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HOUSE BILL 1052

State of Washington 66th Legislature 2019 Regular Session

By Representatives Walsh, Shea, Van Werven, Orcutt, Vick, Stokesbary, and Young

Prefiled 12/14/18. Read first time 01/14/19. Referred to Committee on State Government & Tribal Relations.

- 1 AN ACT Relating to creating accountability in agency rule-making
- 2 authority; amending RCW 34.05.030; adding new sections to chapter
- 3 34.05 RCW; and declaring an emergency.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 34.05
- 6 RCW to read as follows:
- 7 The legislature finds that state government continues to increase
- 8 the burden on citizens and employers through perpetual alteration and
- 9 expansion of rules. The constant changing of rules provides
- 10 uncertainty to citizens and employers and adds additional costs to
- 11 taxpayers as agencies hold public meetings and telephone conferences,
- 12 and employees spend untold hours working on drafts for rules.
- 13 Furthermore, continual proposal of new rules distracts employers from
- 14 being productive in their respective businesses due to a need to
- 15 comment against these proposed rules. Most agencies do not track the
- 16 number of hours employees spend on rule making nor do they track the
- 17 cost to the agency to do this task. One way to reduce millions of
- 18 dollars in employee and administrative costs is to prohibit rule
- 19 making by state agencies except in certain specified instances.

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NEW SECTION. Sec. 2. A new section is added to chapter 34.05 RCW to read as follows:

- (1) Beginning on the effective date of this section, no agency may initiate rule making or adopt a rule that is subject to this chapter, except to the limited extent such a rule is necessary for:
- (a) The implementation of the terms of a governor-declared state of emergency;
- (b) The preservation of the public health, safety, or general welfare in response to a public health emergency; or
- (c) The setting of time, place, or manner for the taking of wildlife, fish, or shellfish.
 - (2) (a) By December 31, 2019, all agencies must submit proposed legislation to the legislature that includes all existing and pending rules identified by the agency for an extension or enactment into law, including any new rule or amendment adopted pursuant to an exception under subsection (1) of this section.
 - (b) The legislature may review any rule during the 2020 legislative session to determine which rules should be extended or enacted into law, including which rules, if any, are necessary to meet any federal requirement, or deadline for the receipt of federal funds.
- (c) All agencies must set for expiration any rule not reported to the legislature for an extension or enactment into law. All such rules must expire no later than August 1, 2020.
 - (d) Beginning on the first day after the end of the 2020 legislative session, all agencies must set for expiration any rule reported to the legislature for an extension or enactment into law, unless the rule was expressly authorized for an extension by the legislature. All such rules must expire no later than December 1, 2020.
 - (3) An agency must report any new rule or amendment adopted after December 31, 2019, pursuant to an exception under subsection (1) of this section and any rule expressly authorized by the legislature for extension, to the appropriate committees of the legislature by December 31st of the year in which it was adopted. Any such rule must be set to expire by July 1st of the following year, unless the agency submits proposed legislation to the legislature requesting an extension or enactment of the rule and the legislature specifically authorizes an extension or enactment into law.

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- 1 (4) By December 31, 2020, all agencies must submit proposed 2 legislation to the legislature that incorporates changes to the 3 agency's duties and authority regarding rule making consistent with 4 the terms of this section.
- 5 (5) This section does not prohibit an agency from repealing rules 6 in accordance with this chapter.
- 7 (6) All rule-making authority provided to any agency by law is 8 subject to this section, except actions under RCW 34.05.030(4).
- 9 **Sec. 3.** RCW 34.05.030 and 2015 3rd sp.s. c 1 s 309 are each 10 amended to read as follows:
- 11 (1) Except as provided in section 2 of this act, this chapter 12 shall not apply to:
 - (a) The state militia, or

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- (b) The board of clemency and pardons, or
- 15 (c) The department of corrections or the indeterminate sentencing 16 review board with respect to persons who are in their custody or are 17 subject to the jurisdiction of those agencies.
- 18 (2) The provisions of RCW 34.05.410 through 34.05.598 shall not 19 apply:
- 20 (a) To adjudicative proceedings of the board of industrial insurance appeals except as provided in RCW 7.68.110 and 51.48.131;
- 22 (b) Except for actions pursuant to chapter 46.29 RCW, to the 23 denial, suspension, or revocation of a driver's license by the 24 department of licensing;
 - (c) To the department of labor and industries where another statute expressly provides for review of adjudicative proceedings of a department action, order, decision, or award before the board of industrial insurance appeals;
 - (d) To actions of the Washington personnel resources board, the director of financial management, and the department of enterprise services when carrying out their duties under chapter 41.06 RCW;
 - (e) To adjustments by the department of revenue of the amount of the surcharge imposed under RCW 82.04.261; or
- 34 (f) To the extent they are inconsistent with any provisions of 35 chapter 43.43 RCW.
- 36 (3) Unless a party makes an election for a formal hearing 37 pursuant to RCW 82.03.140 or 82.03.190, RCW 34.05.410 through 38 34.05.598 do not apply to a review hearing conducted by the board of 39 tax appeals.

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(4) The rule-making provisions of this chapter do not apply to:

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- (a) Reimbursement unit values, fee schedules, arithmetic conversion factors, and similar arithmetic factors used to determine payment rates that apply to goods and services purchased under contract for clients eligible under chapter 74.09 RCW; and
- (b) Adjustments by the department of revenue of the amount of the surcharge imposed under RCW 82.04.261.
- 8 (5) All other agencies, whether or not formerly specifically 9 excluded from the provisions of all or any part of the administrative 10 procedure act, shall be subject to the entire act.
- NEW SECTION. Sec. 4. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

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