S-1589.1

## SUBSTITUTE SENATE BILL 5766

State of Washington 58th Legislature 2003 Regular Session

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

READ FIRST TIME 02/20/03.

1 AN ACT Relating to providing businesses with notice of 2 administrative rules; amending RCW 34.05.220 and 34.05.312; adding a 3 new section to chapter 34.05 RCW; and creating a new section.

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

5 NEW SECTION. Sec. 1. The legislature finds that many businesses in the state are frustrated by the complexity of the regulatory system. 6 The Washington Administrative Code containing agency rules now fills 7 8 twelve volumes, and appears to be growing each year. While the vast majority of businesses make a good faith attempt to comply with 9 10 applicable laws and rules, many find it extremely difficult to keep up with agencies' issuance of new rules and requirements. 11 Therefore, 12 state agencies are directed to make a good faith attempt to notify 13 businesses affected by rule changes that may subject noncomplying 14 businesses to penalties.

15 Sec. 2. RCW 34.05.220 and 1994 c 249 s 24 are each amended to read 16 as follows:

17 (1) In addition to other rule-making requirements imposed by law:

1 (a) Each agency may adopt rules governing the formal and informal 2 procedures prescribed or authorized by this chapter and rules of 3 practice before the agency, together with forms and instructions. If 4 an agency has not adopted procedural rules under this section, the 5 model rules adopted by the chief administrative law judge under RCW 6 34.05.250 govern procedures before the agency.

7 (b) To assist interested persons dealing with it, each agency shall 8 adopt as a rule a description of its organization, stating the general 9 course and method of its operations and the methods whereby the public 10 may obtain information and make submissions or requests. No person may 11 be required to comply with agency procedure not adopted as a rule as 12 herein required.

(2) To the extent not prohibited by federal law or regulation, nor prohibited for reasons of confidentiality by state law, each agency shall keep on file for public inspection all final orders, decisions, and opinions in adjudicative proceedings, interpretive statements, policy statements, and any digest or index to those orders, decisions, opinions, or statements prepared by or for the agency.

19 (3) No agency order, decision, or opinion is valid or effective 20 against any person, nor may it be invoked by the agency for any 21 purpose, unless it is available for public inspection. This subsection 22 is not applicable in favor of any person who has actual knowledge of 23 the order, decision, or opinion. The agency has the burden of proving 24 that knowledge, but may meet that burden by proving that the person has 25 been properly served with a copy of the order.

26 (4) Each agency that is authorized by law to exercise discretion in 27 deciding individual cases is encouraged to formalize the general 28 principles that may evolve from these decisions by adopting the 29 principles as rules that the agency will follow until they are amended 30 or repealed.

31 (5) To the extent practicable, any rule proposed or adopted by an 32 agency should be clearly and simply stated, so that it can be 33 understood by those required to comply.

34 (6) The departments of employment security, labor and industries, 35 ecology, and revenue shall develop and use a notification process to 36 communicate information to the public regarding the postadoption notice 37 required by section 3 of this act.

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<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 34.05 RCW
to read as follows:

Either before or within two hundred days after, the effective date 3 of an adopted rule that imposes additional requirements on businesses 4 the violation of which subjects the business to a penalty, assessment, 5 or administrative sanction, an agency identified in RCW 34.05.220(6) 6 7 shall notify businesses affected by the rule of the requirements of the rule and how to obtain technical assistance to comply. Notification 8 must be provided by e-mail, if possible, to every person identified to 9 10 receive the postadoption notice under RCW 34.05.220(6).

11 The notification must announce the rule change, briefly summarize 12 the rule change, refer to appeal procedures under RCW 34.05.330, and 13 include a contact for more information. Failure to notify a specific 14 business under this section does not invalidate a rule or waive the 15 requirement to comply with the rule. The requirements of this section 16 do not apply to emergency rules adopted under RCW 34.05.350.

17 Sec. 4. RCW 34.05.312 and 1993 c 202 s 3 are each amended to read 18 as follows:

Each agency shall designate a rules coordinator, who shall have 19 20 knowledge of the subjects of rules being proposed or prepared within 21 the agency for proposal, maintain the records of any such action, and 22 respond to public inquiries about possible ((or)), proposed, or adopted 23 rules and the identity of agency personnel working, reviewing, or 24 commenting on them. The office and mailing address of the rules coordinator shall be published in the state register at the time of 25 26 designation and in the first issue of each calendar year thereafter for 27 the duration of the designation. The rules coordinator may be an employee of another agency. 28

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