

# HOUSE BILL REPORT

## ESSB 5766

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### As Passed House:

April 14, 2003

**Title:** An act relating to providing businesses with notice of administrative rules.

**Brief Description:** Providing businesses with notice of certain administrative rules.

**Sponsors:** By Senate Committee on Government Operations & Elections (originally sponsored by Senators Roach, Reardon, Kastama, Stevens, McCaslin, Esser, McAuliffe, Rasmussen and Hale).

### Brief History:

#### Committee Activity:

State Government: 3/20/03, 3/28/03 [DP];

Appropriations: 4/7/03 [DP].

#### Floor Activity:

Passed House: 4/14/03, 93-0.

### Brief Summary of Engrossed Substitute Bill

- Providing businesses with notice of certain administrative rules.

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## HOUSE COMMITTEE ON STATE GOVERNMENT

**Majority Report:** Do pass. Signed by 9 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; Hunt, McDermott, Nixon, Tom and Wallace.

**Staff:** Anne Warwick (786-7291) and Katie Blinn (786-7114).

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## HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** Do pass. Signed by 27 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Alexander, Boldt, Buck, Clements, Cody, Conway, Cox, DeBolt, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Pflug, Ruderman, Schual-Berke, Sump and Talcott.

**Staff:** Amy Skei (786-7140).

**Background:**

The primary institutional means for providing notice to the public of an agencies' rulemaking activities is the Washington State Register (Register) that is published by the Code Reviser. The Register is a biweekly publication distributed on the first and third Wednesday of each month. The Register website contains state agencies' pre-proposals, notices of proposed rules, emergency and permanently adopted rules, public meetings, requests for public input, notices of rules review, executive orders of the Governor, court rules, summary of attorney general opinions, juvenile disposition standards, basic filing procedures, agency rulemaking activities, quarterly rulemaking reports, the state maximum interest rate, the closing date calendar, the pre-proposal calendar, and a list of designated rules coordinators. Persons interested in receiving copies of rulemaking activity that is of interest to them may request copies from the relevant agencies. The Administrative Procedure Act states that all persons who request a rulemaking document from an agency must be provided with it.

All rules proposed by an agency must either provide a Small Business Economic Impact Statement (SBEIS) or provide an explanation why the SBEIS was not prepared. The SBEIS process requires the agency to provide notice of a proposed rule to small businesses either by direct notification to known interested small businesses or trade organizations or by notification to relevant trade journals. Final agency rules are printed in the Washington Administrative Code.

**Summary of Bill:**

For new rules that impose additional requirements on businesses, the departments of Employment Security, Labor and Industries, Ecology and Revenue must notify businesses affected by the rule of the rule's requirements, how the business can appeal the rule, and how to obtain assistance with the rule. This requirement only applies to rules that impose additional requirements on businesses, the violation of which subjects a business to penalties or sanctions. This requirement does not apply to emergency rules. The agencies must develop a process to make this notification either before or within 200 days after the effective date of the rule.

**Appropriation:** None.

**Fiscal Note:** Not Requested.

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

**Testimony For:** (State Government) Agencies are making concerted efforts to relay the

rulemaking process. Certain agencies have created electronic contact lists so that all persons interested in specific rules are able to receive that information electronically. This is one of the biggest common-sense bills before the Legislature.

**Testimony For:** (Appropriations) None.

**Testimony Against:** (State Government) None.

**Testimony Against:** (Appropriations) None.

**Testified:** (State Government) Senator Roach, prime sponsor; Carol Jolly, Governor's Policy Office; Amber Balch, Association of Washington Business; Mark Johnson, National Federation of Independent Business; and Gary Smith, Independent Business Association.

**Testified:** (Appropriations) None.