

# SENATE BILL REPORT

## SB 6464

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As of February 2, 2016

**Title:** An act relating to deadlines for final determinations and dispositions in agency adjudicative proceedings.

**Brief Description:** Establishing deadlines for final determinations and dispositions in agency adjudicative proceedings.

**Sponsors:** Senator Padden.

**Brief History:**

**Committee Activity:** Law & Justice: 1/28/16.

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### SENATE COMMITTEE ON LAW & JUSTICE

**Staff:** Tim Ford (786-7423)

**Background:** The Administrative Procedure Act (APA) sets the process that state agencies must use when the agency takes administrative action. Individuals appealing agency actions must exhaust their administrative remedies with the agency prior to judicial review. Agencies offer administrative hearings that are quasi-judicial to hear appeals of agency actions. Administrative hearings adjudicate appeals by interpreting agency policy and regulations. Adjudication resembles what a court does but is less formal. Adjudicative proceedings determine legal rights, duties, or privileges when a hearing is required by law.

Agencies may use a two-step process to reach a final agency decision in adjudicative proceedings. First, a presiding officer hears evidence and makes an initial, or recommended decision. Then, the agency reviews the initial decision and makes a final decision to accept or reject the initial decision. A party may appeal the final agency decision to the superior court for judicial review. In a judicial review the superior court becomes an appellate court. The superior court decides if the final agency decision is correct.

**Summary of Bill:** The bill as referred to committee not considered.

**Summary of Bill (Proposed Substitute):** An agency must make a final administrative decision within two years after a person commences an administrative challenge to an agency action. The agency's final decision must allow the person to appeal to a superior court. A person may file a petition for review with a superior court if the agency fails to issue a final

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administrative decision within two years. On appeal, a superior court may not remand the case for further administrative proceedings unless all parties consent. Review by a superior court is limited to the issues and facts identified in the petition for review.

The two-year limit may be waived where all parties consent.

**Appropriation:** None.

**Fiscal Note:** Requested on January 18, 2016.

**Committee/Commission/Task Force Created:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This bill represents a safety valve for participants in the administrative law process where the agency has egregiously delayed the resolution of matters. You can't file an action in superior court for declaratory relief without going through the administrative process against the employment security division over its assessment of unemployment insurance due. Many truckers are independent contractors and that's why the assessment is being challenged. The agency can drag its feet. Five years after the filing of a notice of assessment, we are finally getting into superior court. In many instances the agency lost the files, or renege on agreements. Two years is sufficient time to develop a record and rule on the merits.

**Persons Testifying:** PRO: Phil Talmadge

**Persons Signed In To Testify But Not Testifying:** No one.