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## ENGROSSED SUBSTITUTE HOUSE BILL 2123

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State of Washington 56th Legislature 1999 Regular Session

By House Committee on State Government (originally sponsored by Representatives Cox, Grant, McMorris, Romero, D. Schmidt and Doumit)

Read first time 03/02/1999.

- AN ACT Relating to expedited rule making; amending RCW 34.05.230,
- 2 34.05.310, and 34.05.356; repealing RCW 34.05.354; and providing an
- 3 effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 34.05.230 and 1997 c 409 s 202 are each amended to 6 read as follows:
- 7 (1) ((An agency may file notice for the expedited adoption of rules 8 in accordance with the procedures set forth in this section for rules 9 meeting any one of the following criteria:
- 10 (a) The proposed rules relate only to internal governmental 11 operations that are not subject to violation by a person;
- (b) The proposed rules adopt or incorporate by reference without
  material change federal statutes or regulations, Washington state
  statutes, rules of other Washington state agencies, shoreline master
  programs other than those programs governing shorelines of state-wide
  significance, or, as referenced by Washington state law, national
  consensus codes that generally establish industry standards, if the
  material adopted or incorporated regulates the same subject matter and
- 19 conduct as the adopting or incorporating rule;

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(c) The proposed rules only correct typographical errors, make address or name changes, or clarify language of a rule without changing its effect;

(d) The content of the proposed rules is explicitly and specifically dictated by statute;

(e) The proposed rules have been the subject of negotiated rule making, pilot rule making, or some other process that involved substantial participation by interested parties before the development of the proposed rule; or

10 (f) The proposed rule is being amended after a review under RCW 11 34.05.328 or section 210 of this act.

(2) The expedited rule making process must follow the requirements for rule making set forth in RCW 34.05.320, except that the agency is not required to prepare a small business economic impact statement under RCW 19.85.025, a statement indicating whether the rule constitutes a significant legislative rule under RCW 34.05.328(5)(c)(iii), or a significant legislative rule analysis under RCW 34.05.328. An agency is not required to prepare statements of inquiry under RCW 34.05.310 or conduct a hearing for the expedited adoption of rules. The notice for the expedited adoption of rules must contain a statement in at least ten-point type, that is substantially in the following form:

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THIS RULE IS BEING PROPOSED TO BE ADOPTED USING AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS RULE BEING ADOPTED USING THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO (INSERT NAME AND ADDRESS) AND RECEIVED BY (INSERT DATE).

(3) The agency shall send a copy of the notice of the proposed expedited rule making to any person who has requested notification of proposals for the expedited adoption of rules or of agency rule making, as well as the joint administrative rules review committee, within three days after its publication in the Washington State Register. An agency may charge for the actual cost of providing a requesting party mailed copies of these notices. The notice of the proposed expedited

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rule making must be preceded by a statement substantially in the form provided in subsection (2) of this section. The notice must also include an explanation of the reasons the agency believes the expedited adoption of the rule is appropriate.

 (4) The code reviser shall publish the text of all rules proposed for expedited adoption along with the notice required in this section in a separate section of the Washington State Register. Once the text of the proposed rules has been published in the Washington State Register, the only changes that an agency may make in the text of these proposed rules before their final adoption are to correct typographical errors.

(5) Any person may file a written objection to the expedited adoption of a rule. The objection must be filed with the agency rules coordinator within forty-five days after the notice of the proposed expedited rule making has been published in the Washington State Register. A person who has filed a written objection to the expedited adoption of a rule may withdraw the objection.

(6) If no written objections to the expedited adoption of a rule are filed with the agency within forty-five days after the notice of proposed expedited rule making is published, or if all objections that have been filed are withdrawn by the persons filing the objections, the agency may enter an order adopting the rule without further notice or a public hearing. The order must be published in the manner required by this chapter for any other agency order adopting, amending, or repealing a rule.

(7) If a written notice of objection to the expedited adoption of the rule is timely filed with the agency and is not withdrawn, the notice of proposed expedited rule making published under this section is considered a statement of inquiry for the purposes of RCW 34.05.310, and the agency may initiate further rule adoption proceedings in accordance with this chapter.

32 (8) Subsections (1) through (8) of this section expire on December 33 31, 2000.

an [An])) An agency is encouraged to advise the public of its current opinions, approaches, and likely courses of action by means of interpretive or policy statements. Current interpretive and policy statements are advisory only. To better inform and involve the public, an agency is encouraged to convert long-standing interpretive and policy statements into rules.

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- 1 (2) A person may petition an agency requesting the conversion of 2 interpretive and policy statements into rules. Upon submission, the 3 agency shall notify the joint administrative rules review committee of 4 the petition. Within sixty days after submission of a petition, the 5 agency shall either deny the petition in writing, stating its reasons 6 for the denial, or initiate rule-making proceedings in accordance with 7 this chapter.
- 8 ((<del>(11)</del>)) (3) Each agency shall maintain a roster of interested persons, consisting of persons who have requested in writing to be 9 10 notified of all interpretive and policy statements issued by that 11 Each agency shall update the roster once each year and eliminate persons who do not indicate a desire to continue on the 12 13 roster. Whenever an agency issues an interpretive or policy statement, it shall send a copy of the statement to each person listed on the 14 15 roster. The agency may charge a nominal fee to the interested person for this service. 16
- ((\(\frac{(12)}{12}\))) (4) Whenever an agency issues an interpretive or policy statement, it shall submit to the code reviser for publication in the Washington State Register a statement describing the subject matter of the interpretive or policy statement, and listing the person at the agency from whom a copy of the interpretive or policy statement may be obtained.
- 23 **Sec. 2.** RCW 34.05.310 and 1995 c 403 s 301 are each amended to 24 read as follows:
- 25 (1) To meet the intent of providing greater public access to 26 administrative rule making and to promote consensus among interested 27 parties, agencies shall solicit comments from the public on a subject 28 of possible rule making before filing with the code reviser a notice of 29 proposed rule making under RCW 34.05.320. The agency shall prepare a 30 statement of inquiry that:
- 31 (a) Identifies the specific statute or statutes authorizing the 32 agency to adopt rules on this subject;
- 33 (b) Discusses why rules on this subject may be needed and what they 34 might accomplish;
- 35 (c) Identifies other federal and state agencies that regulate this 36 subject, and describes the process whereby the agency would coordinate 37 the contemplated rule with these agencies;

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- 1 (d) Discusses the process by which the rule might be developed, 2 including, but not limited to, negotiated rule making, pilot rule 3 making, or agency study;
- 4 (e) Specifies the process by which interested parties can 5 effectively participate in the decision to adopt a new rule and 6 formulation of a proposed rule before its publication.

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The statement of inquiry shall be filed with the code reviser ((for publication)) and published in the state register at least thirty days before the date the agency files notice of proposed rule making under RCW 34.05.320 and shall be sent to any party that has requested receipt of the agency's statements of inquiry.

- (2) Agencies are encouraged to develop and use new procedures for reaching agreement among interested parties before publication of notice and the adoption hearing on a proposed rule. Examples of new procedures include, but are not limited to:
- 16 (a) Negotiated rule making by which representatives of an agency 17 and of the interests that are affected by a subject of rule making, 18 including, where appropriate, county and city representatives, seek to 19 reach consensus on the terms of the proposed rule and on the process by 20 which it is negotiated; and
  - (b) Pilot rule making which includes testing the feasibility of complying with or administering draft new rules or draft amendments to existing rules through the use of volunteer pilot groups in various areas and circumstances, as provided in RCW 34.05.313 or as otherwise provided by the agency.
- (3)(a) An agency must make a determination whether negotiated rule making, pilot rule making, or another process for generating participation from interested parties prior to development of the rule is appropriate.
- 30 (b) An agency must include a written justification in the rule-31 making file if an opportunity for interested parties to participate in 32 the rule-making process prior to publication of the proposed rule has 33 not been provided.
  - (4) This section does not apply to:
- 35 (a) Emergency rules adopted under RCW 34.05.350;
- 36 (b) ((Rules relating only to internal governmental operations that 37 are not subject to violation by a nongovernment party;
- 38 (c) Rules adopting or incorporating by reference without material
  39 change federal statutes or regulations, Washington state statutes,

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- 1 rules of other Washington state agencies, shoreline master programs
- 2 other than those programs governing shorelines of state-wide
- 3 significance, or, as referenced by Washington state law, national
- 4 consensus codes that generally establish industry standards, if the
- 5 material adopted or incorporated regulates the same subject matter and
- 6 conduct as the adopting or incorporating rule;
- 7 (d) Rules that only correct typographical errors, make address or
- 8 name changes, or clarify language of a rule without changing its
- 9 <del>effect;</del>
- (e) Rules the content of which is explicitly and specifically
- 11 dictated by statute;
- 12 (f))) Rules that can be adopted or repealed using expedited rule
- 13 making under RCW 34.05.356;
- 14 (c) Rules that set or adjust fees or rates pursuant to legislative
- 15 standards; or
- 16  $((\frac{\langle q \rangle}{}))$  (d) Rules that adopt, amend, or repeal:
- 17 (i) A procedure, practice, or requirement relating to agency
- 18 hearings; or
- 19 (ii) A filing or related process requirement for applying to an
- 20 agency for a license or permit.
- 21 **Sec. 3.** RCW 34.05.356 and 1998 c 280 s 2 are each amended to read
- 22 as follows:
- 23 (1) An agency may file notice for the expedited adoption of rules
- 24 in accordance with the procedures set forth in this section for rules
- 25 meeting any one of the following criteria:
- 26 (a) The proposed rules relate only to internal governmental
- 27 operations that are not subject to violation by a person;
- 28 (b) The proposed rules adopt or incorporate by reference without
- 29 material change federal statutes or regulations, Washington state
- 30 statutes, rules of other Washington state agencies, shoreline master
- 31 programs other than those programs governing shorelines of state-wide
- 32 significance, or, as referenced by Washington state law, national
- 33 consensus codes that generally establish industry standards, if the
- 34 material adopted or incorporated regulates the same subject matter and
- 35 conduct as the adopting or incorporating rule;
- 36 (c) The proposed rules only correct typographical errors, make
- 37 address or name changes, or clarify language of a rule without changing
- 38 its effect;

- 1 (d) The content of the proposed rules is explicitly and 2 specifically dictated by statute;
- 3 (e) The proposed rules have been the subject of negotiated rule 4 making, pilot rule making, or some other process that involved 5 substantial participation by interested parties before the development 6 of the proposed rule; or
- 7 (f) The proposed rule is being amended after a review under RCW 8 34.05.328.
- 9 (2) An agency may file notice for the expedited repeal of rules
  10 under the procedures set forth in this section for rules meeting any
  11 one of the following criteria:
- 12 <u>(a) The statute on which the rule is based has been repealed and</u>
  13 <u>has not been replaced by another statute providing statutory authority</u>
  14 <u>for the rule;</u>
- 15 <u>(b) The statute on which the rule is based has been declared</u>
  16 <u>unconstitutional by a court with jurisdiction, there is a final</u>
  17 <u>judgment, and no statute has been enacted to replace the</u>
  18 <u>unconstitutional statute;</u>
- 19 <u>(c) The rule is no longer necessary because of changed</u>
  20 <u>circumstances; or</u>
- 21 <u>(d) Other rules of the agency or of another agency govern the same</u> 22 activity as the rule, making the rule redundant.
  - (3) The expedited rule-making process must follow the requirements for rule making set forth in RCW 34.05.320, except that the agency is not required to prepare a small business economic impact statement under RCW 19.85.025, a statement indicating whether the constitutes significant legislative rule under а RCW  $34.05.328((\frac{(6)(c)(iii)}{(iii)}))$  (5)(c)(iii), or a significant legislative rule analysis under RCW 34.05.328. An agency is not required to prepare statements of inquiry under RCW 34.05.310 or conduct a hearing for the expedited ((adoption of rules)) rule making. The notice for the expedited ((adoption of rules)) rule making must contain a statement in at least ten-point type, that is substantially in the following form:

## 34 NOTICE

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THIS RULE IS BEING PROPOSED ((TO BE ADOPTED USING))

UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE

NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL

BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE

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- CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO
  THIS ((RULE BEING ADOPTED USING)) USE OF THE EXPEDITED RULEMAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND
  THEY MUST BE SENT TO (INSERT NAME AND ADDRESS) AND RECEIVED BY
  (INSERT DATE).
- 6 (((3))) (4) The agency shall send a copy of the notice of the 7 proposed expedited rule making to any person who has requested notification of proposals for ((the)) expedited ((adoption of rules)) 8 9 rule making or of regular agency rule making, as well as the joint administrative rules review committee, within three days after its 10 publication in the Washington State Register. An agency may charge for 11 12 the actual cost of providing a requesting party mailed copies of these 13 The notice of the proposed expedited rule making must be preceded by a statement substantially in the form provided in 14 subsection  $((\frac{2}{2}))$  of this section. The notice must also include 15 an explanation of the reasons the agency believes the expedited 16 17 ((adoption of the)) rule-making process is appropriate.
- (((4))) (5) The code reviser shall publish the text of all rules 18 proposed for expedited adoption, and the citation and caption of all 19 20 rules proposed for expedited repeal, along with the notice required in 21 this section in a separate section of the Washington State Register. 22 Once the ((text of the proposed rules)) notice of expedited rule making has been published in the Washington State Register, the only changes 23 that an agency may make in the ((text of these proposed rules)) noticed 24 25 materials before their final adoption or repeal are to correct 26 typographical errors.
  - (((5))) (6) Any person may file a written objection to the expedited  $((adoption\ of\ a))$  rule making. The objection must be filed with the agency rules coordinator within forty-five days after the notice of the proposed expedited rule making has been published in the Washington State Register. A person who has filed a written objection to the expedited  $((adoption\ of\ a))$  rule making may withdraw the objection.
- ((<del>(6)</del>)) (7) If no written objections to the expedited ((adoption of a)) rule making are filed with the agency within forty-five days after the notice of proposed expedited rule making is published, or if all objections that have been filed are withdrawn by the persons filing the objections, the agency may enter an order adopting or repealing the rule without further notice or a public hearing. The order must be

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- 1 published in the manner required by this chapter for any other agency 2 order adopting, amending, or repealing a rule.
- (((7))) (8) If a written notice of objection to the expedited  $((adoption\ of\ the))$  rule <u>making</u> is timely filed with the agency and is not withdrawn, the notice of proposed expedited rule making published under this section is considered a statement of inquiry for the purposes of RCW 34.05.310, and the agency may initiate further ((rule adoption)) rule-making proceedings in accordance with this chapter.
- 9 ((<del>8) This section expires December 31, 2000.</del>))
- NEW SECTION. Sec. 4. RCW 34.05.354 (Expedited repeal) and 1998 c 11 280 s 6, 1997 c 409 s 208, & 1995 c 403 s 701 are each repealed.
- 12 <u>NEW SECTION.</u> **Sec. 5.** This act takes effect January 1, 2000.

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