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SENATE BILL 6269

State of Washington 53rd Legislature 1994 Regular Session

By Senators Moore, Amondson, Prentice, McAuliffe, Deccio, Sellar, Vognild, Newhouse, Bauer, Winsley and Ludwig

Read first time 01/18/94. Referred to Committee on Labor & Commerce.

- 1 AN ACT Relating to review of administrative rules; amending RCW
- 2 34.05.620, 34.05.630, 34.05.640, and 34.05.660; adding a new section to
- 3 chapter 34.05 RCW; and repealing RCW 34.05.670 and 34.05.680.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 34.05.620 and 1988 c 288 s 602 are each amended to 6 read as follows:
- Whenever a majority of the members of the rules review committee
- 8 determines that a proposed rule is not within the intent of the
- 9 legislature as expressed in the statute which the rule implements, or
- 10 that an agency may not be adopting a proposed rule in accordance with
- 11 all applicable provisions of law, including section 5, chapter ... (S-
- 12 <u>4041.3/94</u>), <u>Laws of 1994 and chapter 19.85 RCW</u>, the committee shall
- 13 give the affected agency written notice of its decision. The notice
- 14 shall be given at least seven days prior to any hearing scheduled for
- 15 consideration of or adoption of the proposed rule pursuant to RCW
- 16 34.05.320. The notice shall include a statement of the review
- 17 committee's findings and the reasons therefor. When the agency holds
- 18 a hearing on the proposed rule, the agency shall consider the review
- 19 committee's decision.

p. 1 SB 6269

- 1 **Sec. 2.** RCW 34.05.630 and 1993 c 277 s 1 are each amended to read 2 as follows:
- 3 (1) All rules required to be filed pursuant to RCW 34.05.380, and 4 emergency rules adopted pursuant to RCW 34.05.350, are subject to 5 selective review by the legislature.

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- (2) The rules review committee may review an agency's use of policy statements, guidelines, and issuances that are of general applicability, or their equivalents to determine whether or not an agency has failed to adopt a rule or whether they are within the intent of the legislature as expressed by the governing statute.
- (3) If the rules review committee finds by a majority vote of its 11 members: (a) That an existing rule is not within the intent of the 12 13 legislature as expressed by the statute which the rule implements, (b) that the rule has not been adopted in accordance with all applicable 14 15 provisions of law, <u>including section 5</u>, <u>chapter ... (S-4041.3/94)</u>, <u>Laws</u> of 1994 and chapter 19.85 RCW, (c) that an agency is using a policy 16 17 statement, guideline, or issuance in place of a rule, or (d) that the policy statement, guideline, or issuance is outside of legislative 18 19 intent, the agency affected shall be notified of such finding and the reasons therefor. Within thirty days of the receipt of the rules 20 review committee's notice, the agency shall file notice of a hearing on 21 the rules review committee's finding with the code reviser and mail 22 notice to all persons who have made timely request of the agency for 23 24 advance notice of its rule-making proceedings as provided in RCW 25 34.05.320. The agency's notice shall include the rules review 26 committee's findings and reasons therefor, and shall be published in the Washington state register in accordance with the provisions of 27 28 chapter 34.08 RCW.
- 29 The agency shall consider fully all written and oral 30 submissions regarding (a) whether the rule in question is within the 31 intent of the legislature as expressed by the statute which the rule implements, (b) whether the rule was adopted in accordance with all 32 applicable provisions of law, including section 5, chapter ... (S-33 34 4041.3/94), Laws of 1994 and chapter 19.85 RCW, (c) whether the agency 35 is using a policy statement, guideline, or issuance in place of a rule, or (d) whether the policy statement, guideline, or issuance is within 36 37 the legislative intent.

SB 6269 p. 2

1 **Sec. 3.** RCW 34.05.640 and 1993 c 277 s 2 are each amended to read 2 as follows:

- 3 (1) Within seven days of an agency hearing held after notification 4 of the agency by the rules review committee pursuant to RCW 34.05.620 5 or 34.05.630, the affected agency shall notify the committee of its action on a proposed or existing rule to which the committee objected 6 7 or on a committee finding of the agency's failure to adopt rules. If 8 the rules review committee determines, by a majority vote of its 9 members, that the agency has failed to provide for the required 10 hearings or notice of its action to the committee, the committee may file notice of its objections, together with a concise statement of the 11 12 reasons therefor, with the code reviser within thirty days of such 13 determination.
- (2) If the rules review committee finds, by a majority vote of its 14 15 members: (a) That the proposed or existing rule in question has not 16 been modified, amended, withdrawn, or repealed by the agency so as to conform with the intent of the legislature, or (b) that an existing 17 rule was not adopted in accordance with all applicable provisions of 18 19 law, including section 5, chapter ... (S-4041.3/94), Laws of 1994 and chapter 19.85 RCW, or (c) that the agency is using a policy statement, 20 guideline, or issuance in place of a rule, or that the policy 21 22 statement, guideline, or issuance is outside of the legislative intent, 23 the rules review committee may, within thirty days from notification by 24 the agency of its action, file with the code reviser notice of its 25 objections together with a concise statement of the reasons therefor. 26 Such notice and statement shall also be provided to the agency by the 27 rules review committee.
- (3) If the rules review committee makes an adverse finding under 28 subsection (2) of this section, the committee may, by a ((two-thirds)) 29 30 three-fourths vote of its members, recommend suspension of an existing 31 rule. Within seven days of such vote the committee shall transmit to the appropriate standing committees of the legislature, the governor, 32 the code reviser, and the agency written notice of its objection and 33 34 recommended suspension and the concise reasons therefor. Within thirty 35 days of receipt of the notice, the governor shall transmit to the committee, the code reviser, and the agency written approval or 36 37 disapproval of the recommended suspension. If the suspension is approved by the governor, it is effective from the date of that 38

p. 3 SB 6269

- approval and continues until ninety days after the expiration of the 1 2 next regular legislative session.
- (4) The code reviser shall publish transmittals from the rules 3 4 review committee or the governor issued pursuant to subsection (1), 5 (2), or (3) of this section in the Washington state register and shall publish in the next supplement and compilation of the Washington 6 7 Administrative Code a reference to the committee's objection or 8 recommended suspension and the governor's action on it and to the issue 9 of the Washington state register in which the full text thereof 10 appears.
- (5) The reference shall be removed from a rule published in the 11 Washington Administrative Code if a subsequent adjudicatory proceeding 12 determines that the rule is within the intent of the legislature or was 13 adopted in accordance with all applicable laws, whichever was the 14 15 objection of the rules review committee.
- 16 NEW SECTION. Sec. 4. A new section is added to chapter 34.05 RCW to read as follows: 17
- 18 (1) Notwithstanding any other provision of law, an election by the 19 rules review committee under RCW 34.05.640 to recommend suspension of a rule, regardless of whether the suspension is approved by the 20 21 governor, establishes a presumption in a subsequent judicial review of the rule that it is invalid. The burden of demonstrating the rule's 22 23 validity is then on the adopting agency. The court shall declare the 24 rule valid only if it finds that the rule does not violate 25 constitutional provisions, does not exceed the statutory authority of the agency, that it was adopted in compliance with statutory rulemaking procedures, and that it could conceivably have been the product 27 of a rational decision maker. 28
- 29 (2) Upon judicial review, if a rule is declared invalid that had previously been recommended for suspension under RCW 34.05.640, the 30 party challenging the rule shall be awarded fees and other expenses not 31 to exceed ten thousand dollars. 32 The award shall be paid from the 33 operating fund of the agency that adopted the rule. For purposes of 34 this subsection, "fees and other expenses" includes the reasonable expenses of expert witnesses, the reasonable cost of a study, analysis, 35 36 engineering report, test, or project that is found to be necessary for the preparation of the party's case, and reasonable attorneys' fees. 37

SB 6269 p. 4

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- 1 **Sec. 5.** RCW 34.05.660 and 1988 c 288 s 606 are each amended to 2 read as follows:
- Except as provided in section 4 of this act, it is the express policy of the legislature that establishment of procedures for review of administrative rules by the legislature and the notice of objection required by RCW 34.05.630(2) and 34.05.640(2) in no way serves to establish a presumption as to the legality or constitutionality of a rule in any subsequent judicial proceedings interpreting such rules.
- 9 <u>NEW SECTION.</u> **Sec. 6.** The following acts or parts of acts are each 10 repealed:
- 11 (1) RCW 34.05.670 and 1992 c 197 s 3; and
- 12 (2) RCW 34.05.680 and 1992 c 197 s 4.

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p. 5 SB 6269