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SENATE BILL 5983

State of Washington 61st Legislature 2009 Regular Session

By Senators Kline, Oemig, and Pridemore

Read first time 02/11/09. Referred to Committee on Judiciary.

- AN ACT Relating to the scope of agency actions under the administrative procedure act; amending RCW 34.05.010; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 NEW SECTION. **Sec. 1.** The legislature finds that chapter 34.05 RCW, the administrative procedure act, promotes consistency in state 6 agency administrative actions and promotes accountability to and oversight by the public of state agency actions. The legislature 8 9 further finds that the administrative procedure act provides certainty and consistency in the procedures for judicial review of agency actions 10 obtainable under the act and that the scope of agency actions subject 11 12 to the act should not be unduly narrowed. In Department of Natural Resources v. State Owned Forests (Court of Appeals Division One; No. 13 14 52550-7-I, November 29, 2004), the court held that a public land 15 resource planning decision by the department of natural resources was 16 not agency action subject to the administrative procedure act. legislature intends by this act to ensure that in all future planning 17 18 decisions the requirements of the administrative procedure act will be 19 applicable.

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Sec. 2. RCW 34.05.010 and 1997 c 126 s 2 are each amended to read 2 as follows:

The definitions ((set forth)) in this section ((shall)) apply throughout this chapter $((\tau))$ unless the context clearly requires otherwise.

- (1) "Adjudicative proceeding" means a proceeding before an agency in which an opportunity for hearing before that agency is required by statute or constitutional right before or after the entry of an order by the agency. Adjudicative proceedings also include all cases of licensing and rate making in which an application for a license or rate change is denied except as limited by RCW 66.08.150, or a license is revoked, suspended, or modified, or in which the granting of an application is contested by a person having standing to contest under the law.
- (2) "Agency" means any state board, commission, department, institution of higher education, or officer, authorized by law to make rules or to conduct adjudicative proceedings, except those in the legislative or judicial branches, the governor, or the attorney general except to the extent otherwise required by law and any local governmental entity that may request the appointment of an administrative law judge under chapter 42.41 RCW.
- (3) "Agency action" means licensing, the implementation or enforcement of a statute, the adoption or application of an agency rule or order, the imposition of sanctions, or the granting or withholding of benefits.

Agency action does not include an agency decision regarding (a) contracting or procurement of goods, services, public works, and the purchase, lease, or acquisition by any other means, including eminent domain, of real estate, as well as all activities necessarily related to those functions, or (b) determinations as to the sufficiency of a showing of interest filed in support of a representation petition, or mediation or conciliation of labor disputes or arbitration of labor disputes under a collective bargaining law or similar statute, or (c) any sale, lease, or contract((, or other proprietary)) decision in the management of public lands or real property interests, or (d) the granting of a license, franchise, or permission for the use of trademarks, symbols, and similar property owned or controlled by the agency.

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(4) "Agency head" means the individual or body of individuals in whom the ultimate legal authority of the agency is vested by any provision of law. If the agency head is a body of individuals, a majority of those individuals constitutes the agency head.

- (5) "Entry" of an order means the signing of the order by all persons who are to sign the order, as an official act indicating that the order is to be effective.
- (6) "Filing" of a document that is required to be filed with an agency means delivery of the document to a place designated by the agency by rule for receipt of official documents, or in the absence of such designation, at the office of the agency head.
- (7) "Institutions of higher education" are the University of Washington, Washington State University, Central Washington University, Eastern Washington University, Western Washington University, The Evergreen State College, the various community colleges, and the governing boards of each of the above, and the various colleges, divisions, departments, or offices authorized by the governing board of the institution involved to act for the institution, all of which are sometimes referred to in this chapter as "institutions."
- (8) "Interpretive statement" means a written expression of the opinion of an agency, entitled an interpretive statement by the agency head or its designee, as to the meaning of a statute or other provision of law, of a court decision, or of an agency order.
- (9)(a) "License" means a franchise, permit, certification, approval, registration, charter, or similar form of authorization required by law, but does not include (i) a license required solely for revenue purposes, or (ii) a certification of an exclusive bargaining representative, or similar status, under a collective bargaining law or similar statute, or (iii) a license, franchise, or permission for use of trademarks, symbols, and similar property owned or controlled by the agency.
- (b) "Licensing" includes the agency process respecting the issuance, denial, revocation, suspension, or modification of a license.
- (10) "Mail" or "send," for purposes of any notice relating to rule making or policy or interpretive statements, means regular mail or electronic distribution, as provided in RCW 34.05.260. "Electronic distribution" or "electronically" means distribution by electronic mail or facsimile mail.

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- 1 (11)(a) "Order," without further qualification, means a written 2 statement of particular applicability that finally determines the legal 3 rights, duties, privileges, immunities, or other legal interests of a 4 specific person or persons.
 - (b) "Order of adoption" means the official written statement by which an agency adopts, amends, or repeals a rule.

- (12) "Party to agency proceedings," or "party" in a context so indicating, means:
 - (a) A person to whom the agency action is specifically directed; or
- 10 (b) A person named as a party to the agency proceeding or allowed 11 to intervene or participate as a party in the agency proceeding.
 - (13) "Party to judicial review or civil enforcement proceedings," or "party" in a context so indicating, means:
 - (a) A person who files a petition for a judicial review or civil enforcement proceeding; or
 - (b) A person named as a party in a judicial review or civil enforcement proceeding, or allowed to participate as a party in a judicial review or civil enforcement proceeding.
 - (14) "Person" means any individual, partnership, corporation, association, governmental subdivision or unit thereof, or public or private organization or entity of any character, and includes another agency.
 - (15) "Policy statement" means a written description of the current approach of an agency, entitled a policy statement by the agency head or its designee, to implementation of a statute or other provision of law, of a court decision, or of an agency order, including where appropriate the agency's current practice, procedure, or method of action based upon that approach.
 - (16) "Rule" means any agency order, directive, or regulation of general applicability (a) the violation of which subjects a person to a penalty or administrative sanction; (b) which establishes, alters, or revokes any procedure, practice, or requirement relating to agency hearings; (c) which establishes, alters, or revokes any qualification or requirement relating to the enjoyment of benefits or privileges conferred by law; (d) which establishes, alters, or revokes any qualifications or standards for the issuance, suspension, or revocation of licenses to pursue any commercial activity, trade, or profession; or (e) which establishes, alters, or revokes any mandatory standards for

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any product or material which must be met before distribution or sale. 1 2 The term includes the amendment or repeal of a prior rule, but does not include (i) statements concerning only the internal management of an 3 agency and not affecting private rights or procedures available to the 4 public, (ii) declaratory rulings issued pursuant to RCW 34.05.240, 5 (iii) traffic restrictions for motor vehicles, bicyclists, 6 7 pedestrians established by the secretary of transportation or his 8 designee where notice of such restrictions is given by official traffic control devices, or (iv) rules of institutions of higher education 9 involving standards of admission, academic advancement, academic 10 11 credit, graduation and the granting of degrees, employment 12 relationships, or fiscal processes.

(17) "Rules review committee" or "committee" means the joint administrative rules review committee created pursuant to RCW 34.05.610 for the purpose of selectively reviewing existing and proposed rules of state agencies.

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- (18) "Rule making" means the process for formulation and adoption of a rule.
 - (19) "Service," except as otherwise provided in this chapter, means posting in the United States mail, properly addressed, postage prepaid, or personal service. Service by mail is complete upon deposit in the United States mail. Agencies may, by rule, authorize service by electronic telefacsimile transmission, where copies are mailed simultaneously, or by commercial parcel delivery company.

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