
Government Operations & Elections Committee

HB 1591

Brief Description: Improving the business climate and stimulating job creation by requiring certain agencies to establish a formal review process of existing rules.

Sponsors: Representatives Smith, Van De Wege, Magendanz, Appleton, Angel, Stonier, Schmick, Upthegrove, Ryu, Pike, O'Ban, Hayes, Blake, Wilcox, Haler, Buys, Short, Warnick and Parker.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Requires the departments of Ecology, Labor and Industries, and Health to establish and annually perform a formal review process of existing rules.
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Hearing Date: 2/19/13

Staff: Marsha Reilly (786-7135).

Background:

Executive Order 06-02.

Governor Gregoire signed Executive Order (EO) 06-02 in February 2006 for the purpose of improving and simplifying the licensing, permitting, tax collection and other state business systems, and developing a one-stop business portal for Washington citizens and businesses.

Agencies that collect taxes or provide permits, licenses, approvals, and other regulatory services are required to:

- establish measurable service delivery standards to address turnaround or response times, professionalism and helpfulness, consistency, efficiency and effectiveness, and overall quality of services outcomes;
- regularly measure progress;
- report quarterly to the Governor;

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- consider benchmarks from similar agencies or programs;
- set targets for improvement; and
- use "plain talk" standards for written materials.

Audit on Business Regulation Practices in Washington.

In 2012 the State Auditor completed an audit of state regulatory practices. The audit addressed two questions:

- Do Washington state government websites effectively provide regulatory information to businesses?
- Do Washington regulatory agencies have processes in place to streamline their business rules consistent with Governor Gregoire's executive order.

Regarding website access to business information, the audit found that:

- the vision of a one-stop business portal has not yet been achieved;
- regulatory information on regulatory agency websites is incomplete, and not all sites are easy to use; and
- only 23 percent of permits and licenses provide online information about processing times.

Regarding rule streamlining, the audit found that:

- agencies are streamlining some of their rules and some agencies' streamlining practices are in alignment with the Governor's EO;
- three agencies, Ecology, Health, and Labor and Industries, could improve their streamlining practices for formalizing their review processes; and
- none of the agencies measured the results of streamlining activity to determine whether rule revisions had the intended effect.

Audit recommendations included that all state regulatory agencies adopt streamlining processes that include:

- documentation of the review requirement and the process;
- review in regular intervals to ensure all business rules are evaluated to determine if streamlining is needed;
- specific criteria to evaluate the need, consistency, and clarity of existing rules; and
- measurement and tracing of results, before and after rules are streamlined.

Summary of Bill:

The departments of Ecology, Labor and Industries, and Health must establish a formal review process of their existing rules, and conduct the review process on a yearly basis. The goal of the review is to streamline the process and time required for obtaining licenses, permits, and inspections, as well as to reduce the numbers of licenses, permits, and inspections required. Benchmarks must be adopted to assess the effectiveness of streamlining efforts. Each department must establish a process for effectively applying sunset provisions to rules when applicable.

The departments must each report back to the applicable committees of the Legislature with its review process and benchmarks by January 2014.

Appropriation: None.

Fiscal Note: Requested on February 15, 2013.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.