## HOUSE BILL 1307

State of Washington 58th Legislature 2003 Regular Session

**By** Representatives Armstrong, Carrell, Nixon, Roach, Talcott, Bush, Crouse, Mielke, Woods and Anderson

Read first time 01/22/2003. Referred to Committee on State Government.

1 AN ACT Relating to actions asserting invalidity of agency rules; 2 and amending RCW 34.05.570.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 34.05.570 and 1995 c 403 s 802 are each amended to 5 read as follows:

6 (1) Generally. Except to the extent that this chapter or another 7 statute provides otherwise:

8 (a) ((The burden of demonstrating the invalidity of agency action
9 is on the party asserting invalidity;

10 (b)) The validity of agency action shall be determined in 11 accordance with the standards of review provided in this section, as 12 applied to the agency action at the time it was taken;

13 (((<del>(c)</del>))(<u>b</u>) The court shall make a separate and distinct ruling on 14 each material issue on which the court's decision is based; and

15 ((<del>(d)</del>))<u>(c)</u> The court shall grant relief only if it determines that 16 a person seeking judicial relief has been substantially prejudiced by 17 the action complained of.

18 (2) Review of rules. (a) A rule may be reviewed by petition for19 declaratory judgment filed pursuant to this subsection or in the

context of any other review proceeding under this section. In an
 action challenging the validity of a rule, the agency shall be made a
 party to the proceeding.

(b) The validity of any rule may be determined upon petition for a 4 declaratory judgment addressed to the superior court of (i) Thurston 5 county,(ii) the county of the petitioner's residence or principal place 6 of business, or (iii) in a county where property owned by the 7 petitioner and affected by the contested rule is located, when it 8 9 appears that the rule, or its threatened application, interferes with 10 or impairs or immediately threatens to interfere with or impair the legal rights or privileges of the petitioner. The declaratory judgment 11 12 order may be entered whether or not the petitioner has first requested 13 the agency to pass upon the validity of the rule in question.

(c) In a proceeding involving review of a rule, the court shall declare the rule invalid only if it finds that: The rule violates constitutional provisions; the rule exceeds the statutory authority of the agency; the rule was adopted without compliance with statutory rule-making procedures; or the rule is arbitrary and capricious.

19 (3) Review of agency orders in adjudicative proceedings. The court 20 shall grant relief from an agency order in an adjudicative proceeding 21 only if it determines that:

(a) The order, or the statute or rule on which the order is based,is in violation of constitutional provisions on its face or as applied;

(b) The order is outside the statutory authority or jurisdiction ofthe agency conferred by any provision of law;

(c) The agency has engaged in unlawful procedure or decision-makingprocess, or has failed to follow a prescribed procedure;

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(d) The agency has erroneously interpreted or applied the law;

(e) The order is not supported by evidence that is substantial when viewed in light of the whole record before the court, which includes the agency record for judicial review, supplemented by any additional evidence received by the court under this chapter;

33 (f) The agency has not decided all issues requiring resolution by 34 the agency;

35 (g) A motion for disqualification under RCW 34.05.425 or 34.12.050 36 was made and was improperly denied or, if no motion was made, facts are 37 shown to support the grant of such a motion that were not known and were not reasonably discoverable by the challenging party at the appropriate time for making such a motion;

3 (h) The order is inconsistent with a rule of the agency unless the 4 agency explains the inconsistency by stating facts and reasons to 5 demonstrate a rational basis for inconsistency; or

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(i) The order is arbitrary or capricious.

(4) Review of other agency action.

8 (a) All agency action not reviewable under subsection (2) or (3) of 9 this section shall be reviewed under this subsection.

(b) A person whose rights are violated by an agency's failure to 10 perform a duty that is required by law to be performed may file a 11 petition for review pursuant to RCW 34.05.514, seeking an order 12 13 pursuant to this subsection requiring performance. Within twenty days after service of the petition for review, the agency shall file and 14 serve an answer to the petition, made in the same manner as an answer 15 16 to a complaint in a civil action. The court may hear evidence, 17 pursuant to RCW 34.05.562, on material issues of fact raised by the petition and answer. 18

19 (c) Relief for persons aggrieved by the performance of an agency 20 action, including the exercise of discretion, or an action under (b) of 21 this subsection can be granted only if the court determines that the 22 action is:

23 (i) Unconstitutional;

(ii) Outside the statutory authority of the agency or the authorityconferred by a provision of law;

26 (iii) Arbitrary or capricious; or

(iv) Taken by persons who were not properly constituted as agencyofficials lawfully entitled to take such action.

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