

FINAL BILL REPORT

SB 5500

C 249 L 11
Synopsis as Enacted

Brief Description: Concerning the rule-making process for state economic policy.

Sponsors: Senators Baumgartner, Chase, Kastama, Zarelli, Schoesler, Shin, Holmquist Newbry, Delvin, Parlette, Kilmer and Roach.

Senate Committee on Economic Development, Trade & Innovation
House Committee on State Government & Tribal Affairs

Background: Under current law, all state agencies and local governments with rule-making authority have to consider economic values in the rule-making process.

In 1994 the Legislature adopted the Regulatory Fairness Act to protect small businesses from being disproportionately impacted by state regulation. Under certain circumstances the statute requires agencies to prepare a Small Business Economic Impact Statement (SBEIS) when adopting a rule. If disproportionate impact on small business is found in the impact statement, agencies must, where legal and feasible, reduce the costs imposed on small businesses by a rule.

When an SBEIS is required on a rule, agencies must either directly notify known interested small businesses or provide information on the rule to publications likely to be obtained by affected small businesses.

Summary: A legislative finding states that government decisions can have negative consequences for businesses and employees. Those with rule-making authority have to consider economic impacts in the rule-making process.

Agencies must consider specified methods to reduce the impact of a proposed rule on small businesses, including those suggested by small businesses or small business advocates.

When an SBEIS is required on a rule, agencies must provide notice of the rule directly to known interested small businesses, through publications likely to be obtained by affected small businesses, and via posting on the agency website.

Votes on Final Passage:

Senate 47 0

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

House 95 0

Effective: July 22, 2011.