Washington State House of Representatives Office of Program Research

BILL ANALYSIS

State Government Committee

HB 1310

Brief Description: Providing businesses with notice of administrative rules.

Sponsors: Representatives Shabro, Holmquist, Armstrong, Anderson, Linville, Nixon, Condotta, Roach, Miloscia, Kristiansen, Bush, Carrell, McDonald, Woods, Benson, McMahan, Chase and Pflug.

Brief Summary of Bill

• State agencies must make a good faith attempt to notify businesses affected by rule changes.

Hearing Date: 2/6/03

Staff: Anne Warwick (786-7291).

Background:

The primary institutional means for providing notice to the public of the agencies' rulemaking activities is the Washington Administrative Code that is published by the Code Reviser in the Washington State Register (Register). The Register is a biweekly publication distributed on the first and third Wednesday of each month. The Register website contains the state agencies' pre-proposals, notices of proposed rules, emergency and permanently adopted rules, public meetings, requests for public input, notices of rules review, executive orders of the Governor, court rules, summary of attorney general opinions, juvenile disposition standards, basic filing procedure, agency rulemaking activity, quarterly rulemaking report, state maximum interest rate, closing date calendar, pre-proposal calendar, and a list of designated rules coordinators. Persons interested in receiving only copies of rulemaking activity that is of interest to them may request them from the relevant agency's rules coordinator. There are some sections of the Administrative Procedure Act that state that all persons who request a rulemaking document from an agency shall be provided with one.

All rules proposed by an agency must either provide a Small Business Economic Impact Statement (SBEIS) or provide an explanation why the SBEIS was not prepared. The SBEIS process requires the agency to provide notice of a proposed rule to small businesses either by direct notification to known interested small businesses or trade organizations or by

notification to relevant trade journals.

Summary of Bill:

State agencies must make a good faith attempt to notify businesses affected by rule changes in which noncompliance would result in a penalty or penalties. Within 200 days of the rules effective date, the agency must make a good faith effort to notify the business affected by the rule.

Good faith is defined as:

- The agency at least notifies business or their successors identified in the rule-making file as a business affected by the rule; or
- · For rules imposing additional requirements only on firms licensed, registered, or operating under a permit, the agency notifies those persons or firms.

The notification shall announce the rule change, briefly summerize the rule change, and include a contact for more information. Notification may be by individual notice, agency bulletins or newsletters, or an other reasonable means to inform the affected business. Failure to notify a specific business will not invalidate a rule or waive the requirement to comply with the rule.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect ninety days after adjournment of session in which bill is passed.