a rule may withdraw the objection.
 - (6) If no written objections to the expedited adoption of a rule are filed with the agency within forty-five days after the notice of proposed expedited rule making is published, or if all objections that have been filed are withdrawn by the persons filing the objections, the agency may enter an order adopting the rule without further notice or a public hearing. The order must be published in the manner required by this chapter for any other agency order adopting, amending, or repealing a rule.
 - (7) If a written notice of objection to the expedited adoption of the rule is timely filed with the agency and is not withdrawn, the notice of proposed expedited rule making published under this section is considered a statement of inquiry for the purposes of RCW 34.05.310,

нв 2959 р. 12

- 1 and the agency may initiate further rule adoption proceedings in 2 accordance with this chapter.
- 3 (8) Subsections (1) through (8) of this section expire on December 4 31, 2000.
- an [An])) An agency is encouraged to advise the public of its current opinions, approaches, and likely courses of action by means of interpretive or policy statements. Current interpretive and policy statements are advisory only. To better inform and involve the public, an agency is encouraged to convert long-standing interpretive and policy statements into rules.
- (2) A person may petition an agency requesting the conversion of interpretive and policy statements into rules. Upon submission, the agency shall notify the ((joint administrative rules review committee)) legislature of the petition. Within sixty days after submission of a petition, the agency shall either deny the petition in writing, stating its reasons for the denial, or initiate rule-making proceedings in accordance with this chapter.
- (((11))) (3) Each agency shall maintain a roster of interested 18 19 persons, consisting of persons who have requested in writing to be 20 notified of all interpretive and policy statements issued by that 21 Each agency shall update the roster once each year and eliminate persons who do not indicate a desire to continue on the 22 23 roster. Whenever an agency issues an interpretive or policy statement, 24 it shall send a copy of the statement to each person listed on the 25 roster. The agency may charge a nominal fee to the interested person 26 for this service.
- ((\(\frac{(12)}{12}\))) (4) Whenever an agency issues an interpretive or policy statement, it shall submit to the code reviser for publication in the Washington State Register a statement describing the subject matter of the interpretive or policy statement, and listing the person at the agency from whom a copy of the interpretive or policy statement may be obtained.
- 33 **Sec. 9.** RCW 34.05.314 and 1997 c 409 s 206 are each amended to 34 read as follows:
- Each state agency shall prepare a semiannual agenda for rules under development. The agency shall file the agenda with the code reviser for publication in the state register not later than January 31st and July 31st of each year. Not later than three days after its

p. 13 HB 2959

- l publication in the state register, the agency shall send a copy of the
- 2 agenda to each person who has requested receipt of a copy of the
- 3 agenda. The agency shall also submit the agenda to the director of
- 4 financial management, the ((rules review committee)) legislature, and
- 5 any other state agency that may reasonably be expected to have an
- 6 interest in the subject of rules that will be developed.
- 7 **Sec. 10.** RCW 34.05.320 and 1995 c 403 s 302 are each amended to 8 read as follows:
- 9 (1) At least twenty days before the rule-making hearing at which
- 10 the agency receives public comment regarding adoption of a rule, the
- 11 agency shall cause notice of the hearing to be published in the state
- 12 register. The publication constitutes the proposal of a rule. The
- 13 notice shall include all of the following:
- 14 (a) A title, a description of the rule's purpose, and any other
- 15 information which may be of assistance in identifying the rule or its
- 16 purpose;
- 17 (b) Citations of the statutory authority for adopting the rule and
- 18 the specific statute the rule is intended to implement;
- 19 (c) A summary of the rule and a statement of the reasons supporting
- 20 the proposed action;
- 21 (d) The agency personnel, with their office location and telephone
- 22 number, who are responsible for the drafting, implementation, and
- 23 enforcement of the rule;
- 24 (e) The name of the person or organization, whether private,
- 25 public, or governmental, proposing the rule;
- 26 (f) Agency comments or recommendations, if any, regarding statutory
- 27 language, implementation, enforcement, and fiscal matters pertaining to
- 28 the rule;
- 29 (g) Whether the rule is necessary as the result of federal law or
- 30 federal or state court action, and if so, a copy of such law or court
- 31 decision shall be attached to the purpose statement;
- 32 (h) When, where, and how persons may present their views on the
- 33 proposed rule;
- (i) The date on which the agency intends to adopt the rule;
- 35 (j) A short explanation of the rule, its purpose, and anticipated
- 36 effects, including in the case of a proposal that would modify existing
- 37 rules, a short description of the changes the proposal would make;

нв 2959 р. 14

- 1 (k) A copy of the small business economic impact statement prepared 2 under chapter 19.85 RCW, or an explanation for why the agency did not 3 prepare the statement; and
- 4 (1) A statement indicating whether RCW 34.05.328 applies to the 5 rule adoption.
- 6 (2) Upon filing notice of the proposed rule with the code reviser,
 7 the adopting agency shall have copies of the notice on file and
 8 available for public inspection and shall forward three copies of the
 9 notice to the ((rules review committee)) legislature.
- 10 (3) No later than three days after its publication in the state register, the agency shall cause a copy of the notice of proposed rule adoption to be mailed to each person, city, and county that has made a request to the agency for a mailed copy of such notices. An agency may charge for the actual cost of providing a requesting party mailed copies of these notices.
- (4) In addition to the notice required by subsections (1) and (2) of this section, an institution of higher education shall cause the notice to be published in the campus or standard newspaper of the institution at least seven days before the rule-making hearing.
- 20 **Sec. 11.** RCW 34.05.328 and 1997 c 430 s 1 are each amended to read 21 as follows:
- 22 (1) Before adopting a rule described in subsection (5) of this 23 section, an agency shall:
- 24 (a) Clearly state in detail the general goals and specific 25 objectives of the statute that the rule implements;
- (b) Determine that the rule is needed to achieve the general goals and specific objectives stated under (a) of this subsection, and analyze alternatives to rule making and the consequences of not adopting the rule;
- (c) Determine that the probable benefits of the rule are greater than its probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented;
- (d) Determine, after considering alternative versions of the rule and the analysis required under (b) and (c) of this subsection, that the rule being adopted is the least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives stated under (a) of this subsection;

p. 15 HB 2959

- (e) Determine that the rule does not require those to whom it 1 2 applies to take an action that violates requirements of another federal 3 or state law;
- 4 (f) Determine that the rule does not impose more stringent performance requirements on private entities than on public entities unless required to do so by federal or state law;

5

6

22

23 24

25

28

29

- 7 (g) Determine if the rule differs from any federal regulation or 8 statute applicable to the same activity or subject matter and, if so, 9 determine that the difference is justified by the following:
- 10 (i) A state statute that explicitly allows the agency to differ from federal standards; or 11
- (ii) Substantial evidence that the difference is necessary to 12 13 achieve the general goals and specific objectives stated under (a) of this subsection; and 14
- 15 (h) Coordinate the rule, to the maximum extent practicable, with other federal, state, and local laws applicable to the same activity or 16 subject matter. 17
- (2) In making its determinations pursuant to subsection (1)(b) 18 19 through (g) of this section, the agency shall place in the rule-making 20 file documentation of sufficient quantity and quality so as to persuade a reasonable person that the determinations are justified. 21
 - (3) Before adopting rules described in subsection (5) of this section, an agency shall place in the rule-making file a rule implementation plan for rules filed under each adopting order. The plan shall describe how the agency intends to:
- (a) Implement and enforce the rule, including a description of the 26 27 resources the agency intends to use;
 - (b) Inform and educate affected persons about the rule;
 - (c) Promote and assist voluntary compliance; and
- 30 (d) Evaluate whether the rule achieves the purpose for which it was adopted, including, to the maximum extent practicable, the use of 31 interim milestones to assess progress and the use of objectively 32 measurable outcomes. 33
- 34 (4) After adopting a rule described in subsection (5) of this 35 section regulating the same activity or subject matter as another provision of federal or state law, an agency shall do all of the 36 37 following:
- (a) Provide to the ((business assistance center)) department of 38 39 community, trade, and economic development a list citing by reference

HB 2959 p. 16

- 1 the other federal and state laws that regulate the same activity or 2 subject matter;
- 3 (b) Coordinate implementation and enforcement of the rule with the 4 other federal and state entities regulating the same activity or 5 subject matter by making every effort to do one or more of the 6 following:
 - (i) Deferring to the other entity;
- 8 (ii) Designating a lead agency; or

7

36

- 9 (iii) Entering into an agreement with the other entities specifying 10 how the agency and entities will coordinate implementation and 11 enforcement.
- 12 If the agency is unable to comply with this subsection (4)(b), the 13 agency shall report to the legislature pursuant to (c) of this 14 subsection;
- 15 (c) Report to the ((joint administrative rules review committee))
 16 legislature:
- (i) The existence of any overlap or duplication of other federal or 18 state laws, any differences from federal law, and any known overlap, 19 duplication, or conflict with local laws; and
- (ii) Make recommendations for any legislation that may be necessary to eliminate or mitigate any adverse effects of such overlap, duplication, or difference.
- 23 (5)(a) Except as provided in (b) of this subsection, this section 24 applies to:
- (i) Significant legislative rules of the departments of ecology, labor and industries, health, revenue, social and health services, and natural resources, the employment security department, the forest practices board, the office of the insurance commissioner, and to the legislative rules of the department of fish and wildlife implementing chapter 75.20 RCW; and
- (ii) Any rule of any agency, if this section is voluntarily made applicable to the rule by the agency, or is made applicable to the rule by a constitutional majority ((vote of the joint administrative rules review committee)) of the legislature within forty-five days of receiving the notice of proposed rule making under RCW 34.05.320.
 - (b) This section does not apply to:
- 37 (i) Emergency rules adopted under RCW 34.05.350;
- (ii) Rules relating only to internal governmental operations that are not subject to violation by a nongovernment party;

p. 17 HB 2959

- (iii) Rules adopting or incorporating by reference without material 1 2 change federal statutes or regulations, Washington state statutes, rules of other Washington state agencies, shoreline master programs 3 4 other than those programs governing shorelines of state-wide significance, or, as referenced by Washington state law, national 5 consensus codes that generally establish industry standards, if the 6 7 material adopted or incorporated regulates the same subject matter and 8 conduct as the adopting or incorporating rule;
- 9 (iv) Rules that only correct typographical errors, make address or 10 name changes, or clarify language of a rule without changing its 11 effect;
- 12 (v) Rules the content of which is explicitly and specifically 13 dictated by statute;
- (vi) Rules that set or adjust fees or rates pursuant to legislative standards; or
- 16 (vii) Rules of the department of social and health services 17 relating only to client medical or financial eligibility and rules 18 concerning liability for care of dependents.
- 19 (c) For purposes of this subsection:
- (i) A "procedural rule" is a rule that adopts, amends, or repeals
 (A) any procedure, practice, or requirement relating to any agency
 hearings; (B) any filing or related process requirement for making
 application to an agency for a license or permit; or (C) any policy
 statement pertaining to the consistent internal operations of an
 agency.
- (ii) An "interpretive rule" is a rule, the violation of which does not subject a person to a penalty or sanction, that sets forth the agency s interpretation of statutory provisions it administers.
- 29 (iii) A "significant legislative rule" is a rule other than a 30 procedural or interpretive rule that (A) adopts substantive provisions of law pursuant to delegated legislative authority, the violation of 31 which subjects a violator of such rule to a penalty or sanction; (B) 32 establishes, alters, or revokes any qualification or standard for the 33 34 issuance, suspension, or revocation of a license or permit; or (C) 35 adopts a new, or makes significant amendments to, a policy or 36 regulatory program.
- 37 (d) In the notice of proposed rule making under RCW 34.05.320, an 38 agency shall state whether this section applies to the proposed rule

нв 2959 р. 18

1 pursuant to (a)(i) of this subsection, or if the agency will apply this 2 section voluntarily.

- 3 (6) By January 31, 1996, and by January 31st of each even-numbered 4 year thereafter, the office of financial management, after consulting 5 with state agencies, counties, and cities, and business, labor, and 6 environmental organizations, shall report to the governor and the 7 legislature regarding the effects of this section on the regulatory 8 system in this state. The report shall document:
- 9 (a) The rules proposed to which this section applied and to the 10 extent possible, how compliance with this section affected the 11 substance of the rule, if any, that the agency ultimately adopted;
- 12 (b) The costs incurred by state agencies in complying with this 13 section;
- 14 (c) Any legal action maintained based upon the alleged failure of 15 any agency to comply with this section, the costs to the state of such 16 action, and the result;
- 17 (d) The extent to which this section has adversely affected the 18 capacity of agencies to fulfill their legislatively prescribed mission;
- 19 (e) The extent to which this section has improved the acceptability 20 of state rules to those regulated; and
- 21 (f) Any other information considered by the office of financial 22 management to be useful in evaluating the effect of this section.
- 23 **Sec. 12.** RCW 34.05.330 and 1998 c 280 s 5 are each amended to read 24 as follows:
- 25 (1) Any person may petition an agency requesting the adoption, amendment, or repeal of any rule. The office of financial management 26 shall prescribe by rule the format for such petitions and the procedure 27 for their submission, consideration, and disposition and provide a 28 29 standard form that may be used to petition any agency. Within sixty days after submission of a petition, the agency shall either (a) deny 30 the petition in writing, stating (i) its reasons for the denial, 31 32 specifically addressing the concerns raised by the petitioner, and, 33 where appropriate, (ii) the alternative means by which it will address 34 the concerns raised by the petitioner, or (b) initiate rule-making proceedings in accordance with RCW 34.05.320. 35
 - (2) ((If an agency denies a petition to repeal or amend a rule submitted under subsection (1) of this section, and the petition alleges that the rule is not within the intent of the legislature or

36

37

38

p. 19 HB 2959

was not adopted in accordance with all applicable provisions of law,
the person may petition for review of the rule by the joint
administrative rules review committee under RCW 34.05.655.

- 4 (3))) If an agency denies a petition to repeal or amend a rule 5 submitted under subsection (1) of this section, the petitioner, within thirty days of the denial, may appeal the denial to the governor. The 6 7 governor shall immediately file notice of the appeal with the code 8 reviser for publication in the Washington state register. forty-five days after receiving the appeal, the governor shall either 9 10 (a) deny the petition in writing, stating (i) his or her reasons for the denial, specifically addressing the concerns raised by the 11 12 petitioner, and, (ii) where appropriate, the alternative means by which 13 he or she will address the concerns raised by the petitioner; (b) for agencies listed in RCW 43.17.010, direct the agency to initiate rule-14 15 making proceedings in accordance with this chapter; or (c) for agencies 16 not listed in RCW 43.17.010, recommend that the agency initiate rule-17 making proceedings in accordance with this chapter. The governor's response to the appeal shall be published in the Washington state 18 19 register and copies shall be submitted to the chief clerk of the house 20 of representatives and the secretary of the senate.
- 21 $((\frac{4}{}))$ (3) In petitioning for repeal or amendment of a rule under 22 this section, a person is encouraged to address, among other concerns:
- 23 (a) Whether the rule is authorized;
- (b) Whether the rule is needed;
- (c) Whether the rule conflicts with or duplicates other federal, state, or local laws;
- 27 (d) Whether alternatives to the rule exist that will serve the same 28 purpose at less cost;
- 29 (e) Whether the rule applies differently to public and private 30 entities;
- 31 (f) Whether the rule serves the purposes for which it was adopted;
- 32 (g) Whether the costs imposed by the rule are unreasonable;
- 33 (h) Whether the rule is clearly and simply stated;
- 34 (i) Whether the rule is different than a federal law applicable to 35 the same activity or subject matter without adequate justification; and
- 36 (j) Whether the rule was adopted according to all applicable 37 provisions of law.
- 38 (((+5))) (4) The department of community, trade, and economic 39 development and the office of financial management shall coordinate

HB 2959 p. 20

- 1 efforts among agencies to inform the public about the existence of this 2 rules review process.
- $((\frac{(6)}{(6)}))$ (5) The office of financial management shall initiate the rule making required by subsection (1) of this section by September 1, 1995.
- 6 **Sec. 13.** RCW 34.05.350 and 1994 c 249 s 3 are each amended to read 7 as follows:
- 8 (1) If an agency for good cause finds:

23

24

25

26

27

28 29

30

3132

33

34

3536

37

38

- 9 (a) That immediate adoption, amendment, or repeal of a rule is 10 necessary for the preservation of the public health, safety, or general 11 welfare, and that observing the time requirements of notice and 12 opportunity to comment upon adoption of a permanent rule would be 13 contrary to the public interest; or
- 14 (b) That state or federal law or federal rule or a federal deadline 15 for state receipt of federal funds requires immediate adoption of a 16 rule,
- the agency may dispense with those requirements and adopt, amend, or repeal the rule on an emergency basis. The agency's finding and a concise statement of the reasons for its finding shall be incorporated in the order for adoption of the emergency rule or amendment filed with the office of the code reviser under RCW 34.05.380 and with the ((rules review committee)) legislature.
 - (2) An emergency rule adopted under this section takes effect upon filing with the code reviser, unless a later date is specified in the order of adoption, and may not remain in effect for longer than one hundred twenty days after filing. Identical or substantially similar emergency rules may not be adopted in sequence unless conditions have changed or the agency has filed notice of its intent to adopt the rule as a permanent rule, and is actively undertaking the appropriate procedures to adopt the rule as a permanent rule. This section does not relieve any agency from compliance with any law requiring that its permanent rules be approved by designated persons or bodies before they become effective.
 - (3) Within seven days after the rule is adopted, any person may petition the governor requesting the immediate repeal of a rule adopted on an emergency basis by any department listed in RCW 43.17.010. Within seven days after submission of the petition, the governor shall either deny the petition in writing, stating his or her reasons for the

p. 21 HB 2959

- 1 denial, or order the immediate repeal of the rule. In ruling on the
- 2 petition, the governor shall consider only whether the conditions in
- 3 subsection (1) of this section were met such that adoption of the rule
- 4 on an emergency basis was necessary. If the governor orders the repeal
- 5 of the emergency rule, any sanction imposed based on that rule is void.
- 6 This subsection shall not be construed to prohibit adoption of any rule
- 7 as a permanent rule.
- 8 (((4) In adopting an emergency rule, the agency shall comply with
- 9 section 4 of this act or provide a written explanation for its failure
- 10 to do so.))
- 11 **Sec. 14.** RCW 34.05.356 and 1998 c 280 s 2 are each amended to read
- 12 as follows:
- 13 (1) An agency may file notice for the expedited adoption of rules
- 14 in accordance with the procedures set forth in this section for rules
- 15 meeting any one of the following criteria:
- 16 (a) The proposed rules relate only to internal governmental
- 17 operations that are not subject to violation by a person;
- 18 (b) The proposed rules adopt or incorporate by reference without
- 19 material change federal statutes or regulations, Washington state
- 20 statutes, rules of other Washington state agencies, shoreline master
- 21 programs other than those programs governing shorelines of state-wide
- 22 significance, or, as referenced by Washington state law, national
- 23 consensus codes that generally establish industry standards, if the
- 24 material adopted or incorporated regulates the same subject matter and
- 25 conduct as the adopting or incorporating rule;
- 26 (c) The proposed rules only correct typographical errors, make
- 27 address or name changes, or clarify language of a rule without changing
- 28 its effect;
- 29 (d) The content of the proposed rules is explicitly and
- 30 specifically dictated by statute;
- 31 (e) The proposed rules have been the subject of negotiated rule
- 32 making, pilot rule making, or some other process that involved
- 33 substantial participation by interested parties before the development
- 34 of the proposed rule; or
- 35 (f) The proposed rule is being amended after a review under RCW
- 36 34.05.328.
- 37 (2) The expedited rule-making process must follow the requirements
- 38 for rule making set forth in RCW 34.05.320, except that the agency is

нв 2959 р. 22

not required to prepare a small business economic impact statement 19.85.025, a statement indicating whether the rule 2 under RCW constitutes a significant legislative rule under RCW 34.05.328((+6))3 4 (5)(c)(iii), or a significant legislative rule analysis under RCW 5 34.05.328. An agency is not required to prepare statements of inquiry under RCW 34.05.310 or conduct a hearing for the expedited adoption of 6 7 rules. The notice for the expedited adoption of rules must contain a 8 statement in at least ten-point type, that is substantially in the 9 following form:

10 NOTICE

11 12

1314

15

16

1718

19

20

21

22

23

2425

26

27

28

29

THIS RULE IS BEING PROPOSED TO BE ADOPTED USING AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS RULE BEING ADOPTED USING THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO (INSERT NAME AND ADDRESS) AND RECEIVED BY (INSERT DATE).

- (3) The agency shall send a copy of the notice of the proposed expedited rule making to any person who has requested notification of proposals for the expedited adoption of rules or of agency rule making, as well as the ((joint administrative rules review committee)) legislature, within three days after its publication in the Washington State Register. An agency may charge for the actual cost of providing a requesting party mailed copies of these notices. The notice of the proposed expedited rule making must be preceded by a statement substantially in the form provided in subsection (2) of this section. The notice must also include an explanation of the reasons the agency believes the expedited adoption of the rule is appropriate.
- 30 (4) The code reviser shall publish the text of all rules proposed 31 for expedited adoption along with the notice required in this section 32 in a separate section of the Washington State Register. Once the text 33 of the proposed rules has been published in the Washington State 34 Register, the only changes that an agency may make in the text of these 35 proposed rules before their final adoption are to correct typographical 36 errors.
- 37 (5) Any person may file a written objection to the expedited 38 adoption of a rule. The objection must be filed with the agency rules

p. 23 HB 2959

- 1 coordinator within forty-five days after the notice of the proposed 2 expedited rule making has been published in the Washington State 3 Register. A person who has filed a written objection to the expedited 4 adoption of a rule may withdraw the objection.
- 5 (6) If no written objections to the expedited adoption of a rule are filed with the agency within forty-five days after the notice of 6 7 proposed expedited rule making is published, or if all objections that 8 have been filed are withdrawn by the persons filing the objections, the 9 agency may enter an order adopting the rule without further notice or 10 a public hearing. The order must be published in the manner required by this chapter for any other agency order adopting, amending, or 11 12 repealing a rule.
- (7) If a written notice of objection to the expedited adoption of the rule is timely filed with the agency and is not withdrawn, the notice of proposed expedited rule making published under this section is considered a statement of inquiry for the purposes of RCW 34.05.310, and the agency may initiate further rule adoption proceedings in accordance with this chapter.
- 19 (8) This section expires December 31, 2000.

22

23

24

25

36

- 20 **Sec. 15.** RCW 34.05.534 and 1997 c 409 s 302 are each amended to 21 read as follows:
 - A person may file a petition for judicial review under this chapter only after exhausting all administrative remedies available within the agency whose action is being challenged, or available within any other agency authorized to exercise administrative review, except:
- (1) A petitioner for judicial review of a rule need not have participated in the rule-making proceeding upon which that rule is based, have petitioned for its amendment or repeal, ((have petitioned the joint administrative rules review committee for its review,)) or have appealed a petition for amendment or repeal to the governor;
- 31 (2) A petitioner for judicial review need not exhaust 32 administrative remedies to the extent that this chapter or any other 33 statute states that exhaustion is not required; or
- 34 (3) The court may relieve a petitioner of the requirement to 35 exhaust any or all administrative remedies upon a showing that:
 - (a) The remedies would be patently inadequate;
- 37 (b) The exhaustion of remedies would be futile; or

HB 2959 p. 24

- 1 (c) The grave irreparable harm that would result from having to 2 exhaust administrative remedies would clearly outweigh the public 3 policy requiring exhaustion of administrative remedies.
- 4 **Sec. 16.** RCW 42.40.010 and 1995 c 403 s 508 are each amended to 5 read as follows:
- It is the policy of the legislature that employees should be encouraged to disclose, to the extent not expressly prohibited by law,
- 8 improper governmental actions, and it is the intent of the legislature
- 9 to protect the rights of state employees making these disclosures. It
- 10 is also the policy of the legislature that employees should be
- 11 encouraged to identify rules warranting review ((or provide information
- 12 to the rules review committee)), and it is the intent of the
- 13 legislature to protect the rights of these employees.
- 14 **Sec. 17.** RCW 42.40.020 and 1999 c 361 s 1 are each amended to read 15 as follows:
- 16 As used in this chapter, the terms defined in this section shall
- 17 have the meanings indicated unless the context clearly requires
- 18 otherwise.
- 19 (1) "Auditor" means the office of the state auditor.
- 20 (2) "Employee" means any individual employed or holding office in 21 any department or agency of state government.
- 22 (3) "Good faith" means a reasonable basis in fact for the
- 23 communication. "Good faith" is lacking when the employee knows or
- $24\,$ reasonably ought to know that the report is malicious, false, or
- 25 frivolous.
- 26 (4) "Gross waste of funds" means to spend or use funds or to allow
- 27 funds to be used without valuable result in a manner grossly deviating
- 28 from the standard of care or competence that a reasonable person would
- 29 observe in the same situation.
- 30 (5)(a) "Improper governmental action" means any action by an
- 31 employee undertaken in the performance of the employee's official
- 32 duties:
- (i) Which is $((\{a\}))$ a gross waste of public funds or resources as
- 34 defined in this section;
- 35 (ii) Which is in violation of federal or state law or rule, if the
- 36 violation is not merely technical or of a minimum nature; or

p. 25 HB 2959

- 1 (iii) Which is of substantial and specific danger to the public 2 health or safety.
- 3 (b) "Improper governmental action" does not include personnel 4 actions, for which other remedies exist, including but not limited to employee grievances, complaints, appointments, promotions, transfers, 5 reassignments, reinstatements, restorations, 6 assignments, 7 reemployments, performance evaluations, reductions in pay, dismissals, 8 suspensions, demotions, violations of the state civil service law, 9 alleged agreement violations, reprimands, labor claims 10 discriminatory treatment, or any action which may be taken under 11 chapter 41.06 RCW, or other disciplinary action except as provided in RCW 42.40.030. 12
- 13 (6) "Substantial and specific danger" means a risk of serious 14 injury, illness, peril, or loss, to which the exposure of the public is 15 a gross deviation from the standard of care or competence which a 16 reasonable person would observe in the same situation.
- (7) "Use of official authority or influence" includes taking, directing others to take, recommending, processing, or approving any personnel action such as an appointment, promotion, transfer, assignment, reassignment, reinstatement, restoration, reemployment, performance evaluation, or any adverse action under chapter 41.06 RCW, or other disciplinary action.
 - (8) "Whistleblower" means an employee who in good faith reports alleged improper governmental action to the auditor, initiating an investigation under RCW 42.40.040. For purposes of the provisions of this chapter and chapter 49.60 RCW relating to reprisals and retaliatory action, the term "whistleblower" also means: employee who in good faith provides information to the auditor in connection with an investigation under RCW 42.40.040 and an employee who is believed to have reported asserted improper governmental action to the auditor or to have provided information to the auditor in connection with an investigation under RCW 42.40.040 but who, in fact, has not reported such action or provided such information; or (b) an employee who in good faith identifies rules warranting review ((or provides information to the rules review committee)), and an employee who is believed to have identified rules warranting review ((or provided information to the rules review committee)) but who, in fact, has not done so.

HB 2959 p. 26

2324

25

26

27

28 29

30

31

32

3334

35

3637

38

- 1 **Sec. 18.** RCW 42.40.030 and 1995 c 403 s 510 are each amended to 2 read as follows:
- 3 (1) An employee shall not directly or indirectly use or attempt to
- 4 use the employee's official authority or influence for the purpose of
- 5 intimidating, threatening, coercing, commanding, influencing, or
- 6 attempting to intimidate, threaten, coerce, command, or influence any
- 7 individual for the purpose of interfering with the right of the
- 8 individual to: (a) Disclose to the auditor (or representative thereof)
- 9 information concerning improper governmental action; or (b) identify
- 10 rules warranting review ((or provide information to the rules review
- 11 committee)).
- 12 (2) Nothing in this section authorizes an individual to disclose
- 13 information otherwise prohibited by law.
- 14 Sec. 19. RCW 43.31.086 and 1994 c 249 s 15 are each amended to
- 15 read as follows:
- 16 To assist state agencies in reducing regulatory costs to small
- 17 business and to promote greater public participation in the rule-making
- 18 process, the ((business assistance center)) department of community,
- 19 trade, and economic development shall:
- 20 (1) Develop agency guidelines for the preparation of a small
- 21 business economic impact statement and compliance with chapter 19.85
- 22 RCW;
- 23 (2) Review and provide comments to agencies on draft or final small
- 24 business economic impact statements;
- 25 (3) ((Advise the joint administrative rules review committee on
- 26 whether an agency reasonably assessed the costs of a proposed rule and
- 27 reduced the costs for small business as required by chapter 19.85 RCW;
- 28 and
- 29 (4))) Organize and chair a state rules coordinating committee,
- 30 consisting of agency rules coordinators and interested members of the
- 31 public, to develop an education and training program that includes,
- 32 among other components, a component that addresses voluntary
- 33 compliance, for agency personnel responsible for rule development and
- 34 implementation. The ((business assistance center)) department of
- 35 <u>community</u>, <u>trade</u>, <u>and economic development</u> shall submit recommendations
- 36 to the department of personnel for an administrative procedures
- 37 training program that is based on the sharing of interagency resources.

p. 27 HB 2959

- 1 **Sec. 20.** RCW 43.180.110 and 1983 c 161 s 11 are each amended to 2 read as follows:
- 3 The commission shall submit the initial policies adopted under RCW
- 4 43.180.090 and 43.180.100 to the chief clerk of the house and the
- 5 secretary of the senate for transmittal to and review by the
- 6 appropriate standing committees ((and the joint administrative rules
- 7 review committee)). By January 1, 1984, the commission shall have
- 8 adopted policies in the form of rules ((and regulations)) under chapter
- 9 34.05 RCW. Such rules ((and regulations)) may only be changed or
- 10 revised in accordance with chapter 34.05 RCW.
- 11 <u>NEW SECTION.</u> **Sec. 21.** The following acts or parts of acts are
- 12 each repealed:
- 13 (1) RCW 34.05.610 (Joint administrative rules review committee--
- 14 Members--Appointment--Terms--Vacancies) and 1998 c 280 s 9, 1996 c 318
- 15 s 2, 1988 c 288 s 601, 1983 c 53 s 1, & 1981 c 324 s 5;
- 16 (2) RCW 34.05.620 (Review of proposed rules--Notice) and 1996 c 318
- 17 s 3, 1994 c 249 s 17, 1988 c 288 s 602, 1987 c 451 s 1, & 1981 c 324 s
- 18 6;
- 19 (3) RCW 34.05.630 (Review of existing rules--Policy and
- 20 interpretive statements, etc.--Notice--Hearing) and 1998 c 21 s 1, 1996
- 21 c 318 s 4, 1994 c 249 s 18, 1993 c 277 s 1, 1988 c 288 s 603, 1987 c
- 22 451 s 2, & 1981 c 324 s 7;
- 23 (4) RCW 34.05.640 (Committee objections to agency intended action--
- 24 Statement in register and WAC--Suspension of rule) and 1998 c 21 s 2,
- 25 1996 c 318 s 5, 1994 c 249 s 19, 1993 c 277 s 2, 1988 c 288 s 604, 1987
- 26 c 451 s 3, & 1981 c 324 s 8;
- 27 (5) RCW 34.05.650 (Recommendations by committee to legislature) and
- 28 1988 c 288 s 605, 1987 c 451 s 4, & 1981 c 324 s 9;
- 29 (6) RCW 34.05.655 (Petition for review) and 1998 c 21 s 3, 1996 c
- 30 318 s 7, & 1995 c 403 s 502;
- 31 (7) RCW 34.05.660 (Review and objection procedures--No presumption
- 32 established) and 1988 c 288 s 606 & 1981 c 324 s 10;
- 33 (8) RCW 34.05.665 (Submission of rule for review--State employees
- 34 protected) and 1995 c 403 s 503;
- 35 (9) RCW 34.05.671 (Reports--Advisory boards--Staff) and 1995 c 403
- 36 s 505;
- 37 (10) RCW 34.05.675 (Inspection of properties--Oaths, subpoenas,
- 38 witnesses, depositions) and 1995 c 403 s 506; and

HB 2959 p. 28

- 1 (11) RCW 34.05.681 (Enforcement--Committee subpoena--Refusal to 2 testify) and 1995 c 403 s 507.
- NEW SECTION. Sec. 22. Part headings used in this act are not part 4 of the law.

--- END ---

p. 29 HB 2959