

**SENATE BILL REPORT**

**SB 5786**

**AS OF FEBRUARY 22, 1991**

**Brief Description:** Providing for more efficiency in governmental regulation.

**SPONSORS:** Senators Cantu, Owen, Metcalf, Moore, Hayner, Amondson, von Reichbauer, Stratton, Bluechel, L. Smith, Barr, Hansen, Johnson, Snyder, Anderson, Craswell, Rasmussen, Bailey, Thorsness, McCaslin, Newhouse, Nelson, Bauer and Oke.

**SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS**

**Staff:** Martin Lovinger (786-7443)

**Hearing Dates:** February 25, 1991

**BACKGROUND:**

It is felt that inefficient government regulation is adversely affecting economic development.

**SUMMARY:**

An office of citizens' regulatory ombudsman is created to be appointed by the Governor with the consent of the Senate. The ombudsman shall consider if abstract standards have been fairly translated into realistic regulations and shall recommend policies and consider business counter-proposals that achieve the regulatory goals more efficiently. The ombudsman can grant direct relief. Input is to be sought from private industry and regulatory agencies. The ombudsman shall balance local need and broad public benefit when determining the degree to which city and county governments may make ad hoc changes in regulatory requirements to fit local needs. The ombudsman may create such administrative structures as the ombudsman considers appropriate. The ombudsman shall review and investigate citizens' complaints against agencies. The ombudsman shall attempt to get errors corrected and to this end may mediate the dispute or file an action in superior court on behalf of the citizen.

A new section is added to the public disclosure chapter of the RCW requiring that upon request from a permit or license applicant, a regulatory agency must provide a written statement of all applicable regulations. A denial of the application cannot be based on a regulation not listed in the written response.

Each regulatory agency is directed to coordinate federal, state and local regulations to avoid conflict and inconsistent treatment at each level. A list must be made of matters in

which the local office can make the final determination of the agency's rules. Each agency director is directed to coordinate regulatory and audit requirements between the agency, local and federal regulators to avoid requiring businesses to repeatedly provide the same information.

A regulated party may challenge the relevance of a required report. In the absence of specific evidence the report is essential to the decision-making process, the party may discontinue production of the report. The ombudsman has the authority to decide if the report is essential.

Agency personnel must be sensitive to the burden that regulation places disproportionately on small businesses. However, this does not relieve businesses of their obligation to comply.

Agencies shall provide to parties a schedule of specific maximum times for performance, findings of inspections and tests and other related findings. Delays in granting permits must be linked to specific insufficiencies instead of broad policies.

Agencies exceeding 21 days in making a final decision shall give notice to the party of the reason for delay, the expected length of the delay and a new date for final action. Agencies shall publish a timetable for time requirements and if it is exceeded, the party shall be permitted to proceed unless personal health or safety is threatened.

In addressing substantial public health and safety risks, an agency shall establish priorities based on the severity of risk without regard to source.

Local regulators shall bear the burden of proof to show the reason for variance from state standards.

Where a rule adopted pursuant to RCW 34.05.320 will have an economic impact on more than 20 percent of all industry or 10 percent of one industry, the agency shall reduce the impact on small business by doing the following where feasible: establish different compliance requirements, clarify or simplify compliance, establish performance rather than design standards, exempt small businesses from any or all requirements, especially rules dealing with employee benefits or job classifications.

A regulatory agency shall in adopting a rule or exercising regulatory authority recognize and coordinate its requirements with existing arrangements covering all or part of the regulatory goal.

Where rule modification or new rules impact work in progress, good faith efforts at compliance are to be acknowledged. Discretion is to be used in applying rules which disrupt work in such a way as to increase risk to worker health and safety. No fines are to be imposed where good faith efforts are made

at compliance with regulatory changes impacting work in progress.

A five-member building technologies advisory board is created. They are unpaid but will receive travel expenses. They will receive input and advise on new construction and design technologies.

The ombudsman shall establish a group capable of assessing the use of materials in the emerging technologies to allow the development of appropriate regulations in a reasonable time.

A contract specifications task force is created within GA. It will develop request for proposal criteria which offer adequate detail for realistic bids and encourage competitive bids from multiple suppliers.

Any contract subject to RCW 43.19.1911 that is not let to the lowest responsible bidder pursuant to this section is void. GA is directed to closely monitor purchases subject to RCW 43.19.1906 through 43.19.1913 to determine whether competitive bidding requirements are being followed.

All state agency regional offices should have uniform hours, at least one public parking space and signs indicating the hours of the agency and notice of those areas for specific transactions.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested February 22, 1991