



HB 1352 Report

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Overview

- HB 1352
- Report
- Recommendations



HB 1352 Findings

“The licensing and regulation of businesses and professions requires periodic inspections, audits, interviews, site visits, or other oversight measures to verify that licensing, permit, and other regulatory requirements are met.”

“Unnecessary costs and delays may occur when small business owners must seek outside counsel or other professional assistance to prepare for and participate in review and enforcement actions such as audits and inspections of their records, facilities, or job sites.”

“Small businesses are likely to bear a disproportionate share of regulatory costs and burdens, and that greater coordination on regulatory matters among agencies is a way to promote economic vitality and increase state program efficiency.”

Following from



HB 1352 (SB 5230)

- Brought by NFIB
- Bi-partisan sponsorship (36 House, 22 Senate)
- 96-0 House, 49-0 Senate



HB 1352 Report

1. The authorities and responsibilities of six state agencies;
2. The rights and protections provided to small businesses subject to inspection, audit or enforcement action by those agencies;
3. The way in which agencies communicate information about those rights or protections to business owners prior to or at the time of agency action; and
4. Recommended steps to improve those rights or protections and/or access to timely information about them.



HB 1352 Implementation

- Agencies submit info to AGO
 - Legal authorities (statutes, rules, policies)
 - Communications shared with businesses

Applies to the Departments of Agriculture, Ecology, Employment Security, Labor & Industries, and Revenue, and the State Fire Marshal

Included in Appendix: <http://www.atg.wa.gov/policy/HB1352>.

Summarized in Report.

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The roles and authorities of the six agencies named in HB 1352 are varied and widespread.

Each of the agencies and their actions are governed by the robust, well-defined legal rights and protections afforded small businesses and other regulated entities under the existing constitutions, laws and other guiding authorities.

There are existing legal tools and processes available to small businesses and other entities to challenge agency action when necessary.



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AGO review of APA Administrative Procedure Act and related administrative rules, case law, and similar statutes, to identify the existing rights or protections afforded to small business owners subject to agency inspection, audit, or enforcement action.

The review is set out in the Report section below titled “Summary of Legal Rights and Protections Afforded to Small Business Owners Subject to Audit, Inspection or Enforcement Action by State Agencies.”

Concludes: “There are many legal rights and protections in place for small business owners that help level the playing field. Those rights and protections are in effect -- and remain in place -- before, during, and after an audit, inspection or enforcement action involving potential non-compliance with the law or a condition of a permit or license. In addition to creating legal rights for business owners, these protections serve as constraints on agency staff and agency actions.”



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Regulatory Reforms

- ORIA
- Regulatory Fairness Act (rulemaking)
- SAO Performance Audits
- Washington Business Hub



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Individually, state agencies have simplified thousands of state regulations and improved their practices and policies.

Agencies have created websites and produced outreach materials to better communicate their requirements and regulatory expectations to small businesses and other regulated entities.

Agencies have taken a deliberate approach to helping businesses understand their rights in the face of agency action. Nevertheless, there is room for improvement.



Recommendations

1. Improve efforts to provide transparent, accessible information and assistance to operating businesses early in the process.
2. Improve efforts to share effective practices among agencies.
3. Expand the role of business associations and other groups in coordinating the sharing of information between small business owners and agencies.
4. Be deliberate about how “small business” is defined.
5. Consider targeted expansion of the use of special advocates or ombuds to help disseminate information and resolve noncompliance issues or disputes.



Questions?

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