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HOUSE BILL 2603

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State of Washington

61st Legislature

2010 Regular Session

By Representatives Smith, Kenney, Bailey, Quall, Morris, Blake, Anderson, Chase, Kelley, Short, Appleton, Sullivan, Dammeier, Upthegrove, Klippert, Chandler, Kristiansen, Rolfes, Pearson, Roach, Parker, Morrell, Haler, Walsh, Orcutt, Johnson, Lias, Hunt, Probst, Ericksen, Moeller, Kretz, Sells, Hope, Herrera, and Warnick

Prefiled 01/08/10. Read first time 01/11/10. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to violations of state law or agency rule by small  
2 businesses; adding a new section to chapter 34.05 RCW; and adding a new  
3 section to chapter 82.32 RCW.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 34.05 RCW  
6 to read as follows:

7 (1) Except as provided in subsection (2) of this section, agencies  
8 shall provide to a small business a copy of the state law or agency  
9 rule that the small business is violating and a forty-eight hour  
10 opportunity to correct the violation before the agency may impose any  
11 fines, civil penalties, or administrative sanctions for a violation of  
12 a state law or agency rule by a small business.

13 (2) Exceptions to the requirements of subsection (1) of this  
14 section may be made for any of the following reasons:

15 (a) The agency head determines that the effect of the violation  
16 presents a direct danger to the public health, results in a loss of  
17 income or benefits to an employee, poses a potentially significant  
18 threat to human health or the environment, or causes serious harm to  
19 the public interest;

1 (b) The violation involves a small business knowingly or willfully  
2 engaging in conduct that may result in a felony conviction;

3 (c) The waiver is in conflict with federal law or program  
4 requirements, federal requirements that are a prescribed condition to  
5 the allocation of federal funds to the state, or the requirements for  
6 eligibility of employers in this state for federal unemployment tax  
7 credits, as determined by the agency head;

8 (d) The small business committing the violation previously violated  
9 the same or a substantially similar state law or agency rule; or

10 (e) The owner or operator of the small business committing the  
11 violation owns or operates, or owned or operated a different small  
12 business which previously violated the same or a substantially similar  
13 state law or agency rule.

14 (3) As used in this section "small business" means a business with  
15 two hundred fifty or fewer employees.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 82.32 RCW  
17 to read as follows:

18 The department may satisfy the requirements of section 1 of this  
19 act by providing a taxpayer with notice of an impending violation of  
20 state law or agency rule at least forty-eight hours before the date on  
21 which such violation would occur.

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