HOUSE BILL REPORT
2SSB 5968

As Reported by House Committee On:
State Government & Tribal Relations
Appropriations

Title: An act relating to improving regulatory efficiency by integrating executive order 25-03, concerning permitting and licensing processes, into chapter 43.42A RCW.

Brief Description: Improving regulatory efficiency by integrating executive order 25-03, concerning permitting and licensing processes, into chapter 43.42A RCW.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Krishnadasan, Liias and Shewmake; by request of Governor Ferguson).

Brief History:
Committee Activity:
State Government & Tribal Relations: 2/20/26, 2/24/26 [DPA];
Appropriations: 2/27/26, 3/2/26 [DPA(SGOV)].

Brief Summary of Second Substitute Bill
(As Amended by Committee)

- Requires executive branch agencies and offices of statewide officials with sufficient existing resources to maintain entries for all credentials issued by the agency in the statewide credential catalog, which is created by the Office for Regulatory Innovation and Assistance (ORIA) in consultation with Washington Technology Solutions.
- Requires executive branch agencies and offices of statewide officials with sufficient existing resources to report certain data on credentials issued by the agency to ORIA, including application counts and processing times.
- Requires cabinet agencies with sufficient existing resources to incrementally establish published decision times for all credentials issued by the agency and provide application fee refunds if the agency fails to

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meet its published decision time.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL RELATIONS

Majority Report: Do pass as amended. Signed by 4 members: Representatives Mena, Chair; Waters, Ranking Minority Member; Doglio and Farivar.

Minority Report: Without recommendation. Signed by 2 members: Representatives Walsh, Assistant Ranking Minority Member; Chase.

Staff: Connor Schiff (786-7093).

Background:

Permit Application Publication and Reporting.
Each executive branch agency and office of a statewide elected official is required to track and record the time it takes to make permitting decisions. Each executive branch agency is required to make available to permit applicants certain information on the agency's website, including:

- a permit inventory;
- types of permit assistance;
- time estimates for processing a permit application; and
- tools to help applicants complete an application.

Each agency is required to report certain performance data about each permit in its inventory to the Office for Regulatory Innovation and Assistance (ORIA), including application completion times and decision issuance times. Every even-numbered year, ORIA publishes a report on the performance of agencies in tracking permit timelines and other efforts to improve clarity and predictability of regulatory permitting. Washington Technology Solutions, in consultation with ORIA, is required to establish a central repository of this information on ORIA's website.

Executive Order 25-03.
In January 2025 Governor Ferguson issued Executive Order (EO) 25-03, which directed all executive and small cabinet agencies to compile a catalog of the types of permits, licenses, certification, or identification cards the agency issues and submit the catalog to the Governor's Office within 60 days of the effective date of the EO. The EO required certain information in each agency catalog, including a description of each type of credential, the method by which the agency receives applications, fee information, and various other data to identify opportunities to streamline the approval process and eliminate unnecessary steps or barriers. Each agency was also directed to provide, for the calendar year 2024, certain information for each type of permit, license, certification, or identification card, including

the number of applications received and the average application processing time.

Summary of Amended Bill:

"Credential" is defined as a state-issued permit, license, certification, or other regulatory approval required for an individual, business, or organization to engage in a regulated or commercial activity. Credentials include regulatory approvals tied to business, occupational, professional, or environmental activities. Certain approvals by agencies are not considered credentials, including approvals related to public assistance eligibility, vital records, and grants or loans.

Statewide Credential Catalog and Central Online Repository of Credential Information.
The Office for Regulatory Innovation and Assistance (ORIA), in consultation with Washington Technology Solutions (WaTech), must create a statewide credential catalog and central online repository of credential information. The catalog and repository must be maintained as the single authoritative source for state-issued credential information. The catalog and repository must be designed so that information is searchable, machine-readable where practicable, and readily accessible by members of the public.

Each executive branch agency and office of a statewide elected official with sufficient existing resources must prepare, maintain, and regularly update entries in the statewide credential catalog for all credentials issued by the agency. Each catalog entry must include certain information, including:

- a description of the credential;
- the amount of any application, credential, or program fee;
- credential requirements;
- instructions for application submission;
- review and processing times;
- citations to applicable statutory or regulatory authority;
- appeal processes for denied applicants; and
- tools and assistance for completing applications.

In consultation with WaTech, ORIA must establish guidance for catalog entries, technical standards, data formats, and submission. Additionally, ORIA and WaTech must provide agencies with any templates and technical assistance necessary to support implementation.

Agency Reporting Requirements.
On or before March 1 of each year, each executive branch agency and office of a statewide elected official with sufficient existing resources must submit to ORIA a report on credentials issued by the agency that includes application counts, processing times, and other identifying or statistical data required by ORIA. The information must be consistent with the credential catalog. Reporting requirements apply to:

- applications that have been received on or after January 1, 2025;

- applications determined to be complete on or after January 1, 2025; and
- applications for which the agency issued a final decision on or after January 1, 2025.

An agency may exclude inactive applications from its report. An agency must obtain approval from ORIA for exceptions to the reporting requirement when data is unavailable and provide documented justification demonstrating that the unavailability of data is not a result of an intentional failure to collect required information. Each agency shall ensure that the information included in its report is consistent with the information in the credential catalog.

The Office for Regulatory Innovation and Assistance must establish guidance for agency reporting requirements, including reporting metric calculations, approved alternate processing or reporting methodologies, and circumstances where data may be excluded. Exceptions to certain reporting requirements may be approved by ORIA when necessary to ensure accuracy, accommodate statutory timelines, or reflect program-specific operational requirements.

Published Decision Times.
After consultation with ORIA and the Governor's Office, each cabinet agency with sufficient existing resources must establish deadlines for credential application review and decisions. Each cabinet agency must incrementally establish decision times for the credentials it issues, which must be completed by January 1, 2030. Additional time for establishing processing time deadlines may be granted by ORIA. Decision times must be published in the central online repository.

Unless prohibited or restricted by law, the cabinet agency must refund the application fee if it fails to meet its published decision time for a completed credential application. Any refunds must be included in the report due on March 1 of each year. Any credentials may be excluded from refund requirements within ORIA's discretion.

Each year, ORIA must publish a comprehensive progress report that details credential information reported by each agency, agency performance in tracking credential timelines, and other efforts to improve clarity and predictability of regulatory credential application processes. Beginning with the 2027 reporting period, ORIA must identify those credentials with processing and decision times that are most improved and those most in need of improvement.

Amended Bill Compared to Second Substitute Bill:

The amended bill requires ORIA to annually post the agency's comprehensive progress report that details credential information reported by each agency, agency performance in tracking credential timelines, and other efforts to improve the regulatory credential application processes on the agency's website.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is similar to a bill that the committee previously passed out, but there are a few small changes to address fiscal concerns. We are excited for the list of ways to improve efficiencies. Agencies should improve their processes.

(Opposed) None.

Persons Testifying: Beau Perschbacher, Governor's Office; and Emily Wittman, Association of WA Business.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass as amended by Committee on State Government & Tribal Relations. Signed by 27 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Callan, Corry, Cortes, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Rude, Ryu, Springer, Street, Thai and Valdez.

Minority Report: Without recommendation. Signed by 2 members: Representatives Doglio and Stonier.

Staff: Ryan Simonis (786-7290).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On State Government & Tribal Relations:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Amended Bill: The bill takes effect 90 days after adjournment of the

session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Predictability matters for permitting. When a business goes through the permitting process, it often takes on costs while waiting on state agencies to issue permits that allow it to open. While a business waits on the state, businesses like food trucks and restaurants have employees go without hours. Requiring agencies to track and publish processing timelines gives employers and workers a clear understanding of when projects can realistically move forward. That certainty supports apprenticeship dispatching, workforce planning, steady employment, and more efficient project delivery.

Since 2024, the Department of Licensing has worked to decrease license processing time by 46 percent. The building trades have over 10,000 workers on the out-of-work list. This bill will help people get back to work while stimulating the economy and generating state revenue. It is Governor request legislation that takes a proactive step to address regulatory delays. This bill is about government accountability and only has requirements for agencies that have sufficient existing resources.

(Opposed) None.

Persons Testifying: Beau Perschbacher, Governor's Office; Sean DeWitz; and Neil Hartman, Washington State Association Of UA Plumbers and Pipefitters.

Persons Signed In To Testify But Not Testifying: None.