

SENATE BILL REPORT

SB 6223

As Reported by Senate Committee On:
Trade & Economic Development, January 27, 2016

Title: An act relating to enhancing regulatory agency coordination.

Brief Description: Enhancing regulatory agency coordination.

Sponsors: Senators Brown, Angel, Braun and Hewitt.

Brief History:

Committee Activity: Trade & Economic Development: 1/13/16, 1/27/16 [DPS-WM].

SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6223 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Brown, Chair; Braun, Vice Chair; Chase, Ranking Minority Member; Angel, Ericksen and McCoy.

Staff: Jeff Olsen (786-7428)

Background: The State Auditor's Office (SAO) has recently conducted a series of performance audits on regulatory reform. Beginning in 2011, the SAO completed a performance audit evaluating regulatory information available to businesses and whether regulatory agencies have processes in place to streamline their business rules. The audit identified 1377 business permits, licenses, and inspections administered by 26 state regulatory agencies. The SAO also published a performance audit in 2013 evaluating permit processing times.

In 2015, the SAO completed a performance audit on regulatory agency coordination that evaluated current state regulatory coordination and opportunities for improvement. Recommendations include developing a long-term strategy for identifying multi-agency regulatory processes that can be streamlined; identifying agencies involved in each regulatory process; and developing a timetable for prioritizing processes.

The Legislature created the Office of Regulatory Assistance (ORA) in 2002 to help improve the regulatory system and assist citizens, businesses and project proponents by providing information and assistance on the regulatory process. ORA duties include providing

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information on best permitting practices and permit processing times; assisting with fully coordinated permit processes; maintaining a permit handbook; and working to improve environmental and business regulatory processes

Summary of Bill (Recommended Substitute): The ORA must develop a long-term strategy for identifying and prioritizing multiagency regulatory processes that can be streamlined through better coordination. The strategy must be based on industry needs developed in collaboration with businesses, importance to the state, and potential savings to businesses and regulatory agencies. The ORA must develop a timetable by January 1, 2017 for the prioritized regulatory processes to be streamlined. The ORA must identify and convene agencies to examine and understand problems, establish policies for coordination, ensure compatible regulatory requirements, and develop and track performance measures to monitor results. The ORA must provide progress reports annually to the Governor and the Legislature.

The ORA name is changed to the Office of Regulatory Innovation and Assistance.

EFFECT OF CHANGES MADE BY TRADE & ECONOMIC DEVELOPMENT COMMITTEE (Recommended Substitute): The substitute bill removes specific criteria for ORA to develop a prioritized timetable for streamlining regulatory processes by January 1, 2017. Defines working group members and clarifies goals for purposes of developing a long-term strategy for identifying and prioritizing regulatory processes that can be streamlined.

Appropriation: None.

Fiscal Note: Requested on January 7, 2016.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: Businesses are required to file similar reports and information with multiple regulatory agencies. They often face redundant regulations, and there needs to be streamlining of duplicative processes. A long term strategy is needed to address this issue to help small businesses. There has been some progress, regulatory agencies are working together and sharing business information to ensure businesses comply with taxes and regulations, helping to create a level playing field.

Persons Testifying on Original Bill: PRO: Senator Brown, prime sponsor; Sheri D Nelson, Assoc. of WA Business; Mark Johnson, Washington Retail Association.