
Local Government Committee

BILL ANALYSIS HJM 4018

TITLE OF THE BILL: Petitioning the Governor to impose a moratorium on state agencies adopting rules that would create new costs for local governments.

Brief Summary of Bill:

- Requests that the Governor impose a moratorium (until March 30, 2002) on all state agency rulemaking or programmatic activities that create new costs for local governments.
- Requests that the Governor require all state agencies (until March 30, 2002) to assess costs of rules or activities on local governments and to issue a finding that a rule or activity does not create new costs for local governments before proceeding with the rule or activity.

SPONSORS: Mulliken, Doumit, Mielke, Scott, Ericksen and Fortunato

HEARING DATE: Thursday, January 20, 2000

EFFECTIVE DATE: The bill is effective upon passage.

FISCAL NOTE: Not requested.

ANALYSIS PREPARED BY: Scott MacColl (786-7106).

BACKGROUND:

Local governments have had experienced revenue reductions due to the passage of Initiative 695, which repealed the Motor Vehicle Excise Tax (MVET). Certain local governments formerly received revenue in the form of Sales Tax Equalization, which was funded through MVET receipts.

State agency rule making is authorized in Chapter 43.17 RCW, in which the directors of departments may prescribe rules and regulations. These rules and regulations may require local governments to provide some action in response to new or updated rules.

Administrative agencies are created by the Legislature and have only the authority given to them by the Legislature. Administrative agency powers may be expressly stated in statute or may be implied from statutorily mandated duties. An administrative agency authorized or required to take some action has the implied authority to take those actions that are lawful and necessary to carry out the granted authority or to satisfy the statutory requirement. This "implied authority" of state agencies can be limited by constitutional or statutory conditions or restrictions.

Administrative agencies may be granted statutory authority to promulgate "rules," defined generally by the Administrative Procedure Act (APA) to include any agency orders, directives or regulations of general applicability that may impose penalties or sanctions, establish standards or qualifications, or relate to benefits conferred by law. Agency rules may also specify procedures for agency actions or hearings. The APA includes statutory procedural requirements for promulgation of agency rules, including public notice and opportunity to comment.

SUMMARY:

The memorial requests the Governor to issue an executive order that would restrict state agencies from proposing or adopting a rule or engaging in programmatic activity that will create new costs for local governments until March 30, 2002, unless it is fully funded by the legislature. Also, in order to proceed with any rules or programmatic activity, a state agency must issue a finding determining that no new costs are created for local governments.