CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5088

Chapter 202, Laws of 1993

53rd Legislature 1993 Regular Session

ADMINISTRATIVE RULES--ADOPTION OF FLEXIBLE APPROACHES TO DEVELOPING

EFFECTIVE DATE: 7/25/93

Passed by the Senate April 19, 1993 YEAS 40 NAYS 0

JOEL PRITCHARD

President of the Senate

Passed by the House April 9, 1993 YEAS 91 NAYS 0

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5088** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRIAN EBERSOLE

Speaker of the House of Representatives

Approved May 6, 1993

MARTY BROWN

Secretary

FILED

May 6, 1993 - 1:20 p.m.

MIKE LOWRY

Governor of the State of Washington

Secretary of State State of Washington

SUBSTITUTE SENATE BILL 5088

AS AMENDED BY THE HOUSE

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senators McCaslin and Barr)

Read first time 02/10/93.

- 1 AN ACT Relating to flexible approaches to developing administrative
- 2 rules; amending RCW 34.05.310; adding new sections to chapter 34.05
- 3 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that while the 1988
- 6 Administrative Procedure Act expanded public participation in the
- 7 agency rule-making process, there continue to be instances when
- 8 participants have developed adversarial relationships with each other,
- 9 resulting in the inability to identify all of the issues, the failure
- 10 to focus on solutions to problems, unnecessary delays, litigation, and
- 11 added cost to the agency, affected parties, and the public in general.
- 12 When interested parties work together, it is possible to negotiate
- 13 development of a rule that is acceptable to all affected, and that
- 14 conforms to the intent of the statute the rule is intended to
- 15 implement.
- 16 After a rule is adopted, unanticipated negative impacts may emerge.
- 17 Examples include excessive costs of administration for the agency and
- 18 compliance by affected parties, technical conditions that may be
- 19 physically or economically unfeasible to meet, problems of

1 interpretation due to lack of clarity, and reporting requirements that 2 duplicate or conflict with those already in place.

3 It is therefore the intent of the legislature to encourage flexible 4 approaches to developing administrative rules, including but not limited to negotiated rule making and a process for testing the 5 feasibility of adopted rules, often called the pilot rule process. 6 7 However, nothing in this act shall be construed to create any mandatory 8 duty for an agency to use the procedures in RCW 34.05.310 or section 4 of this act in any particular instance of rule making. Agencies shall 9 determine, in their discretion, when it is appropriate to use these 10 11 procedures.

- 12 **Sec. 2.** RCW 34.05.310 and 1989 c 175 s 5 are each amended to read 13 as follows:
- (((1) In addition to seeking information by other methods, an agency, before publication of a notice of a proposed rule adoption under RCW 34.05.320, is encouraged to solicit comments from the public on a subject of possible rule making under active consideration within the agency, by causing notice to be published in the state register of the subject matter and indicating where, when, and how persons may comment.
 - (2) Each agency may appoint committees to comment, before publication of a notice of proposed rule adoption under RCW 34.05.320, on the subject of a possible rule making action under active consideration within the agency.
 - (3) Each agency shall designate a rules coordinator, who shall have knowledge of the subjects of rules being proposed or prepared within the agency for proposal, maintain the records of any such action, and respond to public inquiries about possible or proposed rules and the identity of agency personnel working, reviewing, or commenting on them. The office and mailing address of the rules coordinator shall be published in the state register at the time of designation and in the first issue of each calendar year thereafter for the duration of the designation. The rules coordinator may be an employee of another agency.)) To meet the intent of providing greater public access to administrative rule making and to promote consensus among interested parties, agencies are encouraged to:
- 37 (1) Solicit comments from the public on a subject of possible rule 38 making before publication of a notice of proposed rule adoption under

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- 1 RCW 34.05.320. This process can be accomplished by having a notice
- 2 published in the state register of the subject under active
- 3 consideration and indicating where, when, and how persons may comment;
- 4 and
- 5 (2) Develop and use new procedures for reaching agreement among
- 6 <u>interested parties before publication of notice and the adoption</u>
- 7 <u>hearing on a proposed rule. Examples of new procedures include, but</u>
- 8 are not limited to:
- 9 (a) Identifying individuals and organizations that have a
- 10 recognized interest in or will be significantly affected by the
- 11 adoption of the proposed rule;
- 12 (b) Soliciting participation by persons who are capable, willing,
- 13 and appropriately authorized to enter into such negotiations;
- 14 (c) Assuring that participants fully recognize the consequences of
- 15 not participating in the process, are committed to negotiate in good
- 16 faith, and recognize the alternatives available to other parties;
- 17 <u>(d) Establishing guidelines to encourage consideration of all</u>
- 18 pertinent issues, to set reasonable completion deadlines, and to
- 19 provide fair and objective settlement of disputes that may arise;
- 20 (e) Agreeing on a reasonable time period during which the agency
- 21 will be bound to the rule resulting from the negotiations without
- 22 <u>substantive amendment; and</u>
- 23 (f) Providing a mechanism by which one or more parties may withdraw
- 24 from the process or the negotiations may be terminated if it appears
- 25 that consensus cannot be reached on a draft rule that accommodates the
- 26 needs of the agency, interested parties, and the general public and
- 27 conforms to the legislative intent of the statute that the rule is
- 28 intended to implement.
- 29 <u>NEW SECTION</u>. **Sec. 3.** Each agency shall designate a rules
- 30 coordinator, who shall have knowledge of the subjects of rules being
- 31 proposed or prepared within the agency for proposal, maintain the
- 32 records of any such action, and respond to public inquiries about
- 33 possible or proposed rules and the identity of agency personnel
- 34 working, reviewing, or commenting on them. The office and mailing
- 35 address of the rules coordinator shall be published in the state
- 36 register at the time of designation and in the first issue of each
- 37 calendar year thereafter for the duration of the designation. The
- 38 rules coordinator may be an employee of another agency.

- <u>NEW SECTION.</u> **Sec. 4.** If, during development of a rule or after 1 its adoption, an agency determines that implementation may produce 2 unreasonable economic, procedural, or technical burdens, agencies are 3 encouraged to develop methods for measuring or testing the feasibility 4 of compliance with the rule, including the use of voluntary pilot study 5 groups. Measuring and testing methods should emphasize public notice, 6 participation by persons who have a recognized interest in or are 7 significantly affected by the adoption of the proposed rule, a high 8 level of involvement from agency management, consensus on issues and 9 10 procedures among participants in the pilot group, assurance of fairness, and reasonable completion dates, and a process by which one 11 or more parties may withdraw from the process or the process may be 12 13 terminated if consensus cannot be reached on the rule.
- 14 The findings of the pilot project should be widely shared and, 15 where appropriate, adopted as amendments to the rule.
- NEW SECTION. Sec. 5. Sections 3 and 4 of this act are each added to chapter 34.05 RCW under the subchapter heading "rule-making procedures."

Passed the Senate April 19, 1993. Passed the House April 9, 1993. Approved by the Governor May 6, 1993. Filed in Office of Secretary of State May 6, 1993.