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**SECOND SUBSTITUTE HOUSE BILL 1518**

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**State of Washington                      63rd Legislature                      2013 Regular Session**

**By** House Appropriations Subcommittee on Health & Human Services  
(originally sponsored by Representatives Cody, Schmick, Ryu, and Pollet)

READ FIRST TIME 03/01/13.

1            AN ACT Relating to providing certain disciplining authorities with  
2 additional authority over budget development, spending, and staffing;  
3 amending RCW 18.25.210, 18.71.430, 18.79.390, and 43.70.240; adding a  
4 new section to chapter 18.25 RCW; adding a new section to chapter 18.71  
5 RCW; adding a new section to chapter 18.79 RCW; repealing RCW  
6 18.71.0191 and 18.79.130; providing an effective date; and declaring an  
7 emergency.

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

9            **Sec. 1.** RCW 18.25.210 and 2011 c 60 s 5 are each amended to read  
10 as follows:

11            (1) The commission may conduct a pilot project to evaluate the  
12 effect of granting the commission additional authority over budget  
13 development, spending, and staffing. If the commission intends to  
14 conduct a pilot project, it must provide a notice in writing to the  
15 secretary by (~~June 1, 2008~~) July 1, 2013. If the commission chooses  
16 to conduct a pilot project, the pilot project shall begin on July 1,  
17 (~~2008~~) 2013, and conclude on June 30, (~~2013~~) 2018.

18            (2) The pilot project shall include the following provisions:

19            (a) That the secretary shall employ an executive director that is:

1 (i) Hired by and serves at the pleasure of the commission;

2 (ii) Exempt from the provisions of the civil service law, chapter  
3 41.06 RCW and whose salary is established by the commission in  
4 accordance with RCW 43.03.028; and

5 (iii) Responsible for performing all administrative duties of the  
6 commission, including preparing an annual budget, and any other duties  
7 as delegated to the executive director by the commission;

8 (b) Consistent with the budgeting and accounting act:

9 (i) With regard to budget for the remainder of the ((2007-2009))  
10 2013-2015 biennium, the commission has authority to spend the remaining  
11 funds allocated with respect to chiropractors licensed under this  
12 chapter; and

13 (ii) Beginning with the ((2009-2011)) 2015-2017 biennium, the  
14 commission is responsible for proposing its own biennial budget which  
15 the secretary must submit to the office of financial management;

16 (c) That, prior to adopting credentialing fees under RCW 43.70.250,  
17 the secretary shall collaborate with the commission to determine the  
18 appropriate fees necessary to support the activities of the commission;

19 (d) That, prior to the secretary exercising the secretary's  
20 authority to adopt uniform rules and guidelines, or any other actions  
21 that might impact the licensing or disciplinary authority of the  
22 commission, the secretary shall first meet with the commission to  
23 determine how those rules or guidelines, or changes to rules or  
24 guidelines, might impact the commission's ability to effectively carry  
25 out its statutory duties. If the commission, in consultation with the  
26 secretary, determines that the proposed rules or guidelines, or changes  
27 to existing rules or guidelines, will negatively impact the  
28 commission's ability to effectively carry out its statutory duties,  
29 then the individual commission shall collaborate with the secretary to  
30 develop alternative solutions to mitigate the impacts. If an  
31 alternative solution cannot be reached, the parties may resolve the  
32 dispute through a mediator as set forth in (f) of this subsection;

33 (e) That the commission shall negotiate with the secretary to  
34 develop performance-based expectations, including identification of key  
35 performance measures. The performance expectations should focus on  
36 consistent, timely regulation of health care professionals; and

37 (f) That in the event there is a disagreement between the

1 commission and the secretary, that is unable to be resolved through  
2 negotiation, a representative of both parties shall agree on the  
3 designation of a third party to mediate the dispute.

4 (3) By December 15, ((2013)) 2017, the secretary((~~7~~)) and the  
5 commission(~~(, and the other commissions conducting similar pilot~~  
6 ~~projects under RCW 18.71.430, 18.79.390, and 18.32.765,)~~) shall report  
7 to the governor and the legislature on the results of the pilot  
8 project. The report shall:

9 (a) Compare the effectiveness of licensing and disciplinary  
10 activities of ((~~each~~)) the commission during the pilot project with the  
11 licensing and disciplinary activities of the commission prior to the  
12 pilot project and the disciplinary activities of other disciplining  
13 authorities during the same time period as the pilot project;

14 (b) Compare the efficiency of ((~~each~~)) the commission with respect  
15 to the timeliness and personnel resources during the pilot project to  
16 the efficiency of the commission prior to the pilot project and the  
17 efficiency of other disciplining authorities during the same period as  
18 the pilot project;

19 (c) Compare the budgetary activity of ((~~each~~)) the commission  
20 during the pilot project to the budgetary activity of the commission  
21 prior to the pilot project and to the budgetary activity of other  
22 disciplining authorities during the same period as the pilot project;

23 (d) Evaluate ((~~each~~)) the commission's regulatory activities,  
24 including timelines, consistency of decision making, and performance  
25 levels in comparison to other disciplining authorities; and

26 (e) Review summaries of national research and data regarding  
27 regulatory effectiveness and patient safety.

28 (4) The secretary shall employ staff that are hired and managed by  
29 the executive director provided that nothing contained in this section  
30 may be construed to alter any existing collective bargaining unit or  
31 the provisions of any existing collective bargaining agreement.

32 NEW SECTION. Sec. 2. A new section is added to chapter 18.25 RCW  
33 to read as follows:

34 In addition to the authority provided in RCW 42.52.804, the  
35 commission, its members, or staff as directed by the commission, may  
36 communicate, present information requested, volunteer information,

1 testify before legislative committees, and educate the legislature, as  
2 the commission may from time to time see fit.

3 **Sec. 3.** RCW 18.71.430 and 2011 c 60 s 7 are each amended to read  
4 as follows:

5 (1) ~~The ((commission shall conduct a pilot project to evaluate the~~  
6 ~~effect of granting the commission additional authority over budget~~  
7 ~~development, spending, and staffing. The pilot project shall begin on~~  
8 ~~July 1, 2008, and conclude on June 30, 2013.~~

9 ~~(2) The pilot project shall include the following provisions:~~

10 ~~(a) That the~~) secretary shall employ an executive director that  
11 is:

12 ((+i)) (a) Hired by and serves at the pleasure of the commission;

13 ((+ii)) (b) Exempt from the provisions of the civil service law,  
14 chapter 41.06 RCW and whose salary is established by the commission in  
15 accordance with RCW 43.03.028; and

16 ((+iii)) (c) Responsible for performing all administrative duties  
17 of the commission, including preparing an annual budget, and any other  
18 duties as delegated to the executive director by the commission((+)

19 ~~(b))~~).

20 (2) Consistent with the budgeting and accounting act((+)

21 ~~(i) With regard to budget for the remainder of the 2007-2009~~  
22 ~~biennium, the commission has authority to spend the remaining funds~~  
23 ~~allocated with respect to its professions, physicians regulated under~~  
24 ~~this chapter and physician assistants regulated under chapter 18.71A~~  
25 ~~RCW; and~~

26 ~~(ii) Beginning with the 2009-2011 biennium)), the commission is~~  
27 responsible for proposing its own biennial budget which the secretary  
28 must submit to the office of financial management((+)

29 ~~(c) That,~~)).

30 (3) Prior to adopting credentialing fees under RCW 43.70.250, the  
31 secretary shall collaborate with the commission to determine the  
32 appropriate fees necessary to support the activities of the  
33 commission((+)

34 ~~(d) That,~~)).

35 (4) Prior to the secretary exercising the secretary's authority to  
36 adopt uniform rules and guidelines, or any other actions that might  
37 impact the licensing or disciplinary authority of the commission, the

1 secretary shall first meet with the commission to determine how those  
2 rules or guidelines, or changes to rules or guidelines, might impact  
3 the commission's ability to effectively carry out its statutory duties.  
4 If the commission, in consultation with the secretary, determines that  
5 the proposed rules or guidelines, or changes to existing rules or  
6 guidelines, will negatively impact the commission's ability to  
7 effectively carry out its statutory duties, then the individual  
8 commission shall collaborate with the secretary to develop alternative  
9 solutions to mitigate the impacts. If an alternative solution cannot  
10 be reached, the parties may resolve the dispute through a mediator as  
11 set forth in ~~((f) of this subsection;~~

12 ~~(e) That))~~ subsection (6) of this section.

13 (5) The commission shall negotiate with the secretary to develop  
14 performance-based expectations, including identification of key  
15 performance measures. The performance expectations should focus on  
16 consistent, timely regulation of health care professionals~~((; and~~  
17 ~~(f) That))~~.

18 (6) In the event there is a disagreement between the commission and  
19 the secretary, that is unable to be resolved through negotiation, a  
20 representative of both parties shall agree on the designation of a  
21 third party to mediate the dispute.

22 ~~((3) By December 15, 2013, the secretary, the commission, and the~~  
23 ~~other commissions conducting similar pilot projects under RCW~~  
24 ~~18.79.390, 18.25.210, and 18.32.765, shall report to the governor and~~  
25 ~~the legislature on the results of the pilot project. The report shall:~~

26 ~~(a) Compare the effectiveness of licensing and disciplinary~~  
27 ~~activities of each commission during the pilot project with the~~  
28 ~~licensing and disciplinary activities of the commission prior to the~~  
29 ~~pilot project and the disciplinary activities of other disciplining~~  
30 ~~authorities during the same time period as the pilot project;~~

31 ~~(b) Compare the efficiency of each commission with respect to the~~  
32 ~~timeliness and personnel resources during the pilot project to the~~  
33 ~~efficiency of the commission prior to the pilot project and the~~  
34 ~~efficiency of other disciplining authorities during the same period as~~  
35 ~~the pilot project;~~

36 ~~(c) Compare the budgetary activity of each commission during the~~  
37 ~~pilot project to the budgetary activity of the commission prior to the~~

1 ~~pilot project and to the budgetary activity of other disciplining~~  
2 ~~authorities during the same period as the pilot project;~~

3 ~~(d) Evaluate each commission's regulatory activities, including~~  
4 ~~timelines, consistency of decision making, and performance levels in~~  
5 ~~comparison to other disciplining authorities; and~~

6 ~~(e) Review summaries of national research and data regarding~~  
7 ~~regulatory effectiveness and patient safety.~~

8 ~~(4))~~ (7) The secretary shall employ staff that are hired and  
9 managed by the executive director provided that nothing contained in  
10 this section may be construed to alter any existing collective  
11 bargaining unit or the provisions of any existing collective bargaining  
12 agreement.

13 NEW SECTION. **Sec. 4.** A new section is added to chapter 18.71 RCW  
14 to read as follows:

15 In addition to the authority provided in RCW 42.52.804, the  
16 commission, its members, or staff as directed by the commission, may  
17 communicate, present information requested, volunteer information,  
18 testify before legislative committees, and educate the legislature, as  
19 the commission may from time to time see fit.

20 **Sec. 5.** RCW 18.79.390 and 2011 c 60 s 8 are each amended to read  
21 as follows:

22 ~~(1) The ((commission shall conduct a pilot project to evaluate the~~  
23 ~~effect of granting the commission additional authority over budget~~  
24 ~~development, spending, and staffing. The pilot project shall begin on~~  
25 ~~July 1, 2008, and conclude on June 30, 2013.~~

26 ~~(2) The pilot project shall include the following provisions:~~

27 ~~(a) That the~~) secretary shall employ an executive director that  
28 is:

29 ~~((+i))~~ (a) Hired by and serves at the pleasure of the commission;

30 ~~((+ii))~~ (b) Exempt from the provisions of the civil service law,  
31 chapter 41.06 RCW and whose salary is established by the commission in  
32 accordance with RCW 43.03.028; and

33 ~~((+iii))~~ (c) Responsible for performing all administrative duties  
34 of the commission, including preparing an annual budget, and any other  
35 duties as delegated to the executive director by the commission(~~(+~~

36 ~~(b))~~).

1        (2) Consistent with the budgeting and accounting act(~~(+~~  
2        ~~(i) With regard to budget for the remainder of the 2007-2009~~  
3        ~~biennium, the commission has authority to spend the remaining funds~~  
4        ~~allocated with respect to advanced registered nurses, registered~~  
5        ~~nurses, and licensed practical nurses regulated under this chapter; and~~  
6        ~~(ii) Beginning with the 2009-2011 biennium)~~, the commission is  
7        responsible for proposing its own biennial budget which the secretary  
8        must submit to the office of financial management(~~(+~~  
9        ~~(e) That,~~)).

10       (3) Prior to adopting credentialing fees under RCW 43.70.250, the  
11       secretary shall collaborate with the commission to determine the  
12       appropriate fees necessary to support the activities of the  
13       commission(~~(+~~  
14       ~~(d) That,~~)).

15       (4) Prior to the secretary exercising the secretary's authority to  
16       adopt uniform rules and guidelines, or any other actions that might  
17       impact the licensing or disciplinary authority of the commission, the  
18       secretary shall first meet with the commission to determine how those  
19       rules or guidelines, or changes to rules or guidelines, might impact  
20       the commission's ability to effectively carry out its statutory duties.  
21       If the commission, in consultation with the secretary, determines that  
22       the proposed rules or guidelines, or changes to existing rules or  
23       guidelines, will negatively impact the commission's ability to  
24       effectively carry out its statutory duties, then the individual  
25       commission shall collaborate with the secretary to develop alternative  
26       solutions to mitigate the impacts. If an alternative solution cannot  
27       be reached, the parties may resolve the dispute through a mediator as  
28       set forth in (~~(f) of this subsection;~~  
29       ~~(e) That~~)) subsection (6) of this section.

30       (5) The commission shall negotiate with the secretary to develop  
31       performance-based expectations, including identification of key  
32       performance measures. The performance expectations should focus on  
33       consistent, timely regulation of health care professionals(~~(+~~~~and~~  
34       ~~(f) That~~)).

35       (6) In the event there is a disagreement between the commission and  
36       the secretary, that is unable to be resolved through negotiation, a  
37       representative of both parties shall agree on the designation of a  
38       third party to mediate the dispute.

1           ~~((3) By December 15, 2013, the secretary, the commission, and the~~  
2 ~~other commissions conducting similar pilot projects under RCW~~  
3 ~~18.71.430, 18.25.210, and 18.32.765, shall report to the governor and~~  
4 ~~the legislature on the results of the pilot project. The report shall:~~

5           ~~(a) Compare the effectiveness of licensing and disciplinary~~  
6 ~~activities of each commission during the pilot project with the~~  
7 ~~licensing and disciplinary activities of the commission prior to the~~  
8 ~~pilot project and the disciplinary activities of other disciplining~~  
9 ~~authorities during the same time period as the pilot project;~~

10           ~~(b) Compare the efficiency of each commission with respect to the~~  
11 ~~timeliness and personnel resources during the pilot project to the~~  
12 ~~efficiency of the commission prior to the pilot project and the~~  
13 ~~efficiency of other disciplining authorities during the same period as~~  
14 ~~the pilot project;~~

15           ~~(c) Compare the budgetary activity of each commission during the~~  
16 ~~pilot project to the budgetary activity of the commission prior to the~~  
17 ~~pilot project and to the budgetary activity of other disciplining~~  
18 ~~authorities during the same period as the pilot project;~~

19           ~~(d) Evaluate each commission's regulatory activities, including~~  
20 ~~timelines, consistency of decision making, and performance levels in~~  
21 ~~comparison to other disciplining authorities; and~~

22           ~~(e) Review summaries of national research and data regarding~~  
23 ~~regulatory effectiveness and patient safety.~~

24           ~~(4)) (7) The secretary shall employ staff that are hired and~~  
25 ~~managed by the executive director provided that nothing contained in~~  
26 ~~this section may be construed to alter any existing collective~~  
27 ~~bargaining unit or the provisions of any existing collective bargaining~~  
28 ~~agreement.~~

29           (8) By December 31, 2013, the commission must present a report with  
30 recommendations to the governor and the legislature regarding:

31           (a) Evidence-based practices and research-based practices used by  
32 boards of nursing when conducting licensing, educational, disciplinary,  
33 and financial activities and the use of such practices by the  
34 commission; and

35           (b) A comparison of the commission's licensing, education,  
36 disciplinary, and financial outcomes with those of other boards of  
37 nursing using a national database.



1        NEW SECTION.   **Sec. 6.**   A new section is added to chapter 18.79 RCW  
2   to read as follows:

3        In addition to the authority provided in RCW 42.52.804, the  
4   commission, its members, or staff as directed by the commission, may  
5   communicate, present information requested, volunteer information,  
6   testify before legislative committees, and educate the legislature, as  
7   the commission may from time to time see fit.

8        **Sec. 7.**   RCW 43.70.240 and 1998 c 245 s 73 are each amended to read  
9   as follows:

10        The secretary and each of the professional licensing and  
11   disciplinary boards (~~(under the administration of the department)~~)  
12   listed in RCW 18.130.040(2)(b) shall enter into written operating  
13   agreements on administrative procedures with input from the regulated  
14   profession and the public.   The intent of these agreements is to  
15   provide a process for the department to consult each board on  
16   administrative matters and to ensure that the administration and staff  
17   functions effectively enable each board to fulfill its statutory  
18   responsibilities in a manner that supports the health care delivery  
19   system and evidence-based practices across all health professions.   The  
20   agreements shall include, but not be limited to, the following  
21   provisions:

- 22        (1) Administrative activities supporting the board's policies,  
23   goals, and objectives;
- 24        (2) Development and review of the agency budget as it relates to  
25   the board; (~~and~~)
- 26        (3) Board related personnel issues;
- 27        (4) Use of performance audits to evaluate the consistent use of  
28   common business practices where appropriate; and
- 29        (5) Calculation and reporting of timelines and performance  
30   measures.

31        The agreements shall be reviewed and revised in like manner if  
32   appropriate at the beginning of each (~~fiscal year~~) biennium, and at  
33   other times upon written request by the secretary or the board.   Any  
34   dispute between a board and the department, including the terms of the  
35   operating agreement, must be mediated and determined by a  
36   representative of the office of financial management.

1        NEW SECTION.   **Sec. 8.**   The following acts or parts of acts are each  
2 repealed:

3            (1) RCW 18.71.0191 (Executive director--Staff) and 1994 sp.s. c 9  
4 s 326, 1991 c 3 s 168, & 1979 ex.s. c 111 s 6; and

5            (2) RCW 18.79.130 (Executive director--Staff) and 1994 sp.s. c 9 s  
6 413.

7        NEW SECTION.   **Sec. 9.**   This act is necessary for the immediate  
8 preservation of the public peace, health, or safety, or support of the  
9 state government and its existing public institutions, and takes effect  
10 July 1, 2013.

--- END ---