S-3167.1	

## SENATE BILL 6492

State of Washington 56th Legislature 2000 Regular Session

By Senators Hochstatter, Swecker, Zarelli, Morton, McCaslin and Horn

Read first time . Referred to Committee on .

- AN ACT Relating to the effective date of rules that obligate the expenditure of taxpayer funds; amending RCW 34.05.380, 34.05.356, and 34.05.350; adding a new section to chapter 34.05 RCW; and creating a new section.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that the Constitution of the state of Washington provides that the lawmaking power is vested in the legislature and the citizens of the state. In order to protect 8 taxpayers from frivolous government spending, it is the responsibility 9 10 of the legislature to safeguard the integrity of the budget process by carefully allocating taxpayer funds through budget appropriations. 11 12 However, agency rule making often obligates taxpayer funds without the 13 approval of the legislature. Therefore, it is the intent of the 14 legislature to monitor agency rule making by closely examining those 15 rules that, if implemented, would obligate taxpayer funds.
- NEW SECTION. Sec. 2. A new section is added to chapter 34.05 RCW to read as follows:

p. 1 SB 6492

If an agency adopts a rule that obligates the expenditure of taxpayer funds, that rule may not take effect until the end of the next ensuing session of the legislature. If the legislature affirmatively votes to reject the rule, the rule is not effective and is considered to be repealed.

As used in this chapter, "a rule that obligates the expenditure of taxpayer funds" does not include a rule affecting fees for services or fines that the agency is authorized to collect.

- 9 **Sec. 3.** RCW 34.05.380 and 1989 c 175 s 11 are each amended to read 10 as follows:
- (1) Each agency shall file in the office of the code reviser a 11 12 certified copy of all rules it adopts, except for rules contained in tariffs filed with or published by the Washington utilities and 13 14 transportation commission. The code reviser shall place upon each rule 15 a notation of the time and date of filing and shall keep a permanent 16 register of filed rules open to public inspection. In filing a rule, each agency shall use the standard form prescribed for this purpose by 17 18 the code reviser.
- 19 (2) Emergency rules adopted under RCW 34.05.350 become effective upon filing unless (a) a later date is specified in the order of 20 adoption or (b) they obligate the expenditure of taxpayer funds. Any 21 rules, whether regular or emergency, that obligate the expenditure of 22 23 taxpayer funds may not take effect before the end of the next ensuing 24 session of the legislature. All other rules become effective upon the 25 expiration of thirty days after the date of filing, unless a later date is required by statute or specified in the order of adoption. 26
- (3) A rule may become effective immediately upon its filing with the code reviser or on any subsequent date earlier than that established by subsection (2) of this section, if the agency establishes that effective date in the adopting order and finds that:
- 31 (a) Such action is required by the state or federal Constitution, 32 a statute, or court order;
- 33 (b) The rule only delays the effective date of another rule that is 34 not yet effective; or
- 35 (c) The earlier effective date is necessary because of imminent 36 peril to the public health, safety, or welfare.
- The finding and a brief statement of the reasons therefor required by this subsection shall be made a part of the order adopting the rule.

SB 6492 p. 2

- 1 (4) With respect to a rule made effective pursuant to subsection 2 (3) of this section, each agency shall make reasonable efforts to make 3 the effective date known to persons who may be affected by it.
- 4 **Sec. 4.** RCW 34.05.356 and 1998 c 280 s 2 are each amended to read 5 as follows:
- 6 (1) If a proposed rule will not obligate the expenditure of
  7 taxpayer funds, an agency may file notice for the expedited adoption of
  8 rules in accordance with the procedures set forth in this section for
  9 rules 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;
- 12 (b) The proposed rules adopt or incorporate by reference without material change federal statutes or regulations, Washington state 13 14 statutes, rules of other Washington state agencies, shoreline master 15 programs other than those programs governing shorelines of state-wide significance, or, as referenced by Washington state law, national 16 consensus codes that generally establish industry standards, if the 17 18 material adopted or incorporated regulates the same subject matter and 19 conduct as the adopting or incorporating rule;
- 20 (c) The proposed rules only correct typographical errors, make 21 address or name changes, or clarify language of a rule without changing 22 its effect;
- 23 (d) The content of the proposed rules is explicitly and 24 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
- 29 (f) The proposed rule is being amended after a review under RCW 30 34.05.328.
- (2) The expedited rule-making process must follow the requirements 31 for rule making set forth in RCW 34.05.320, except that the agency is 32 33 not required to prepare a small business economic impact statement 34 under RCW 19.85.025, a statement indicating whether the rule significant legislative 35 constitutes а rule under RCW 36 ((34.05.328(6)(c)(iii))) 34.05.328(5)(c)(iii), or a significant legislative rule analysis under RCW 34.05.328. An agency is not 37 38 required to prepare statements of inquiry under RCW 34.05.310 or

p. 3 SB 6492

- 1 conduct a hearing for the expedited adoption of rules. The notice for
- 2 the expedited adoption of rules must contain a statement in at least
- 3 ten-point type, that is substantially in the following form:

4 NOTICE

5

6 7

8

9

11

12

13

14

15 16

17

18 19

20

21

22

2324

2526

27

28

29

30

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 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.
- 31 (5) Any person may file a written objection to the expedited 32 adoption of a rule. The objection must be filed with the agency rules 33 coordinator within forty-five days after the notice of the proposed 34 expedited rule making has been published in the Washington State 35 Register. A person who has filed a written objection to the expedited 36 adoption of a rule may withdraw the objection.
- 37 (6) If no written objections to the expedited adoption of a rule 38 are filed with the agency within forty-five days after the notice of

SB 6492 p. 4

- proposed expedited rule making is published, or if all objections that
- 2 have been filed are withdrawn by the persons filing the objections, the
- 3 agency may enter an order adopting the rule without further notice or
- 4 a public hearing. The order must be published in the manner required
- 5 by this chapter for any other agency order adopting, amending, or
- 6 repealing a rule.
- 7 (7) If a written notice of objection to the expedited adoption of
- 8 the rule is timely filed with the agency and is not withdrawn, the
- 9 notice of proposed expedited rule making published under this section
- 10 is considered a statement of inquiry for the purposes of RCW 34.05.310,
- 11 and the agency may initiate further rule adoption proceedings in
- 12 accordance with this chapter.
- 13 (8) This section expires December 31, 2000.
- 14 **Sec. 5.** RCW 34.05.350 and 1994 c 249 s 3 are each amended to read 15 as follows:
- 16 (1) If an agency for good cause finds:
- 17 (a) That immediate adoption, amendment, or repeal of a rule is
- 18 necessary for the preservation of the public health, safety, or general
- 19 welfare, and that observing the time requirements of notice and
- 20 opportunity to comment upon adoption of a permanent rule would be
- 21 contrary to the public interest; or
- 22 (b) That state or federal law or federal rule or a federal deadline
- 23 for state receipt of federal funds requires immediate adoption of a
- 24 rule,
- 25 the agency may dispense with those requirements and adopt, amend, or
- 26 repeal the rule on an emergency basis. The agency's finding and a
- 27 concise statement of the reasons for its finding shall be incorporated
- 28 in the order for adoption of the emergency rule or amendment filed with
- 29 the office of the code reviser under RCW 34.05.380 and with the rules
- 30 review committee.
- 31 (2) An emergency rule adopted under this section takes effect upon
- 32 filing with the code reviser, unless (a) a later date is specified in
- 33 the order of adoption((, and)) or (b) it obligates the expenditure of
- 34 taxpayer funds, in which case it takes effect as provided under section
- 35 <u>2 of this act. An emergency rule</u> may not remain in effect for longer
- 36 than one hundred twenty days after ((filing)) taking effect. Identical
- 37 or substantially similar emergency rules may not be adopted in sequence
- 38 unless conditions have changed or the agency has filed notice of its

p. 5 SB 6492

intent to adopt the rule as a permanent rule, and is actively undertaking the appropriate procedures to adopt the rule as a permanent rule. This section does not relieve any agency from compliance with any law requiring that its permanent rules be approved by designated persons or bodies before they become effective.

(3) Within seven days after the rule is adopted, any person may 6 7 petition the governor requesting the immediate repeal of a rule adopted 8 on an emergency basis by any department listed in RCW 43.17.010. 9 Within seven days after submission of the petition, the governor shall 10 either deny the petition in writing, stating his or her reasons for the denial, or order the immediate repeal of the rule. In ruling on the 11 petition, the governor shall consider only whether the conditions in 12 13 subsection (1) of this section were met such that adoption of the rule on an emergency basis was necessary. If the governor orders the repeal 14 15 of the emergency rule, any sanction imposed based on that rule is void. 16 This subsection shall not be construed to prohibit adoption of any rule 17 as a permanent rule.

18 (4) In adopting an emergency rule, the agency shall comply with 19 section 4 of this act or provide a written explanation for its failure 20 to do so.

--- END ---

SB 6492 p. 6