HOUSE BILL 3335

State of Washington 60th Legislature 2008 Regular Session

By Representatives Herrera, Chandler, Condotta, Kretz, Orcutt, Warnick, McCune, Ahern, Haler, Dunn, and Bailey

Read first time 02/01/08. Referred to Committee on State Government & Tribal Affairs.

AN ACT Relating to regulatory reform; amending RCW 34.05.570, 1 2 28A.300.040, 41.50.050, 43.06A.030, 43.19.011, 43.21A.064, 43.24.016, 43.27A.090, 43.30.215, 43.31C.060, 43.33.040, 43.33A.110, 43.59.070, 3 43.61.040, 43.63A.475, 43.70.580, 43.101.085, 43.115.040, 43.117.050, 4 5 43.121.050, 43.155.040, 43.160.050, 43.163.100, 43.180.040, 43.200.070, 43.210.060, 43.250.090, 43.320.040, 43.330.040, 47.01.071, 48.02.060, 6 7 48.44.050, 48.46.200, 66.08.0501, 77.04.055, and 80.01.040; reenacting and amending RCW 34.05.328; adding a new section to chapter 43.17 RCW; 8 9 adding a new section to chapter 34.05 RCW; and creating a new section.

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

11 **Sec. 1.** RCW 34.05.570 and 2004 c 30 s 1 are each amended to read 12 as follows:

(1) Generally. Except to the extent that this chapter or anotherstatute provides otherwise:

(a) The burden of demonstrating the invalidity of agency action is
 on the party asserting invalidity <u>except that the agency bears the</u>
 <u>burden of demonstrating that an agency action was authorized by law;</u>

18 (b) The validity of agency action shall be determined in accordance

with the standards of review provided in this section, as applied to 1 2 the agency action at the time it was taken;

(c) The court shall make a separate and distinct ruling on each 3 material issue on which the court's decision is based; and 4

5 (d) The court shall grant relief only if it determines that a person seeking judicial relief has been substantially prejudiced by the б 7 action complained of.

(2) Review of rules. (a) A rule may be reviewed by petition for 8 declaratory judgment filed pursuant to this subsection or in the 9 context of any other review proceeding under this section. 10 In an action challenging the validity of a rule, the agency shall be made a 11 party to the proceeding. 12

13 (b)(((i))) The validity of any rule may be determined upon petition for a declaratory judgment addressed to the superior court of Thurston 14 county, when it appears that the rule, or its threatened application, 15 16 interferes with or impairs or immediately threatens to interfere with 17 or impair the legal rights or privileges of the petitioner. The declaratory judgment order may be entered whether or not the petitioner 18 19 has first requested the agency to pass upon the validity of the rule in 20 question.

21

(((ii) From June 10, 2004, until July 1, 2008:

22 (A))) (i) If the petitioner's residence or principal place of business is within the geographical boundaries of the third division of 23 24 the court of appeals as defined by RCW 2.06.020(3), the petition may be 25 filed in the superior court of Spokane, Yakima, or Thurston county; and (((B))) (<u>ii)</u> If the petitioner's residence or principal place of 26 27 business is within the geographical boundaries of district three of the first division of the court of appeals as defined by RCW 2.06.020(1), 28 the petition may be filed in the superior court of Whatcom or Thurston 29 30

(c) In a proceeding involving review of a rule, the court shall 31 32 declare the rule invalid only if it finds that: The rule violates constitutional provisions; the rule exceeds the statutory authority of 33 the agency; the rule was adopted without compliance with statutory 34 rule-making procedures; or the rule is arbitrary and capricious. For 35 purposes of this subsection, in determining whether a rule exceeds the 36 37 agency's statutory authority, the court must also consider whether the rule exceeds the limited delegation under section 40 of this act. 38

county.

(3) Review of agency orders in adjudicative proceedings. The court
 shall grant relief from an agency order in an adjudicative proceeding
 only if it determines that:

4 (a) The order, or the statute or rule on which the order is based,
5 is in violation of constitutional provisions on its face or as applied;

6 (b) The order is outside the statutory authority or jurisdiction of 7 the agency conferred by any provision of law;

8 (c) The agency has engaged in unlawful procedure or decision-making
9 process, or has failed to follow a prescribed procedure;

10

(d) The agency has erroneously interpreted or applied the law;

(e) The order is not supported by evidence that is substantial when viewed in light of the whole record before the court, which includes the agency record for judicial review, supplemented by any additional evidence received by the court under this chapter;

15 (f) The agency has not decided all issues requiring resolution by 16 the agency;

(g) A motion for disqualification under RCW 34.05.425 or 34.12.050 was made and was improperly denied or, if no motion was made, facts are shown to support the grant of such a motion that were not known and were not reasonably discoverable by the challenging party at the appropriate time for making such a motion;

(h) The order is inconsistent with a rule of the agency unless the agency explains the inconsistency by stating facts and reasons to demonstrate a rational basis for inconsistency; or

25 (i) The order is arbitrary or capricious.

26

(4) Review of other agency action.

(a) All agency action not reviewable under subsection (2) or (3) ofthis section shall be reviewed under this subsection.

(b) A person whose rights are violated by an agency's failure to 29 perform a duty that is required by law to be performed may file a 30 petition for review pursuant to RCW 34.05.514, seeking an order 31 32 pursuant to this subsection requiring performance. Within twenty days after service of the petition for review, the agency shall file and 33 serve an answer to the petition, made in the same manner as an answer 34 to a complaint in a civil action. The court may hear evidence, 35 pursuant to RCW 34.05.562, on material issues of fact raised by the 36 37 petition and answer.

1 (c) Relief for persons aggrieved by the performance of an agency 2 action, including the exercise of discretion, or an action under (b) of 3 this subsection can be granted only if the court determines that the 4 action is:

5 (i) Unconstitutional;

6 (ii) Outside the statutory authority of the agency or the authority7 conferred by a provision of law;

8 (iii) Arbitrary or capricious; or

9 (iv) Taken by persons who were not properly constituted as agency 10 officials lawfully entitled to take such action.

11 <u>NEW SECTION.</u> Sec. 2. The Constitution of the state of Washington 12 vests the power to make laws in the legislature. In order for the 13 legislature to properly carry out its responsibility for establishing 14 new laws, this act revises rule-making requirements to assure that the 15 legislature can carefully review rules that impose significant 16 requirements on citizens before the rules take effect.

17 Sec. 3. RCW 34.05.328 and 2003 c 165 s 2 and 2003 c 39 s 13 are 18 each reenacted and amended to read as follows:

19 (1) Before adopting a rule described in subsection (((5))) <u>(6)</u> of 20 this section, an agency shall:

(a) Clearly state in detail the general goals and specificobjectives of the statute that the rule implements;

(b) Determine that the rule is needed to achieve the general goals and specific objectives stated under (a) of this subsection, and analyze alternatives to rule making and the consequences of not adopting the rule;

(c) Provide notification in the notice of proposed rule making 27 under RCW 34.05.320 that a preliminary cost-benefit analysis is 28 The preliminary cost-benefit analysis must fulfill the 29 available. 30 requirements of the cost-benefit analysis under (d) of this subsection. If the agency files a supplemental notice under RCW 34.05.340, the 31 supplemental notice shall include notification that a revised 32 preliminary cost-benefit analysis is available. A final cost-benefit 33 34 analysis shall be available when the rule is adopted under RCW 35 34.05.360;

p. 4

(d) Determine that the probable benefits of the rule are greater 1 2 than its probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the 3 statute being implemented; 4

(e) Determine, after considering alternative versions of the rule 5 and the analysis required under (b), (c), and (d) of this subsection, 6 7 that the rule being adopted is the least burdensome alternative for those required to comply with it that will achieve the general goals 8 9 and specific objectives stated under (a) of this subsection;

(f) Determine that the rule does not require those to whom it 10 applies to take an action that violates requirements of another federal 11 or state law; 12

13 (g) Determine that the rule does not impose more stringent performance requirements on private entities than on public entities 14 unless required to do so by federal or state law; 15

16 (h) Determine if the rule differs from any federal regulation or 17 statute applicable to the same activity or subject matter and, if so, determine that the difference is justified by the following: 18

19 (i) A state statute that explicitly allows the agency to differ from federal standards; or 20

21 (ii) Substantial evidence that the difference is necessary to 22 achieve the general goals and specific objectives stated under (a) of this subsection; and 23

(i) Coordinate the rule, to the maximum extent practicable, with 24 other federal, state, and local laws applicable to the same activity or 25 subject matter. 26

27 (2) In making its determinations pursuant to subsection (1)(b) through (h) of this section, the agency shall place in the rule-making 28 file documentation of sufficient quantity and quality so as to persuade 29 a reasonable person that the determinations are justified. 30

31 (3) Before adopting rules described in subsection $\left(\left(\frac{5}{5}\right)\right)$ (6) of 32 this section, an agency shall place in the rule-making file a rule implementation plan for rules filed under each adopting order. 33 The plan shall describe how the agency intends to: 34

(a) Implement and enforce the rule, including a description of the 35 resources the agency intends to use; 36

37 (b) Inform and educate affected persons about the rule;

38 (c) Promote and assist voluntary compliance; and 1 (d) Evaluate whether the rule achieves the purpose for which it was 2 adopted, including, to the maximum extent practicable, the use of 3 interim milestones to assess progress and the use of objectively 4 measurable outcomes.

5 (4) The adoption of rules described in subsection (6) of this 6 section must be made before December 1st of any year, and the rules may 7 not take effect before the end of the regular legislative session in 8 the next year.

9 (5) After adopting a rule described in subsection (((5))) <u>(6)</u> of 10 this section regulating the same activity or subject matter as another 11 provision of federal or state law, an agency shall do all of the 12 following:

13 (a) Provide to the business assistance center a list citing by 14 reference the other federal and state laws that regulate the same 15 activity or subject matter;

(b) Coordinate implementation and enforcement of the rule with the other federal and state entities regulating the same activity or subject matter by making every effort to do one or more of the following:

20 (i) Deferring to the other entity;

21 (ii) Designating a lead agency; or

(iii) Entering into an agreement with the other entities specifying
 how the agency and entities will coordinate implementation and
 enforcement.

If the agency is unable to comply with this subsection (((4)))(5)(b), the agency shall report to the legislature pursuant to (c) of this subsection;

28

(c) Report to the joint administrative rules review committee:

(i) The existence of any overlap or duplication of other federal or
state laws, any differences from federal law, and any known overlap,
duplication, or conflict with local laws; and

32 (ii) Make recommendations for any legislation that may be necessary 33 to eliminate or mitigate any adverse effects of such overlap, 34 duplication, or difference.

35 (((5))) <u>(6)</u>(a) Except as provided in (b) of this subsection, this 36 section applies to:

37 (i) Significant legislative rules of the departments of ecology,38 labor and industries, health, revenue, social and health services, and

1 natural resources, the employment security department, the forest 2 practices board, the office of the insurance commissioner, and to the 3 legislative rules of the department of fish and wildlife implementing 4 chapter 77.55 RCW; and

5 (ii) Any rule of any agency, if this section is voluntarily made 6 applicable to the rule by the agency, or is made applicable to the rule 7 by a majority vote of the joint administrative rules review committee 8 within forty-five days of receiving the notice of proposed rule making 9 under RCW 34.05.320.

10

(b) This section does not apply to:

11 (i) Emergency rules adopted under RCW 34.05.350;

(ii) Rules relating only to internal governmental operations thatare not subject to violation by a nongovernment party;

14 (iii) Rules adopting or incorporating by reference without material change federal statutes or regulations, Washington state statutes, 15 rules of other Washington state agencies, shoreline master programs 16 17 other than those programs governing shorelines of statewide significance, or, as referenced by Washington state law, national 18 consensus codes that generally establish industry standards, if the 19 20 material adopted or incorporated regulates the same subject matter and 21 conduct as the adopting or incorporating rule;

(iv) Rules that only correct typographical errors, make address or name changes, or clarify language of a rule without changing its effect;

25 (v) Rules the content of which is explicitly and specifically 26 dictated by statute;

(vi) Rules that set or adjust fees or rates pursuant to legislativestandards; or

(vii) Rules of the department of social and health services relating only to client medical or financial eligibility and rules concerning liability for care of dependents.

32

(c) For purposes of this subsection:

(i) A "procedural rule" is a rule that adopts, amends, or repeals (A) any procedure, practice, or requirement relating to any agency hearings; (B) any filing or related process requirement for making application to an agency for a license or permit; or (C) any policy statement pertaining to the consistent internal operations of an agency. (ii) An "interpretive rule" is a rule, the violation of which does
 not subject a person to a penalty or sanction, that sets forth the
 agency's interpretation of statutory provisions it administers.

(iii) A "significant legislative rule" is a rule other than a 4 5 procedural or interpretive rule that (A) adopts substantive provisions of law pursuant to delegated legislative authority, the violation of 6 7 which subjects a violator of such rule to a penalty or sanction; (B) establishes, alters, or revokes any qualification or standard for the 8 9 issuance, suspension, or revocation of a license or permit; or (C) adopts a new, or makes significant amendments to, a policy or 10 11 regulatory program.

12 (d) In the notice of proposed rule making under RCW 34.05.320, an 13 agency shall state whether this section applies to the proposed rule 14 pursuant to (a)(i) of this subsection, or if the agency will apply this 15 section voluntarily.

16 (((6))) <u>(7)</u> By January 31, 1996, and by January 31st of each even-17 numbered year thereafter, the office of financial management, after 18 consulting with state agencies, counties, and cities, and business, 19 labor, and environmental organizations, shall report to the governor 20 and the legislature regarding the effects of this section on the 21 regulatory system in this state. The report shall document:

(a) The rules proposed to which this section applied and to the
extent possible, how compliance with this section affected the
substance of the rule, if any, that the agency ultimately adopted;

25 (b) The costs incurred by state agencies in complying with this 26 section;

(c) Any legal action maintained based upon the alleged failure of any agency to comply with this section, the costs to the state of such action, and the result;

30 (d) The extent to which this section has adversely affected the 31 capacity of agencies to fulfill their legislatively prescribed mission;

32 (e) The extent to which this section has improved the acceptability33 of state rules to those regulated; and

34 (f) Any other information considered by the office of financial35 management to be useful in evaluating the effect of this section.

36 **Sec. 4.** RCW 28A.300.040 and 2006 c 263 s 104 are each amended to 37 read as follows:

p. 8

1 In addition to any other powers and duties as provided by law, the 2 powers and duties of the superintendent of public instruction shall be:

3 (1) To have supervision over all matters pertaining to the public4 schools of the state;

5 (2) To report to the governor and the legislature such information 6 and data as may be required for the management and improvement of the 7 schools;

8 (3) To prepare and have printed such forms, registers, courses of 9 study, rules for the government of the common schools, and such other 10 material and books as may be necessary for the discharge of the duties 11 of teachers and officials charged with the administration of the laws 12 relating to the common schools, and to distribute the same to 13 educational service district superintendents;

14 (4) To travel, without neglecting his or her other official duties 15 as superintendent of public instruction, for the purpose of attending 16 educational meetings or conventions, of visiting schools, and of 17 consulting educational service district superintendents or other school 18 officials;

(5) To prepare and from time to time to revise a manual of the 19 20 Washington state common school code, copies of which shall be provided 21 in such numbers as determined by the superintendent of public 22 instruction at no cost to those public agencies within the common school system and which shall be sold at approximate actual cost of 23 24 publication and distribution per volume to all other public and nonpublic agencies or individuals, said manual to contain Titles 28A 25 and 28C RCW, rules related to the common schools, and such other matter 26 27 as the state superintendent or the state board of education shall determine. Proceeds of the sale of such code shall be transmitted to 28 the public printer who shall credit the state superintendent's account 29 within the state printing plant revolving fund by a like amount; 30

(6) To file all papers, reports and public documents transmitted to the superintendent by the school officials of the several counties or districts of the state, each year separately. Copies of all papers filed in the superintendent's office, and the superintendent's official acts, may, or upon request, shall be certified by the superintendent and attested by the superintendent's official seal, and when so certified shall be evidence of the papers or acts so certified to;

p. 9

1 (7) To require annually, on or before the 15th day of August, of 2 the president, manager, or principal of every educational institution 3 in this state, a report as required by the superintendent of public 4 instruction; and it is the duty of every president, manager, or 5 principal, to complete and return such forms within such time as the 6 superintendent of public instruction shall direct;

7 (8) To keep in the superintendent's office a record of all teachers
8 receiving certificates to teach in the common schools of this state;

9

(9) To issue certificates as provided by law;

10 (10) To keep in the superintendent's office at the capital of the state, all books and papers pertaining to the business of the 11 12 superintendent's office, and keep and preserve in to the 13 superintendent's office a complete record of statistics, as well as a 14 record of the meetings of the state board of education;

(11) With the assistance of the office of the attorney general, to 15 16 decide all points of law which may be submitted to the superintendent 17 in writing by any educational service district superintendent, or that may be submitted to the superintendent by any other person, upon appeal 18 from the decision of any educational service district superintendent; 19 and the superintendent shall publish his or her rulings and decisions 20 21 from time to time for the information of school officials and teachers; 22 and the superintendent's decision shall be final unless set aside by a court of competent jurisdiction; 23

24 (12) To administer oaths and affirmations in the discharge of the 25 superintendent's official duties;

26 (13) To deliver to his or her successor, at the expiration of the 27 superintendent's term of office, all records, books, maps, documents 28 and papers of whatever kind belonging to the superintendent's office or 29 which may have been received by the superintendent's for the use of the 30 superintendent's office;

31 (14) To administer family services and programs to promote the 32 state's policy as provided in RCW 74.14A.025;

33 (15) To promote the adoption of school-based curricula and policies 34 that provide quality, daily physical education for all students, and to 35 encourage policies that provide all students with opportunities for 36 physical activity outside of formal physical education classes;

37 (16) To perform such other duties as may be required by law.

For rules adopted under the provisions of this chapter after July 1 1, 2005, the superintendent of public instruction may adopt only rules 2 derived from a specific grant of legislative authority. The rules must 3 include the specific statutory section or sections from which the grant 4 of authority is derived, and may not rely solely on a section of law 5 stating a statute's intent or purpose or the general enabling 6 provisions establishing the office of the superintendent of public 7 instruction. 8

9 Sec. 5. RCW 41.50.050 and 1995 c 239 s 317 are each amended to 10 read as follows:

11 The director shall:

(1) Have the authority to organize the department into not morethan four divisions, each headed by an assistant director;

14 (2) Have free access to all files and records of various funds 15 assigned to the department and inspect and audit the files and records 16 as deemed necessary;

17 (3) Employ personnel to carry out the general administration of the 18 department;

19 (4) Submit an annual written report of the activities of the 20 department to the governor and the chairs of the appropriate 21 legislative committees with one copy to the staff of each of the 22 committees, including recommendations for statutory changes the 23 director believes to be desirable;

24 (5) Adopt ((such)) rules ((and regulations)) as are necessary to carry out the powers, duties, and functions of the department pursuant 25 26 to the provisions of chapter 34.05 RCW. For rules adopted under the provisions of this chapter after July 1, 2005, the director may adopt 27 only rules derived from a specific grant of legislative authority. The 28 rules must include the specific statutory section or sections from 29 which the grant of authority is derived, and may not rely solely on a 30 section of law stating a statute's intent or purpose or the general 31 enabling provisions establishing the department. 32

33 **Sec. 6.** RCW 43.06A.030 and 1996 c 131 s 4 are each amended to read 34 as follows:

35 The ombudsman shall perform the following duties:

(1) Provide information as appropriate on the rights and
 responsibilities of individuals receiving family and children's
 services, and on the procedures for providing these services;

(2) Investigate, upon his or her own initiative or upon receipt of
a complaint, an administrative act alleged to be contrary to law, rule,
or policy, imposed without an adequate statement of reason, or based on
irrelevant, immaterial, or erroneous grounds; however, the ombudsman
may decline to investigate any complaint as provided by rules adopted
under this chapter;

10 (3) Monitor the procedures as established, implemented, and 11 practiced by the department to carry out its responsibilities in 12 delivering family and children's services with a view toward 13 appropriate preservation of families and ensuring children's health and 14 safety;

15 (4) Review periodically the facilities and procedures of state 16 institutions serving children, and state-licensed facilities or 17 residences;

(5) Recommend changes in the procedures for addressing the needs offamilies and children;

20 (6) Submit annually to the committee and to the governor by 21 November 1<u>st</u> a report analyzing the work of the office including 22 recommendations;

(7) Grant the committee access to all relevant records in thepossession of the ombudsman unless prohibited by law; and

25 (8) Adopt rules necessary to implement this chapter. For rules adopted under the provisions of this chapter after July 1, 2005, the 26 27 ombudsman may adopt only rules derived from a specific grant of legislative authority. The rules must include the specific statutory 28 section or sections from which the grant of authority is derived, and 29 may not rely solely on a section of law stating a statute's intent or 30 purpose or the general enabling provisions establishing the department 31 or the ombudsman's office. 32

33 <u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 43.17 RCW 34 to read as follows:

For rules adopted under the provisions of this chapter after July 1, 2005, the director of each department may adopt only rules derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing each department.

5 **Sec. 8.** RCW 43.19.011 and 1999 c 229 s 2 are each amended to read 6 as follows:

7 (1) The director of general administration shall supervise and 8 administer the activities of the department of general administration 9 and shall advise the governor and the legislature with respect to 10 matters under the jurisdiction of the department.

(2) In addition to other powers and duties granted to the director,the director shall have the following powers and duties:

(a) Enter into contracts on behalf of the state to carry out thepurposes of this chapter;

(b) Accept and expend gifts and grants that are related to the purposes of this chapter, whether such grants be of federal or other funds;

(c) Appoint a deputy director and such assistant directors and
special assistants as may be needed to administer the department.
These employees are exempt from the provisions of chapter 41.06 RCW;

21 (d) Adopt rules in accordance with chapter 34.05 RCW and perform 22 all other functions necessary and proper to carry out the purposes of 23 this chapter. For rules adopted under the provisions of this chapter after July 1, 2005, the director may adopt only rules derived from a 24 specific grant of legislative authority. The rules must include the 25 26 specific statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law 27 stating a statute's intent or purpose or the general enabling 28 29 provisions establishing the department of general administration;

30 (e) Delegate powers, duties, and functions as the director deems 31 necessary for efficient administration, but the director shall be 32 responsible for the official acts of the officers and employees of the 33 department; and

(f) Perform other duties as are necessary and consistent with law.
 (3) The director may establish additional advisory groups as may be
 necessary to carry out the purposes of this chapter.

(4) The internal affairs of the department shall be under the 1 2 control of the director in order that the director may manage the department in a flexible and intelligent manner as dictated by changing 3 contemporary circumstances. Unless specifically limited by law, the 4 5 director shall have complete charge and supervisory powers over the department. The director may create such administrative structures as б 7 the director deems appropriate, except as otherwise specified by law, and the director may employ such personnel as may be necessary in 8 9 accordance with chapter 41.06 RCW, except as otherwise provided by law.

10 **Sec. 9.** RCW 43.21A.064 and 1997 c 443 s 2 are each amended to read 11 as follows:

12 Subject to RCW 43.21A.068, the director of the department of 13 ecology shall have the following powers and duties:

(1) The supervision of public waters within the state and their appropriation, diversion, and use, and of the various officers connected therewith;

(2) Insofar as may be necessary to ((assure)) ensure safety to life or property, the director shall inspect the construction of all dams, canals, ditches, irrigation systems, hydraulic power plants, and all other works, systems, and plants pertaining to the use of water, and may require such necessary changes in the construction or maintenance of said works, to be made from time to time, as will reasonably secure safety to life and property;

(3) The director shall regulate and control the diversion of waterin accordance with the rights thereto;

26 (4) The director shall determine the discharge of streams and 27 springs and other sources of water supply, and the capacities of lakes 28 and of reservoirs whose waters are being or may be utilized for 29 beneficial purposes;

30 (5) The director shall, if requested, provide assistance to an 31 applicant for a water right in obtaining or developing an adequate and appropriate supply of water consistent with the land use permitted for 32 the area in which the water is to be used and the population forecast 33 for the area under RCW 43.62.035. If the applicant is a public water 34 supply system, the supply being sought must be used in a manner 35 36 consistent with applicable land use, watershed and water system plans, 37 and the population forecast for that area provided under RCW 43.62.035;

1 (6) The director shall keep such records as may be necessary for 2 the recording of the financial transactions and statistical data 3 thereof, and shall procure all necessary documents, forms, and blanks. 4 The director shall keep a seal of the office, and all certificates 5 covering any of the director's acts or the acts of the director's 6 office, or the records and files of that office, under such seal, shall 7 be taken as evidence thereof in all courts;

8 (7) The director shall render when required by the governor, a full 9 written report of the office's work with such recommendations for 10 legislation as the director deems advisable for the better control and 11 development of the water resources of the state;

12 (8) The director and duly authorized deputies may administer oaths; 13 (9) The director shall establish and ((promulgate)) adopt rules 14 governing the administration of chapter 90.03 RCW. For rules adopted under the provisions of this chapter after July 1, 2005, the director 15 may adopt only rules derived from a specific grant of legislative 16 authority. The rules must include the specific statutory section or 17 sections from which the grant of authority is derived, and may not rely 18 solely on a section of law stating a statute's intent or purpose or the 19 general enabling provisions establishing the department; 20

21 (10) The director shall perform such other duties as may be 22 prescribed by law.

23 **Sec. 10.** RCW 43.24.016 and 1999 c 240 s 4 are each amended to read 24 as follows:

(1) The director of licensing shall supervise and administer the activities of the department of licensing and shall advise the governor and the legislature with respect to matters under the jurisdiction of the department.

(2) In addition to other powers and duties granted to the director,the director has the following powers and duties:

31 (a) Enter into contracts on behalf of the state to carry out the 32 responsibilities of the department;

33 (b) Accept and expend gifts and grants, whether such grants be of 34 federal or other funds;

35 (c) Appoint a deputy director and such assistant directors, special
 36 assistants, and administrators as may be needed to administer the

1 department. These employees are exempt from the provisions of chapter
2 41.06 RCW;

(d) Adopt rules in accordance with chapter 34.05 RCW and perform 3 all other functions necessary to carry out the responsibilities of the 4 department. For rules adopted under the provisions of this chapter 5 after July 1, 2005, the director may adopt only rules derived from a 6 specific grant of legislative authority. The rules must include the 7 specific statutory section or sections from which the grant of 8 authority is derived, and may not rely solely on a section of law 9 stating a statute's intent or purpose or the general enabling 10 provisions establishing the department; 11

(e) Delegate powers, duties, and functions as the director deems necessary for efficient administration, but the director is responsible for the official acts of the officers and employees of the department; and

16

(f) Perform other duties as are necessary and consistent with law.

17 (3) The director may establish advisory groups as may be necessary18 to carry out the responsibilities of the department.

(4) The internal affairs of the department shall be under the 19 control of the director in order that the director may manage the 20 21 department in a flexible and intelligent manner as dictated by changing 22 contemporary circumstances. Unless specifically limited by law, the director shall have complete charge and supervisory powers over the 23 24 department. The director may create such administrative structures as 25 the director deems appropriate, except as otherwise specified by law, and the director may employ such personnel as may be necessary in 26 27 accordance with chapter 41.06 RCW, except as otherwise provided by law.

28 **Sec. 11.** RCW 43.27A.090 and 1988 c 127 s 25 are each amended to 29 read as follows:

30 The department shall be empowered as follows:

(1) To represent the state at, and fully participate in, the activities of any basin or regional commission, interagency committee, or any other joint interstate or federal-state agency, committee or commission, or publicly financed entity engaged in the planning, development, administration, management, conservation or preservation of the water resources of the state.

(2) To prepare the views and recommendations of the state of 1 2 Washington on any project, plan or program relating to the planning, development, administration, management, conservation and preservation 3 of any waters located in or affecting the state of Washington, 4 5 including any federal permit or license proposal, and appear on behalf of, and present views and recommendations of the state at any 6 7 proceeding, negotiation or hearing conducted by the federal government, 8 interstate agency, state or other agency.

9 (3) To cooperate with, assist, advise and coordinate plans with the 10 federal government and its officers and agencies, and serve as a state 11 liaison agency with the federal government in matters relating to the 12 use, conservation, preservation, quality, disposal or control of water 13 and activities related thereto.

14 (4) To cooperate with appropriate agencies of the federal 15 government and/or agencies of other states, to enter into contracts, 16 and to make appropriate contributions to federal or interstate projects 17 and programs and governmental bodies to carry out the provisions of 18 this chapter.

19 (5) To apply for, accept, administer and expend grants, gifts and 20 loans from the federal government or any other entity to carry out the 21 purposes of this chapter and make contracts and do such other acts as 22 are necessary insofar as they are not inconsistent with other 23 provisions hereof.

24 (6) To develop and maintain a coordinated and comprehensive state 25 water and water resources related development plan, and adopt, with regard to such plan, such policies as are necessary to ((insure)) 26 27 ensure that the waters of the state are used, conserved and preserved for the best interest of the state. There shall be included in the 28 state plan a description of developmental objectives and a statement of 29 the recommended means of accomplishing these objectives. To the extent 30 31 the director deems desirable, the plan shall integrate into the state 32 plan, the plans, programs, reports, research and studies of other state agencies. 33

(7) To assemble and correlate information relating to water supply,
 power development, irrigation, watersheds, water use, future
 possibilities of water use and prospective demands for all purposes
 served through or affected by water resources development.

p. 17

(8) To assemble and correlate state, local and federal laws, 1 2 regulations, plans, programs and policies affecting the beneficial use, disposal, pollution, control or conservation of water, river basin 3 development, flood prevention, parks, reservations, forests, wildlife 4 5 refuges, drainage and sanitary systems, waste disposal, water works, watershed protection and development, soil conservation, 6 power 7 facilities and area and municipal water supply needs, and recommend suitable legislation or other action to the legislature, the congress 8 of the United States, or any city, municipality, or to responsible 9 10 state, local or federal executive departments or agencies.

(9) To cooperate with federal, state, regional, interstate and local public and private agencies in the making of plans for drainage, flood control, use, conservation, allocation and distribution of existing water supplies and the development of new water resource projects.

16 (10) To encourage, assist and advise regional, and city and 17 municipal agencies, officials or bodies responsible for planning in 18 relation to water aspects of their programs, and coordinate local water 19 resources activities, programs, and plans.

20 (11) To ((promulgate such)) adopt rules ((and regulations)) as are 21 necessary to carry out the purposes of this chapter. For rules adopted 22 under the provisions of this chapter after July 1, 2005, the department may adopt only rules derived from a specific grant of legislative 23 24 authority. The rules must include the specific statutory section or sections from which the grant of authority is derived, and may not rely 25 solely on a section of law stating a statute's intent or purpose or the 26 27 general enabling provisions establishing the department.

(12) To hold public hearings, and make such investigations, studiesand surveys as are necessary to carry out the purposes of the chapter.

30 (13) To subpoena witnesses, compel their attendance, administer 31 oaths, take the testimony of any person under oath and require the 32 production of any books or papers when the department deems such 33 measures necessary in the exercise of its rule-making power or in 34 determining whether or not any license, certificate, or permit shall be 35 granted or extended.

36 **Sec. 12.** RCW 43.30.215 and 2003 c 334 s 112 are each amended to 37 read as follows: 1 The board shall:

2 (1) Perform duties relating to appraisal, appeal, approval, and
3 hearing functions as provided by law;

4 (2) Establish policies to ensure that the acquisition, management, 5 and disposition of all lands and resources within the department's 6 jurisdiction are based on sound principles designed to achieve the 7 maximum effective development and use of such lands and resources 8 consistent with laws applicable thereto;

9 (3) Constitute the board of appraisers provided for in Article 16, 10 section 2 of the state Constitution;

11 (4) Constitute the commission on harbor lines provided for in 12 Article 15, section 1 of the state Constitution as amended;

(5) Adopt and enforce rules as may be deemed necessary and proper 13 for carrying out the powers, duties, and functions imposed upon it by 14 this chapter. For rules adopted under the provisions of this chapter 15 after July 1, 2005, the board may adopt only rules derived from a 16 17 specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant of 18 authority is derived, and may not rely solely on a section of law 19 20 stating a statute's intent or purpose or the general enabling 21 provisions establishing the board or the department.

22 **Sec. 13.** RCW 43.31C.060 and 2000 c 212 s 7 are each amended to 23 read as follows:

The department must administer this chapter and has the following powers and duties:

(1) To monitor the implementation of chapter 212, Laws of 2000 and submit reports evaluating the effectiveness of the program and any suggestions for legislative changes to the governor and legislature by December 1, 2000;

30 (2) To develop evaluation and performance measures for local 31 governments to measure the effectiveness of the program at the local 32 level on meeting the objectives of this chapter;

33 (3) To provide information and appropriate assistance to persons 34 desiring to locate and operate a business in a community empowerment 35 zone;

36 (4) To work with appropriate state agencies to coordinate the 37 delivery of programs, including but not limited to housing, community

HB 3335

and economic development, small business assistance, social service, and employment and training programs which are carried on in a community empowerment zone; and

4 (5) To develop rules necessary for the administration of this chapter. For rules adopted under the provisions of this chapter after 5 July 1, 2005, the department may adopt only rules derived from a 6 specific grant of legislative authority. The rules must include the 7 specific statutory section or sections from which the grant of 8 authority is derived, and may not rely solely on a section of law 9 stating a statute's intent or purpose or the general enabling 10 provisions establishing the department. 11

12 **Sec. 14.** RCW 43.33.040 and 1965 c 8 s 43.33.040 are each amended 13 to read as follows:

14 The state finance committee may ((make)) adopt appropriate rules ((and regulations)) for the performance of its duties. 15 The state 16 treasurer shall act as ((chairman)) chair of the committee. For rules adopted under the provisions of this chapter after July 1, 2005, the 17 state finance committee may adopt only rules derived from a specific 18 grant of legislative authority. The rules must include the specific 19 20 statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law stating a 21 statute's intent or purpose or the general enabling provisions 22 23 establishing the state finance committee.

24 **Sec. 15.** RCW 43.33A.110 and 1994 c 154 s 310 are each amended to 25 read as follows:

26 The state investment board may ((make)) adopt appropriate rules ((and regulations)) for the performance of its duties. The board shall 27 establish investment policies and procedures designed exclusively to 28 maximize return at a prudent level of risk. However, in the case of 29 30 the department of labor and industries' accident, medical aid, and reserve funds, the board shall establish investment policies and 31 procedures designed to attempt to limit fluctuations in industrial 32 insurance premiums and, subject to this purpose, to maximize return at 33 34 a prudent level of risk. The board shall adopt rules to ensure that 35 its members perform their functions in compliance with chapter 42.52

RCW. Rules adopted by the board shall be adopted pursuant to chapter
 34.05 RCW.

For rules adopted under the provisions of this chapter after July 1, 2005, the state investment board may adopt only rules derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing the state investment board.

10 **Sec. 16.** RCW 43.59.070 and 1967 ex.s. c 147 s 8 are each amended 11 to read as follows:

12 The director shall be secretary of the commission and shall be 13 responsible for carrying into effect the commission's orders and rules 14 ((and regulations promulgated)) adopted by the commission. The 15 director shall also be authorized to employ such staff as is necessary 16 pursuant to the provisions of chapter 41.06 RCW. The commission shall 17 adopt ((such)) rules ((and regulations)) as shall be necessary to carry 18 into effect the purposes of this chapter.

For rules adopted under the provisions of this chapter after July 1, 2005, the Washington state traffic safety commission may adopt only rules derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing the commission.

26 **Sec. 17.** RCW 43.61.040 and 1977 c 75 s 60 are each amended to read 27 as follows:

The director of veterans affairs shall ((make such)) adopt rules 28 29 ((and regulations)) as may be necessary to carry out the purposes of 30 this chapter. For rules adopted under the provisions of this chapter after July 1, 2005, the director of veterans affairs may adopt only 31 rules derived from a specific grant of legislative authority. The 32 rules must include the specific statutory section or sections from 33 34 which the grant of authority is derived, and may not rely solely on a 35 section of law stating a statute's intent or purpose or the general enabling provisions establishing the department of veterans affairs. 36

1 The department shall furnish information, advice, and assistance to 2 veterans and coordinate all programs and services in the field of 3 veterans' claims service, education, health, vocational guidance and 4 placement, and services not provided by some other agency of the state 5 or by the federal government. The director shall submit a report of 6 the departments' activities hereunder each year to the governor.

7 **Sec. 18.** RCW 43.63A.475 and 1993 c 124 s 2 are each amended to 8 read as follows:

9 The department shall adopt all rules under chapter 34.05 RCW necessary to implement chapter 124, Laws of 1993, giving due 10 11 consideration to standards and regulations adopted by the secretary of 12 housing and urban development under the National Manufactured Housing Construction and Safety Standards Act of 1974 (800 Stat. 700; 42 U.S.C. 13 5401-5426) for manufactured housing construction and safety 14 Secs. For rules adopted under the provisions of this chapter 15 standards. 16 after July 1, 2005, the department of community, trade, and economic development may adopt only rules derived from a specific grant of 17 legislative authority. The rules must include the specific statutory 18 section or sections from which the grant of authority is derived, and 19 20 may not rely solely on a section of law stating a statute's intent or 21 purpose or the general enabling provisions establishing the department of community, trade, and economic development. 22

23 **Sec. 19.** RCW 43.70.580 and 1995 c 43 s 3 are each amended to read 24 as follows:

The primary responsibility of the public health system, is to take those actions necessary to protect, promote, and improve the health of the population. In order to accomplish this, the department shall:

(1) Identify, as part of the public health improvement plan, the
key health outcomes sought for the population and the capacity needed
by the public health system to fulfill its responsibilities in
improving health outcomes.

32 (2)(a) Distribute state funds that, in conjunction with local 33 revenues, are intended to improve the capacity of the public health 34 system. The distribution methodology shall encourage system-wide 35 effectiveness and efficiency and provide local health jurisdictions with the flexibility both to determine governance structures and
 address their unique needs.

(b) Enter into with each local health jurisdiction performance-3 based contracts that establish clear measures of the degree to which 4 5 the local health jurisdiction is attaining the capacity necessary to improve health outcomes. The contracts negotiated between the local 6 7 health jurisdictions and the department of health must identify the specific measurable progress that local health jurisdictions will make 8 9 toward achieving health outcomes. A community assessment conducted by 10 local health jurisdiction according to the public health the improvement plan, which shall include the results of the comprehensive 11 12 plan prepared according to RCW 70.190.130, will be used as the basis The contracts shall include 13 for identifying the health outcomes. 14 provisions to encourage collaboration among local health jurisdictions. State funds shall be used solely to expand and complement, but not to 15 16 supplant city and county government support for public health programs. 17 (3) Develop criteria to assess the degree to which capacity is

18 being achieved and ensure compliance by public health jurisdictions.

(4) Adopt rules necessary to carry out the purposes of chapter 43, 19 Laws of 1995. For rules adopted under the provisions of this chapter 20 21 after July 1, 2005, the department may adopt only rules derived from a specific grant of legislative authority. The rules must include the 22 specific statutory section or sections from which the grant of 23 24 authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling 25 provisions establishing the department. 26

(5) Biennially, within the public health improvement plan, evaluate the effectiveness of the public health system, assess the degree to which the public health system is attaining the capacity to improve the status of the public's health, and report progress made by each local health jurisdiction toward improving health outcomes.

32 Sec. 20. RCW 43.101.085 and 2006 c 22 s 1 are each amended to read 33 as follows:

In addition to its other powers granted under this chapter, the commission has authority and power to:

36 (1) Adopt, amend, or repeal rules as necessary to carry out this
 37 chapter. For rules adopted under the provisions of this chapter after

July 1, 2005, the commission may adopt only rules derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing the commission;

7 (2) Issue subpoenas and administer oaths in connection with
8 investigations, hearings, or other proceedings held under this chapter;
9 (3) Take or cause to be taken depositions and other discovery

10 procedures as needed in investigations, hearings, and other proceedings
11 held under this chapter;

12 (4) Appoint members of a hearings board as provided under RCW13 43.101.380;

14 (5) Enter into contracts for professional services determined by 15 the commission to be necessary for adequate enforcement of this 16 chapter;

17 (6) Grant, deny, or revoke certification of peace officers under18 the provisions of this chapter;

19 (7) Designate individuals authorized to sign subpoenas and 20 statements of charges under the provisions of this chapter;

(8) Employ such investigative, administrative, and clerical staff
 as necessary for the enforcement of this chapter; and

23 (9) $((\underline{+}o))$ <u>Grant</u>, deny, or revoke certification of tribal police 24 officers whose tribal governments have agreed to participate in the 25 tribal police officer certification process.

26 **Sec. 21.** RCW 43.115.040 and 1993 c 261 s 3 are each amended to 27 read as follows:

28 The commission shall have the following powers and duties:

(1) Elect one of its members to serve as ((chairman)) <u>chair</u>;

30 (2) Adopt rules ((and regulations)) pursuant to chapter 34.05 RCW. 31 For rules adopted under the provisions of this chapter after July 1, 2005, the commission may adopt only rules derived from a specific grant 32 of legislative authority. The rules must include the specific 33 statutory section or sections from which the grant of authority is 34 derived, and may not rely solely on a section of law stating a 35 36 statute's intent or purpose or the general enabling provisions establishing the commission; 37

29

(3) Examine and define issues pertaining to the rights and needs of
 Hispanics, and make recommendations to the governor and state agencies
 for changes in programs and laws;

4 (4) Advise the governor and state agencies on the development and 5 implementation of policies, plans, and programs that relate to the 6 special needs of Hispanics;

7 (5) Advise the legislature on issues of concern to the Hispanic8 community;

9 (6) Establish relationships with state agencies, local governments, 10 and private sector organizations that promote equal opportunity and 11 benefits for Hispanics; and

12 (7) Receive gifts, grants, and endowments from public or private 13 sources that are made for the use or benefit of the commission and 14 expend, without appropriation, the same or any income from the gifts, 15 grants, or endowments according to their terms.

16 Sec. 22. RCW 43.117.050 and 1974 ex.s. c 140 s 5 are each amended 17 to read as follows:

18 The commission shall:

(1) Elect one of its members to serve as ((chairman)) chair; and
 also such other officers as necessary to form an executive committee;

21 (2) Adopt rules ((and regulations)) pursuant to chapter 34.05 RCW. For rules adopted under the provisions of this chapter after July 1, 22 2005, the commission may adopt only rules derived from a specific grant 23 of legislative authority. The rules must include the specific 24 statutory section or sections from which the grant of authority is 25 26 derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions 27 establishing the commission; 28

(3) Meet at the call of the ((chairman)) chair or the call of a majority of its members, but in no case less often than once during any three month period;

32 (4) Be authorized to appoint such citizen task force as it deems33 appropriate.

34 **Sec. 23.** RCW 43.121.050 and 1988 c 278 s 5 are each amended to 35 read as follows:

36 To carry out the purposes of this chapter, the council may:

(1) Contract with public or private nonprofit organizations,
 agencies, schools, or with qualified individuals for the establishment
 of community-based educational and service programs designed to:

4

(a) Reduce the occurrence of child abuse and neglect; and

5 (b) Provide for parenting skills which include: Consistency in 6 parenting; providing children with positive discipline that provides 7 firm order without hurting children physically or emotionally; and 8 preserving and nurturing the family unit. Programs to provide these 9 parenting skills may include the following:

10

(i) Programs to teach positive methods of disciplining children;

(ii) Programs to educate parents about the physical, mental, and emotional development of children;

13 (iii) Programs to enhance the skills of parents in providing for 14 their children's learning and development; and

(iv) Learning experiences for children and parents to help prepare 15 parents and children for the experiences in school. Contracts also may 16 17 be awarded for research programs related to primary and secondary prevention of child abuse and neglect, and to develop and strengthen 18 community child abuse and neglect prevention networks. Each contract 19 20 entered into by the council shall contain a provision for the 21 evaluation of services provided under the contract. Contracts for 22 services to prevent child abuse and child neglect shall be awarded as demonstration projects with continuation based upon goal attainment. 23 24 Contracts for services to prevent child abuse and child neglect shall 25 be awarded on the basis of probability of success based in part upon sound research data. 26

(2) Facilitate the exchange of information between groups concernedwith families and children.

(3) Consult with applicable state agencies, commissions, and boards to help determine the probable effectiveness, fiscal soundness, and need for proposed educational and service programs for the prevention of child abuse and neglect.

(4) Establish fee schedules to provide for the recipients of
 services to reimburse the state general fund for the cost of services
 received.

36 (5) Adopt its own bylaws.

37 (6) Adopt rules under chapter 34.05 RCW as necessary to carry out
 38 the purposes of this chapter. For rules adopted under the provisions

of this chapter after July 1, 2005, the council may adopt only rules derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing the council.

7 **Sec. 24.** RCW 43.155.040 and 1985 c 446 s 10 are each amended to 8 read as follows:

9

13

The board may:

10 (1) Accept from any state or federal agency, loans or grants for 11 the planning or financing of any public works project and enter into 12 agreements with any such agency concerning the loans or grants;

(2) Provide technical assistance to local governments;

14 (3) Accept any gifts, grants, or loans of funds, property, or
15 financial or other aid in any form from any other source on any terms
16 and conditions which are not in conflict with this chapter;

17 (4) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this chapter. For rules adopted under the provisions 18 of this chapter after July 1, 2005, the board may adopt only rules 19 20 derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant 21 of authority is derived, and may not rely solely on a section of law 22 stating a statute's intent or purpose or the general enabling 23 provisions establishing the board; 24

25 (5) Do all acts and things necessary or convenient to carry out the 26 powers expressly granted or implied under this chapter.

27 **Sec. 25.** RCW 43.160.050 and 1996 c 51 s 4 are each amended to read 28 as follows:

29 The board may:

30 (1) Adopt bylaws for the regulation of its affairs and the conduct31 of its business.

32

2 (2) Adopt an official seal and alter the seal at its pleasure.

33 (3) Utilize the services of other governmental agencies.

(4) Accept from any federal agency loans or grants for the planning
 or financing of any project and enter into an agreement with the agency
 respecting the loans or grants.

1 (5) Conduct examinations and investigations and take testimony at 2 public hearings of any matter material for its information that will 3 assist in determinations related to the exercise of the board's lawful 4 powers.

5 (6) Accept any gifts, grants, or loans of funds, property, or 6 financial or other aid in any form from any other source on any terms 7 and conditions which are not in conflict with this chapter.

8 (7) Exercise all the powers of a public corporation under chapter9 39.84 RCW.

10 (8) Invest any funds received in connection with industrial 11 development revenue bond financing not required for immediate use, as 12 the board considers appropriate, subject to any agreements with owners 13 of bonds.

(9) Arrange for lines of credit for industrial development revenue
 bonds from and enter into participation agreements with any financial
 institution.

(10) Issue industrial development revenue bonds in one or more series for the purpose of defraying the cost of acquiring or improving any industrial development facility or facilities and securing the payment of the bonds as provided in this chapter.

(11) Enter into agreements or other transactions with and accept grants and the cooperation of any governmental agency in furtherance of this chapter.

(12) Sell, purchase, or insure loans to finance the costs ofindustrial development facilities.

(13) Service, contract, and pay for the servicing of loans forindustrial development facilities.

(14) Provide financial analysis and technical assistance for
 industrial development facilities when the board reasonably considers
 it appropriate.

(15) Collect, with respect to industrial development revenue bonds, reasonable interest, fees, and charges for making and servicing its lease agreements, loan agreements, mortgage loans, notes, bonds, commitments, and other evidences of indebtedness. Interest, fees, and charges are limited to the amounts required to pay the costs of the board, including operating and administrative expenses and reasonable allowances for losses that may be incurred.

p. 28

1 (16) Procure insurance or guarantees from any party as allowable 2 under law, including a governmental agency, against any loss in 3 connection with its lease agreements, loan agreements, mortgage loans, 4 and other assets or property.

(17) Adopt rules under chapter 34.05 RCW as necessary to carry out 5 the purposes of this chapter. For rules adopted under the provisions 6 of this chapter after July 1, 2005, the board may adopt only rules 7 derived from a specific grant of legislative authority. The rules must 8 include the specific statutory section or sections from which the grant 9 of authority is derived, and may not rely solely on a section of law 10 stating a statute's intent or purpose or the general enabling 11 12 provisions establishing the board.

13 (18) Do all acts and things necessary or convenient to carry out 14 the powers expressly granted or implied under this chapter.

15 Sec. 26. RCW 43.163.100 and 1990 c 53 s 6 are each amended to read 16 as follows:

17 In addition to accomplishing the economic development finance 18 programs specifically authorized in this chapter, the authority may:

19

Maintain an office or offices;

20 (2) Sue and be sued in its own name, and plead and be impleaded;

(3) Engage consultants, agents, attorneys, and advisers, contract with federal, state, and local governmental entities for services, and hire such employees, agents and other personnel as the authority deems necessary, useful, or convenient to accomplish its purposes;

(4) Make and execute all manner of contracts, agreements and instruments and financing documents with public and private parties as the authority deems necessary, useful, or convenient to accomplish its purposes;

(5) Acquire and hold real or personal property, or any interest therein, in the name of the authority, and to sell, assign, lease, encumber, mortgage, or otherwise dispose of the same in such manner as the authority deems necessary, useful, or convenient to accomplish its purposes;

(6) Open and maintain accounts in qualified public depositaries and
 otherwise provide for the investment of any funds not required for
 immediate disbursement, and provide for the selection of investments;

(7) Appear in its own behalf before boards, commissions,
 departments, or agencies of federal, state, or local government;

(8) Procure such insurance in such amounts and from such insurers
as the authority deems desirable, including, but not limited to,
insurance against any loss or damage to its property or other assets,
public liability insurance for injuries to persons or property, and
directors and officers liability insurance;

8 (9) Apply for and accept subventions, grants, loans, advances, and 9 contributions from any source of money, property, labor, or other 10 things of value, to be held, used and applied as the authority deems 11 necessary, useful, or convenient to accomplish its purposes;

(10) Establish guidelines for the participation by eligible banking
organizations in programs conducted by the authority under this
chapter;

(11) Act as an agent, by agreement, for federal, state, or local governmental entities to carry out the programs authorized in this chapter;

18 (12) Establish, revise, and collect such fees and charges as the 19 authority deems necessary, useful, or convenient to accomplish its 20 purposes;

(13) Make such expenditures as are appropriate for paying the administrative costs and expenses of the authority in carrying out the provisions of this chapter: PROVIDED, That expenditures with respect to the economic development financing programs of the authority shall not be made from funds of the state;

(14) Establish such reserves and special funds, and controls on
 deposits to and disbursements from them, as the authority deems
 necessary, useful, or convenient to accomplish its purposes;

(15) Give assistance to public bodies by providing information, guidelines, forms, and procedures for implementing their financing programs;

(16) Prepare, publish and distribute, with or without charge, such
 studies, reports, bulletins, and other material as the authority deems
 necessary, useful, or convenient to accomplish its purposes;

35 (17) Delegate any of its powers and duties if consistent with the 36 purposes of this chapter;

37 (18) Adopt rules concerning its exercise of the powers authorized
38 by this chapter. For rules adopted under the provisions of this

1 chapter after July 1, 2005, the authority may adopt only rules derived 2 from a specific grant of legislative authority. The rules must include 3 the specific statutory section or sections from which the grant of 4 authority is derived, and may not rely solely on a section of law 5 stating a statute's intent or purpose or the general enabling 6 provisions establishing the authority; and

7 (19) Exercise any other power the authority deems necessary,
8 useful, or convenient to accomplish its purposes and exercise the
9 powers expressly granted in this chapter.

10 **Sec. 27.** RCW 43.180.040 and 1995 c 399 s 98 are each amended to 11 read as follows:

(1) There is ((hereby)) established a public body corporate and politic, with perpetual corporate succession, to be known as the Washington state housing finance commission. The commission is an instrumentality of the state exercising essential government functions and, for purposes of the code, acts as a constituted authority on behalf of the state when it issues bonds pursuant to this chapter. The commission is a "public body" within the meaning of RCW 39.53.010.

19 (2) The commission shall consist of the following voting members:

20 (a) The state treasurer, ex officio;

(b) The director of community, trade, and economic development, ex officio;

(c) An elected local government official, ex officio, with experience in local housing programs, who shall be appointed by the governor with the consent of the senate;

26 (d) A representative of housing consumer interests, appointed by27 the governor with the consent of the senate;

(e) A representative of labor interests, appointed by the governor,
with the consent of the senate, after consultation with representatives
of organized labor;

31 (f) A representative of low-income persons, appointed by the 32 governor with the consent of the senate;

33 (g) Five members of the public appointed by the governor, with the 34 consent of the senate, on the basis of geographic distribution and 35 their expertise in housing, real estate, finance, energy efficiency, or 36 construction, one of whom shall be appointed by the governor as chair of the commission and who shall serve on the commission and as chair of
 the commission at the pleasure of the governor.

The term of the persons appointed by the governor, other than the 3 chair, shall be four years from the date of their appointment, except 4 5 that the terms of three of the initial appointees shall be for two years from the date of their appointment. The governor shall designate 6 7 the appointees who will serve the two-year terms. An appointee may be removed by the governor for cause pursuant to RCW 43.06.070 and 8 43.06.080. The governor shall fill any vacancy in an appointed 9 position by appointment for the remainder of the unexpired term. 10 Ιf the department of community, trade, and economic development is 11 abolished, the resulting vacancy shall be filled by a state official 12 13 who shall be appointed to the commission by the governor. If this official occupies an office or position for which senate confirmation 14 is not required, then his or her appointment to the commission shall be 15 subject to the consent of the senate. The members of the commission 16 shall be compensated in accordance with RCW 43.03.240 and may be 17 reimbursed, solely from the funds of the commission, for expenses 18 incurred in the discharge of their duties under this chapter, subject 19 to the provisions of RCW 43.03.050 and 43.03.060. A majority of the 20 21 commission constitutes a quorum. Designees shall be appointed in such 22 manner and shall exercise such powers as are specified by the rules of 23 the commission.

24 (3) The commission may adopt an official seal and may select from 25 its membership a vice-chair, a secretary, and a treasurer. The commission shall establish rules concerning its exercise of the powers 26 27 authorized by this chapter. The rules shall be adopted in conformance with chapter 34.05 RCW. For rules adopted under the provisions of this 28 chapter after July 1, 2005, the commission may adopt only rules derived 29 from a specific grant of legislative authority. The rules must include 30 the specific statutory section or sections from which the grant of 31 authority is derived, and may not rely solely on a section of law 32 stating a statute's intent or purpose or the general enabling 33 provisions establishing the commission. 34

35 **Sec. 28.** RCW 43.200.070 and 1989 c 322 s 5 are each amended to 36 read as follows:

37

The department of ecology shall adopt such rules as are necessary

to carry out responsibilities under this chapter. The department of 1 2 ecology is authorized to adopt such rules as are necessary to carry out its responsibilities under chapter 43.145 RCW. For rules adopted under 3 the provisions of this chapter after July 1, 2005, the department of 4 ecology may adopt only rules derived from a specific grant of 5 legislative authority. The rules must include the specific statutory б 7 section or sections from which the grant of authority is derived, and 8 may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing the department 9 10 of ecology.

11 **Sec. 29.** RCW 43.210.060 and 1995 c 399 s 108 are each amended to 12 read as follows:

13 The department of community, trade, and economic development or its statutory successor shall adopt rules under chapter 34.05 RCW as 14 15 necessary to carry out the purposes of this chapter. For rules adopted 16 under the provisions of this chapter after July 1, 2005, the department of community, trade, and economic development may adopt only rules 17 derived from a specific grant of legislative authority. The rules must 18 include the specific statutory section or sections from which the grant 19 20 of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general enabling 21 provisions establishing the department of community, trade, and 22 23 economic development.

24 **Sec. 30.** RCW 43.250.090 and 1986 c 294 s 9 are each amended to 25 read as follows:

26 The state finance committee shall administer this chapter and adopt 27 appropriate rules. For rules adopted under the provisions of this chapter after July 1, 2005, the state finance committee may adopt only 28 rules derived from a specific grant of legislative authority. The 29 rules must include the specific statutory section or sections from 30 which the grant of authority is derived, and may not rely solely on a 31 section of law stating a statute's intent or purpose or the general 32 33 enabling provisions establishing the state finance committee.

34 **Sec. 31.** RCW 43.320.040 and 1993 c 472 s 5 are each amended to 35 read as follows:

p. 33

The director of financial institutions may adopt any rules, under 1 2 chapter 34.05 RCW, necessary to implement the powers and duties of the director under this chapter. For rules adopted under the provisions of 3 this chapter after July 1, 2005, the director of financial institutions 4 may adopt only rules derived from a specific grant of legislative 5 authority. The rules must include the specific statutory section or б 7 sections from which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the 8 general enabling provisions establishing the department of financial 9 10 institutions.

11 **Sec. 32.** RCW 43.330.040 and 1993 c 280 s 6 are each amended to 12 read as follows:

(1) The director shall supervise and administer the activities of the department and shall advise the governor and the legislature with respect to community and economic development matters affecting the state.

17 (2) In addition to other powers and duties granted to the director,18 the director shall have the following powers and duties:

(a) Enter into contracts on behalf of the state to carry out thepurposes of this chapter;

(b) Act for the state in the initiation of or participation in any multigovernmental program relative to the purpose of this chapter;

23 (c) Accept and expend gifts and grants, whether such grants be of 24 federal or other funds;

(d) Appoint such deputy directors, assistant directors, and up to
seven special assistants as may be needed to administer the department.
These employees are exempt from the provisions of chapter 41.06 RCW;

(e) Prepare and submit budgets for the department for executive andlegislative action;

30 (f) Submit recommendations for legislative actions as are deemed 31 necessary to further the purposes of this chapter;

32 (g) Adopt rules in accordance with chapter 34.05 RCW and perform 33 all other functions necessary and proper to carry out the purposes of 34 this chapter. For rules adopted under the provisions of this chapter 35 after July 1, 2005, the director may adopt only rules derived from a 36 specific grant of legislative authority. The rules must include the 37 specific statutory section or sections from which the grant of 34 grant of the section of the 1 <u>authority is derived, and may not rely solely on a section of law</u>
2 <u>stating a statute's intent or purpose or the general enabling</u>
3 <u>provisions establishing the department;</u>

(h) Delegate powers, duties, and functions as the director deems
necessary for efficient administration, but the director shall be
responsible for the official acts of the officers and employees of the
department; and

8

(i) Perform other duties as are necessary and consistent with law.

9 (3) When federal or other funds are received by the department, 10 they shall be promptly transferred to the state treasurer and 11 thereafter expended only upon the approval of the director.

12 (4) The director may request information and assistance from all 13 other agencies, departments, and officials of the state, and may 14 reimburse such agencies, departments, or officials if such a request 15 imposes any additional expenses upon any such agency, department, or 16 official.

17 (5) The director shall, in carrying out the responsibilities of 18 office, consult with governmental officials, private groups, and 19 individuals and with officials of other states. All state agencies and 20 their officials and the officials of any political subdivision of the 21 state shall cooperate with and give such assistance to the department, 22 including the submission of requested information, to allow the 23 department to carry out its purposes under this chapter.

(6) The director may establish additional advisory or coordinating groups with the legislature, within state government, with state and other governmental units, with the private sector and nonprofit entities or in specialized subject areas as may be necessary to carry out the purposes of this chapter.

(7) The internal affairs of the department shall be under the 29 control of the director in order that the director may manage the 30 department in a flexible and intelligent manner as dictated by changing 31 32 contemporary circumstances. Unless specifically limited by law, the director shall have complete charge and supervisory powers over the 33 department. The director may create such administrative structures as 34 35 the director deems appropriate, except as otherwise specified by law, 36 and the director may employ such personnel as may be necessary in 37 accordance with chapter 41.06 RCW, except as otherwise provided by law.

1 Sec. 33. RCW 47.01.071 and 2007 c 516 s 4 are each amended to read
2 as follows:

3 The transportation commission shall have the following functions, 4 powers, and duties:

(1) To propose policies to be adopted by the governor and the 5 legislature designed to ((assure)) ensure the development and 6 7 maintenance of a comprehensive and balanced statewide transportation system which will meet the needs of the people of this state for safe 8 and efficient transportation services. 9 Wherever appropriate, the policies shall provide for the use of integrated, intermodal 10 transportation systems. The policies must be aligned with the goals 11 established in RCW 47.04.280. To this end the commission shall: 12

13 (a) Develop transportation policies which are based on the 14 policies, goals, and objectives expressed and inherent in existing 15 state laws;

16 (b) Inventory the adopted policies, goals, and objectives of the 17 local and area-wide governmental bodies of the state and define the 18 role of the state, regional, and local governments in determining 19 transportation policies, in transportation planning, and in 20 implementing the state transportation plan;

(c) Establish a procedure for review and revision of the state transportation policy and for submission of proposed changes to the governor and the legislature; and

(d) Integrate the statewide transportation plan with the needs of the elderly and persons with disabilities, and coordinate federal and state programs directed at assisting local governments to answer such needs;

(2) To provide for the effective coordination of state transportation planning with national transportation policy, state and local land use policies, and local and regional transportation plans and programs;

(3) In conjunction with the provisions under RCW 47.01.075, to
 provide for public involvement in transportation designed to elicit the
 public's views both with respect to adequate transportation services
 and appropriate means of minimizing adverse social, economic,
 environmental, and energy impact of transportation programs;

37 (4) By December 2010, to prepare a comprehensive and balanced38 statewide transportation plan consistent with the state's growth

management goals and based on the transportation policy goals provided 1 2 under RCW 47.04.280 and applicable state and federal laws. The plan must reflect the priorities of government developed by the office of 3 financial management and address regional needs, including multimodal 4 5 transportation planning. The plan must, at a minimum: (a) Establish a vision for the development of the statewide transportation system; 6 7 (b) identify significant statewide transportation policy issues; and (c) recommend statewide transportation policies and strategies to the 8 legislature to fulfill the requirements of subsection (1) of this 9 The plan must be the product of an ongoing process that 10 section. involves representatives of significant transportation interests and 11 the general public from across the state. Every four years, the plan 12 13 shall be reviewed and revised, and submitted to the governor and the 14 of standing committees house representatives and senate on 15 transportation.

16 The plan shall take into account federal law and regulations 17 relating to the planning, construction, and operation of transportation 18 facilities;

(5) By December 2007, the office of financial management shall 19 20 submit a baseline report on the progress toward attaining the policy 21 goals under RCW 47.04.280 in the 2005-2007 fiscal biennium. By October 22 1, 2008, beginning with the development of the 2009-2011 biennial transportation budget, and by October 1st biennially thereafter, the 23 24 office of financial management shall submit to the legislature and the 25 governor a report on the progress toward the attainment by state transportation agencies of the state transportation policy goals and 26 27 objectives prescribed by statute, appropriation, and governor The report must, at a minimum, include the degree to which 28 directive. 29 state transportation programs have progressed toward the attainment of the policy goals established under RCW 47.04.280, as measured by the 30 31 objectives and performance measures established by the office of 32 financial management under RCW 47.04.280;

33 (6) To propose to the governor and the legislature prior to the 34 convening of each regular session held in an odd-numbered year a 35 recommended budget for the operations of the commission as required by 36 RCW 47.01.061;

37 (7) To adopt ((such)) rules as may be necessary to carry out 38 reasonably and properly those functions expressly vested in the 1 commission by statute. For rules adopted under the provisions of this 2 chapter after July 1, 2005, the commission may adopt only rules derived 3 from a specific grant of legislative authority. The rules must include 4 the specific statutory section or sections from which the grant of 5 authority is derived, and may not rely solely on a section of law 6 stating a statute's intent or purpose or the general enabling 7 provisions establishing the department;

8 (8) To contract with the office of financial management or other 9 appropriate state agencies for administrative support, accounting 10 services, computer services, and other support services necessary to 11 carry out its other statutory duties;

12 (9) To conduct transportation-related studies and policy analysis 13 to the extent directed by the legislature or governor in the biennial 14 transportation budget act, or as otherwise provided in law, and subject 15 to the availability of amounts appropriated for this specific purpose; 16 and

(10) To exercise such other specific powers and duties as may be vested in the transportation commission by this or any other provision of law.

20 **Sec. 34.** RCW 48.02.060 and 1947 c 79 s .02.06 are each amended to 21 read as follows:

(1) The commissioner shall have the authority expressly conferred
 upon him <u>or her</u> by or reasonably implied from the provisions of this
 code.

(2) The commissioner shall execute his <u>or her</u> duties and shall
 enforce the provisions of this code.

27 (3) The commissioner may:

(a) ((Make)) Adopt reasonable rules ((and regulations)) 28 for effectuating any provision of this code, except those relating to his 29 30 or her election, qualifications, or compensation. No ((such)) rules 31 ((and regulations shall be)) are effective prior to their being filed for public inspection in the commissioner's office. For rules adopted 32 under the provisions of this chapter after July 1, 2005, the 33 commissioner may adopt only rules derived from a specific grant of 34 35 legislative authority. The rules must include the specific statutory 36 section or sections from which the grant of authority is derived, and 1 may not rely solely on a section of law stating a statute's intent or
2 purpose or the general enabling provisions establishing the office of

3 <u>the insurance commissioner</u>.

4 (b) Conduct investigations to determine whether any person has 5 violated any provision of this code.

6 (c) Conduct examinations, investigations, hearings, in addition to 7 those specifically provided for, useful and proper for the efficient 8 administration of any provision of this code.

9 **Sec. 35.** RCW 48.44.050 and 1947 c 268 s 5 are each amended to read 10 as follows:

11 The insurance commissioner shall ((make)) adopt reasonable 12 ((regulations)) rules in aid of the administration of this chapter 13 which may include, but shall not be limited to ((regulations)) rules concerning the maintenance of adequate insurance, bonds, or cash 14 15 deposits, information required of registrants, and methods of 16 expediting speedy and fair payments to claimants. For rules adopted 17 under the provisions of this chapter after July 1, 2005, the insurance commissioner may adopt only rules derived from a specific grant of 18 legislative authority. The rules must include the specific statutory 19 20 section or sections from which the grant of authority is derived, and 21 may not rely solely on a section of law stating a statute's intent or purpose or the general enabling provisions establishing the office of 22 23 the insurance commissioner.

24 **Sec. 36.** RCW 48.46.200 and 1975 1st ex.s. c 290 s 21 are each 25 amended to read as follows:

26 The commissioner may, in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW, ((promulgate)) adopt 27 28 rules ((and regulations)) as necessary or proper to carry out the 29 provisions of this chapter. For rules adopted under the provisions of this chapter after July 1, 2005, the commissioner may adopt only rules 30 derived from a specific grant of legislative authority. The rules must 31 include the specific statutory section or sections from which the grant 32 of authority is derived, and may not rely solely on a section of law 33 34 stating a statute's intent or purpose or the general enabling 35 provisions establishing the office of the insurance commissioner.

Nothing in this chapter shall be construed to prohibit the commissioner
 from requiring changes in procedures previously approved by him.

3 **Sec. 37.** RCW 66.08.0501 and 1997 c 321 s 56 are each amended to 4 read as follows:

The liquor control board may adopt appropriate rules pursuant to 5 6 chapter 34.05 RCW for the purpose of carrying out the provisions of 7 chapter 321, Laws of 1997. For rules adopted under the provisions of this chapter after July 1, 2005, the liquor control board may adopt 8 only rules derived from a specific grant of legislative authority. The 9 rules must include the specific statutory section or sections from 10 11 which the grant of authority is derived, and may not rely solely on a section of law stating a statute's intent or purpose or the general 12 enabling provisions establishing the liquor control board. 13

14 **Sec. 38.** RCW 77.04.055 and 2000 c 107 s 204 are each amended to 15 read as follows:

16 (1) In establishing policies to preserve, protect, and perpetuate 17 wildlife, fish, and wildlife and fish habitat, the commission shall 18 meet annually with the governor to:

(a) Review and prescribe basic goals and objectives related tothose policies; and

(b) Review the performance of the department in implementing fishand wildlife policies.

The commission shall maximize fishing, hunting, and outdoor recreational opportunities compatible with healthy and diverse fish and wildlife populations.

(2) The commission shall establish hunting, trapping, and fishing
seasons and prescribe the time, place, manner, and methods that may be
used to harvest or enjoy game fish and wildlife.

(3) The commission shall establish provisions regulating food fishand shellfish as provided in RCW 77.12.047.

(4) The commission shall have final approval authority for tribal,
 interstate, international, and any other department agreements relating
 to fish and wildlife.

(5) The commission shall adopt rules to implement the state's fish
 and wildlife laws. For rules adopted under the provisions of this
 chapter after July 1, 2005, the commission may adopt only rules derived

1 from a specific grant of legislative authority. The rules must include 2 the specific statutory section or sections from which the grant of 3 authority is derived, and may not rely solely on a section of law 4 stating a statute's intent or purpose or the general enabling 5 provisions establishing the commission or the department.

6 (6) The commission shall have final approval authority for the 7 department's budget proposals.

8 (7) The commission shall select its own staff and shall appoint the 9 director of the department. The director and commission staff shall 10 serve at the pleasure of the commission.

11 Sec. 39. RCW 80.01.040 and 2007 c 234 s 1 are each amended to read 12 as follows:

13 The utilities and transportation commission shall:

14 (1) Exercise all the powers and perform all the duties prescribed15 by this title and by Title 81 RCW, or by any other law.

(2) Regulate in the public interest, as provided by the public
 service laws, all persons engaging in the transportation of persons or
 property within this state for compensation.

19 (3) Regulate in the public interest, as provided by the public 20 service laws, the rates, services, facilities, and practices of all 21 persons engaging within this state in the business of supplying any 22 utility service or commodity to the public for compensation.

23 (4) ((Make)) Adopt rules ((and regulations)) necessary to carry out its other powers and duties. For rules adopted under the provisions of 24 this chapter after July 1, 2005, the commission may adopt only rules 25 26 derived from a specific grant of legislative authority. The rules must include the specific statutory section or sections from which the grant 27 of authority is derived, and may not rely solely on a section of law 28 29 stating a statute's intent or purpose or the general enabling provisions establishing the commission. 30

31 <u>NEW SECTION.</u> Sec. 40. A new section is added to chapter 34.05 RCW 32 to read as follows:

33 When delegating authority to an agency through legislation, the 34 legislature, unless it specifically states otherwise, limits its 35 delegation of authority to: 1 (1) The minimum delegation necessary to administer the 2 legislation's clear and unambiguous directives; and

3 (2) The administration of circumstances and behaviors foreseeable4 at the time of the legislation's enactment.

--- END ---