
SENATE BILL 5042

State of Washington

61st Legislature

2009 Regular Session

By Senators Kilmer, Holmquist, Berkey, Schoesler, Kauffman, Marr, Rockefeller, Haugen, Eide, Kastama, Hatfield, Swecker, Tom, McAuliffe, Benton, Parlette, and Roach

Read first time 01/12/09. Referred to Committee on Economic Development, Trade & Innovation.

1 AN ACT Relating to first-time paperwork violations by small
2 businesses; and adding a new section to chapter 34.05 RCW.

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

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

6 (1) Except as provided in subsection (3) of this section, agencies
7 shall waive any fines, civil penalties, or administrative sanctions for
8 first-time paperwork violations by a small business.

9 (2) When an agency waives a fine, penalty, or sanction under this
10 section, it shall require the small business to correct the violation
11 within a reasonable period of time as specified by the agency.

12 (3) Exceptions to the waiver requirement of this section may be
13 made for any of the following reasons:

14 (a) The violation has the potential to cause serious harm to the
15 public interest as determined by the agency head;

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

18 (c) The violation is of a law concerning the assessment or
19 collection of any tax, debt, revenue, or receipt;

1 (d) The violation presents a direct danger to the public health or
2 safety, results in a loss of income or benefits to an employee, or
3 presents the risk of severe environmental harm, as determined by the
4 agency head;

5 (e) When a program has been delegated to the state from the federal
6 government, the violation is a failure to comply with a federal
7 requirement and federal regulations mandate the imposition of a fine or
8 civil penalty;

9 (f) The small business violating a statutory or regulatory
10 requirement mandating the collection of information by a state
11 regulatory agency previously violated any similar requirement mandating
12 the collection of information; or

13 (g) The owner or operator of the small business violating a
14 statutory or regulatory requirement mandating the collection of
15 information by an agency owned or operated a different small business
16 which previously violated any similar requirement mandating the
17 collection of information.

18 (4)(a) Nothing in this section prohibits an agency from waiving
19 fines, civil penalties, or administrative sanctions incurred by a small
20 business for a paperwork violation that is not a first-time offense.

21 (b) Any fine, civil penalty, or administrative sanction that is
22 waived under this section may be reinstated and imposed in addition to
23 any additional fines, penalties, or administrative sanctions associated
24 with a subsequent violation for noncompliance with the same paperwork
25 requirement.

26 (5) Nothing in this section may be construed to diminish the
27 responsibility for any citizen or business to apply for and obtain a
28 permit, license, or authorizing document that is required to engage in
29 a regulated activity, or otherwise comply with state or federal law.

30 (6) As used in this section:

31 (a) "Small business" means a business with two hundred fifty or
32 fewer employees.

33 (b) "Paperwork violation" means the violation of any statutory or
34 regulatory requirement in the Revised Code of Washington, the
35 Washington Administrative Code, the Washington State Register, or any
36 other agency directive mandating the collection of information by an
37 agency.

1 (c) "First-time paperwork violation" means the first instance of a
2 paperwork violation.

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