
HOUSE BILL 1671

State of Washington**62nd Legislature****2011 Regular Session**

By Representatives Overstreet, Blake, Taylor, Haler, Takko, Johnson, Klippert, Shea, Short, Kristiansen, Angel, Hinkle, Bailey, McCune, Warnick, Zeiger, Wilcox, Orcutt, Schmick, Fagan, Ross, Condotta, and Harris

Read first time 01/28/11. Referred to Committee on State Government & Tribal Affairs.

1 AN ACT Relating to requiring state agencies to determine whether
2 compliance with a rule will result in a specific economic impact;
3 adding a new section to chapter 34.05 RCW; and creating new sections.

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

5 NEW SECTION. **Sec. 1.** This act may be known and cited as the
6 regulatory fairness act of 2011.

7 NEW SECTION. **Sec. 2.** The legislature finds that many citizens,
8 employers, and local governments are struggling with nonemergency
9 regulatory burdens resulting in the loss of time, resources, employees,
10 and the ability to create job growth. At a time when state agencies
11 should be looking for ways to reduce the negative impacts of
12 nonemergency rules, they continue to produce a flow of new and
13 unnecessary changes to the Washington Administrative Code that are
14 stunting economic recovery in Washington state.

15 The citizens of Washington state elect state lawmakers to represent
16 them and, in turn, hold them accountable for their actions and the
17 outcomes of state government. If state agencies are placing costly

1 nonemergency regulatory burdens on citizens, it is the duty of state
2 lawmakers to address these problems directly within the legislative
3 process.

4 The governor has acknowledged, through Executive Order 10-06,
5 "Suspending Non-Critical Rule Development and Adoption," that "in a
6 time of severe budget constraints, small businesses and governments
7 find it more difficult to monitor and respond to proposed changes in
8 rules and policies" and "a stable and predictable regulatory and policy
9 environment will conserve resources for small businesses and local
10 governments and promote economic recovery."

11 State agencies currently must provide economic impact statements in
12 a select few instances under the regulatory fairness act. In 2010, an
13 estimated thirty statements were filed with the code reviser's office
14 despite the fact that there were thousands of changes to rules. The
15 system is set up so that even if there are economic and time burdens
16 placed on citizens, employers, or local governments, state agencies may
17 still go forward and enact the rules. This is detrimental to the
18 economic growth of Washington state.

19 The legislature intends to prevent regulatory bodies from having
20 the authority to place costly burdens on citizens, employers, and local
21 governments that will further damage Washington state's economy.

22 NEW SECTION. **Sec. 3.** A new section is added to chapter 34.05 RCW
23 to read as follows:

24 (1) Before adoption of a rule, an agency must determine whether
25 compliance with the rule will result in a specified economic impact.
26 If the agency determines that a rule will result in a specified
27 economic impact, the agency must provide notification and may not
28 enforce the rule until the rule is enacted into law by the legislature.

29 (2) Not later than one hundred eighty days after the effective date
30 of this section, and annually thereafter, each agency shall determine
31 whether any of its rules has resulted in a specified economic impact in
32 the preceding year. If such a determination is made, the agency must
33 provide notification, and may no longer enforce the rule until the rule
34 is enacted into law by the legislature.

35 (3)(a) For purposes of this section, "provide notification" means
36 transmit the proposed or existing rule determined to result in a
37 specified economic impact and the findings supporting such a

1 determination, including relevant public comments in the case of a
2 proposed rule, to the code reviser for publication in the state
3 register and to the appropriate committees of the senate and the house
4 of representatives.

5 (b) For purposes of this section, "specified economic impact" means
6 any of the following:

7 (i) Costs to any individual of one thousand dollars or more in a
8 year;

9 (ii) Costs to any business, partnership, corporation, association,
10 or public or private organization, but not including state government,
11 of five thousand dollars or more in a year; or

12 (iii) The loss of one or more existing jobs of a Washington
13 resident within one year as a direct result of the adoption of a rule.

14 (4) Any person may commence an action in the superior court either
15 for an injunction or writ of mandamus for compliance of this section.

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