

CERTIFICATION OF ENROLLMENT

SECOND SUBSTITUTE HOUSE BILL 1518

Chapter 81, Laws of 2013

63rd Legislature
2013 Regular Session

HEALTH PROFESSIONS--DISCIPLINARY AUTHORITIES

EFFECTIVE DATE: 07/01/13

Passed by the House March 11, 2013
Yeas 84 Nays 13

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 12, 2013
Yeas 46 Nays 2

BRAD OWEN

President of the Senate

Approved April 25, 2013, 2:11 p.m.

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SECOND SUBSTITUTE HOUSE BILL 1518** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

April 25, 2013

**Secretary of State
State of Washington**

SECOND SUBSTITUTE HOUSE BILL 1518

Passed Legislature - 2013 Regular Session

State of Washington 63rd Legislature 2013 Regular Session

By House Appropriations Subcommittee on Health & Human Services
(originally sponsored by Representatives Cody, Schmick, Ryu, and Pollet)

READ FIRST TIME 03/01/13.

1 AN ACT Relating to providing certain disciplining authorities with
2 additional authority over budget development, spending, and staffing;
3 amending RCW 18.25.210, 18.71.430, 18.79.390, and 43.70.240; adding a
4 new section to chapter 18.25 RCW; adding a new section to chapter 18.71
5 RCW; adding a new section to chapter 18.79 RCW; repealing RCW
6 18.71.0191 and 18.79.130; providing an effective date; and declaring an
7 emergency.

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

9 **Sec. 1.** RCW 18.25.210 and 2011 c 60 s 5 are each amended to read
10 as follows:

11 (1) The commission may conduct a pilot project to evaluate the
12 effect of granting the commission additional authority over budget
13 development, spending, and staffing. If the commission intends to
14 conduct a pilot project, it must provide a notice in writing to the
15 secretary by ((June 1, 2008)) July 1, 2013. If the commission chooses
16 to conduct a pilot project, the pilot project shall begin on July 1,
17 ((2008)) 2013, and conclude on June 30, ((2013)) 2018.

18 (2) The pilot project shall include the following provisions:

19 (a) That the secretary shall employ an executive director that is:

1 (i) Hired by and serves at the pleasure of the commission;

2 (ii) Exempt from the provisions of the civil service law, chapter
3 41.06 RCW and whose salary is established by the commission in
4 accordance with RCW 43.03.028; and

5 (iii) Responsible for performing all administrative duties of the
6 commission, including preparing an annual budget, and any other duties
7 as delegated to the executive director by the commission;

8 (b) Consistent with the budgeting and accounting act:

9 (i) With regard to budget for the remainder of the ((2007-2009))
10 2013-2015 biennium, the commission has authority to spend the remaining
11 funds allocated with respect to chiropractors licensed under this
12 chapter; and

13 (ii) Beginning with the ((2009-2011)) 2015-2017 biennium, the
14 commission is responsible for proposing its own biennial budget which
15 the secretary must submit to the office of financial management;

16 (c) That, prior to adopting credentialing fees under RCW 43.70.250,
17 the secretary shall collaborate with the commission to determine the
18 appropriate fees necessary to support the activities of the commission;

19 (d) That, prior to the secretary exercising the secretary's
20 authority to adopt uniform rules and guidelines, or any other actions
21 that might impact the licensing or disciplinary authority of the
22 commission, the secretary shall first meet with the commission to
23 determine how those rules or guidelines, or changes to rules or
24 guidelines, might impact the commission's ability to effectively carry
25 out its statutory duties. If the commission, in consultation with the
26 secretary, determines that the proposed rules or guidelines, or changes
27 to existing rules or guidelines, will negatively impact the
28 commission's ability to effectively carry out its statutory duties,
29 then the individual commission shall collaborate with the secretary to
30 develop alternative solutions to mitigate the impacts. If an
31 alternative solution cannot be reached, the parties may resolve the
32 dispute through a mediator as set forth in (f) of this subsection;

33 (e) That the commission shall negotiate with the secretary to
34 develop performance-based expectations, including identification of key
35 performance measures. The performance expectations should focus on
36 consistent, timely regulation of health care professionals; and

37 (f) That in the event there is a disagreement between the

1 commission and the secretary, that is unable to be resolved through
2 negotiation, a representative of both parties shall agree on the
3 designation of a third party to mediate the dispute.

4 (3) By December 15, ((2013)) 2017, the secretary((~~7~~)) and the
5 commission(~~(~~7~~—and—the—other—commissions—conducting—similar—pilot~~
6 ~~projects under RCW 18.71.430, 18.79.390, and 18.32.765,~~) shall report
7 to the governor and the legislature on the results of the pilot
8 project. The report shall:

9 (a) Compare the effectiveness of licensing and disciplinary
10 activities of ((~~each~~)) the commission during the pilot project with the
11 licensing and disciplinary activities of the commission prior to the
12 pilot project and the disciplinary activities of other disciplining
13 authorities during the same time period as the pilot project;

14 (b) Compare the efficiency of ((~~each~~)) the commission with respect
15 to the timeliness and personnel resources during the pilot project to
16 the efficiency of the commission prior to the pilot project and the
17 efficiency of other disciplining authorities during the same period as
18 the pilot project;

19 (c) Compare the budgetary activity of ((~~each~~)) the commission
20 during the pilot project to the budgetary activity of the commission
21 prior to the pilot project and to the budgetary activity of other
22 disciplining authorities during the same period as the pilot project;

23 (d) Evaluate ((~~each~~)) the commission's regulatory activities,
24 including timelines, consistency of decision making, and performance
25 levels in comparison to other disciplining authorities; and

26 (e) Review summaries of national research and data regarding
27 regulatory effectiveness and patient safety.

28 (4) The secretary shall employ staff that are hired and managed by
29 the executive director provided that nothing contained in this section
30 may be construed to alter any existing collective bargaining unit or
31 the provisions of any existing collective bargaining agreement.

32 NEW SECTION. Sec. 2. A new section is added to chapter 18.25 RCW
33 to read as follows:

34 In addition to the authority provided in RCW 42.52.804, the
35 commission, its members, or staff as directed by the commission, may
36 communicate, present information requested, volunteer information,

1 testify before legislative committees, and educate the legislature, as
2 the commission may from time to time see fit.

3 **Sec. 3.** RCW 18.71.430 and 2011 c 60 s 7 are each amended to read
4 as follows:

5 (1) ~~The ((commission shall conduct a pilot project to evaluate the~~
6 ~~effect of granting the commission additional authority over budget~~
7 ~~development, spending, and staffing. The pilot project shall begin on~~
8 ~~July 1, 2008, and conclude on June 30, 2013.~~

9 ~~(2) The pilot project shall include the following provisions:~~

10 ~~(a) That the~~) secretary shall employ an executive director that
11 is:

12 ~~((i))~~ (a) Hired by and serves at the pleasure of the commission;

13 ~~((ii))~~ (b) Exempt from the provisions of the civil service law,
14 chapter 41.06 RCW and whose salary is established by the commission in
15 accordance with RCW 43.03.028; and

16 ~~((iii))~~ (c) Responsible for performing all administrative duties
17 of the commission, including preparing an annual budget, and any other
18 duties as delegated to the executive director by the commission(~~(+~~

19 ~~b))~~).

20 (2) Consistent with the budgeting and accounting act(~~(+~~

21 ~~i) With regard to budget for the remainder of the 2007-2009~~
22 ~~biennium, the commission has authority to spend the remaining funds~~
23 ~~allocated with respect to its professions, physicians regulated under~~
24 ~~this chapter and physician assistants regulated under chapter 18.71A~~
25 ~~RCW; and~~

26 ~~(ii) Beginning with the 2009-2011 biennium)), the commission is~~
27 responsible for proposing its own biennial budget which the secretary
28 must submit to the office of financial management(~~(+~~

29 ~~c) That,~~).

30 (3) Prior to adopting credentialing fees under RCW 43.70.250, the
31 secretary shall collaborate with the commission to determine the
32 appropriate fees necessary to support the activities of the
33 commission(~~(+~~

34 ~~d) That,~~).

35 (4) Prior to the secretary exercising the secretary's authority to
36 adopt uniform rules and guidelines, or any other actions that might
37 impact the licensing or disciplinary authority of the commission, the

1 secretary shall first meet with the commission to determine how those
2 rules or guidelines, or changes to rules or guidelines, might impact
3 the commission's ability to effectively carry out its statutory duties.
4 If the commission, in consultation with the secretary, determines that
5 the proposed rules or guidelines, or changes to existing rules or
6 guidelines, will negatively impact the commission's ability to
7 effectively carry out its statutory duties, then the individual
8 commission shall collaborate with the secretary to develop alternative
9 solutions to mitigate the impacts. If an alternative solution cannot
10 be reached, the parties may resolve the dispute through a mediator as
11 set forth in ~~((f) of this subsection;~~

12 ~~(e) That))~~ subsection (6) of this section.

13 (5) The commission shall negotiate with the secretary to develop
14 performance-based expectations, including identification of key
15 performance measures. The performance expectations should focus on
16 consistent, timely regulation of health care professionals~~((; and~~
17 ~~(f) That))~~.

18 (6) In the event there is a disagreement between the commission and
19 the secretary, that is unable to be resolved through negotiation, a
20 representative of both parties shall agree on the designation of a
21 third party to mediate the dispute.

22 ~~((3) By December 15, 2013, the secretary, the commission, and the~~
23 ~~other — commissions — conducting — similar — pilot — projects — under — RCW~~
24 ~~18.79.390, 18.25.210, and 18.32.765, shall report to the governor and~~
25 ~~the legislature on the results of the pilot project. The report shall:~~

26 ~~(a) — Compare — the — effectiveness — of — licensing — and — disciplinary~~
27 ~~activities — of — each — commission — during — the — pilot — project — with — the~~
28 ~~licensing and disciplinary activities of the commission prior to the~~
29 ~~pilot project and the disciplinary activities of other disciplining~~
30 ~~authorities during the same time period as the pilot project;~~

31 ~~(b) Compare the efficiency of each commission with respect to the~~
32 ~~timeliness and personnel resources during the pilot project to the~~
33 ~~efficiency of the commission prior to the pilot project and the~~
34 ~~efficiency of other disciplining authorities during the same period as~~
35 ~~the pilot project;~~

36 ~~(c) Compare the budgetary activity of each commission during the~~
37 ~~pilot project to the budgetary activity of the commission prior to the~~

1 ~~pilot project and to the budgetary activity of other disciplining~~
2 ~~authorities during the same period as the pilot project;~~

3 ~~(d) Evaluate each commission's regulatory activities, including~~
4 ~~timelines, consistency of decision making, and performance levels in~~
5 ~~comparison to other disciplining authorities; and~~

6 ~~(e) Review summaries of national research and data regarding~~
7 ~~regulatory effectiveness and patient safety.~~

8 ~~(4))~~ (7) The secretary shall employ staff that are hired and
9 managed by the executive director provided that nothing contained in
10 this section may be construed to alter any existing collective
11 bargaining unit or the provisions of any existing collective bargaining
12 agreement.

13 NEW SECTION. **Sec. 4.** A new section is added to chapter 18.71 RCW
14 to read as follows:

15 In addition to the authority provided in RCW 42.52.804, the
16 commission, its members, or staff as directed by the commission, may
17 communicate, present information requested, volunteer information,
18 testify before legislative committees, and educate the legislature, as
19 the commission may from time to time see fit.

20 **Sec. 5.** RCW 18.79.390 and 2011 c 60 s 8 are each amended to read
21 as follows:

22 ~~(1) The ((commission shall conduct a pilot project to evaluate the~~
23 ~~effect of granting the commission additional authority over budget~~
24 ~~development, spending, and staffing. The pilot project shall begin on~~
25 ~~July 1, 2008, and conclude on June 30, 2013.~~

26 ~~(2) The pilot project shall include the following provisions:~~

27 ~~(a) That the~~) secretary shall employ an executive director that
28 is:

29 ~~((i))~~ (a) Hired by and serves at the pleasure of the commission;

30 ~~((ii))~~ (b) Exempt from the provisions of the civil service law,
31 chapter 41.06 RCW and whose salary is established by the commission in
32 accordance with RCW 43.03.028; and

33 ~~((iii))~~ (c) Responsible for performing all administrative duties
34 of the commission, including preparing an annual budget, and any other
35 duties as delegated to the executive director by the commission(~~(+~~

36 ~~b))~~).

1 (2) Consistent with the budgeting and accounting act(~~(+~~
2 ~~(i) With regard to budget for the remainder of the 2007-2009~~
3 ~~biennium, the commission has authority to spend the remaining funds~~
4 ~~allocated with respect to advanced registered nurses, registered~~
5 ~~nurses, and licensed practical nurses regulated under this chapter; and~~
6 ~~(ii) Beginning with the 2009-2011 biennium~~), the commission is
7 responsible for proposing its own biennial budget which the secretary
8 must submit to the office of financial management(~~(+~~
9 ~~(e) That,~~)).

10 (3) Prior to adopting credentialing fees under RCW 43.70.250, the
11 secretary shall collaborate with the commission to determine the
12 appropriate fees necessary to support the activities of the
13 commission(~~(+~~
14 ~~(d) That,~~)).

15 (4) Prior to the secretary exercising the secretary's authority to
16 adopt uniform rules and guidelines, or any other actions that might
17 impact the licensing or disciplinary authority of the commission, the
18 secretary shall first meet with the commission to determine how those
19 rules or guidelines, or changes to rules or guidelines, might impact
20 the commission's ability to effectively carry out its statutory duties.
21 If the commission, in consultation with the secretary, determines that
22 the proposed rules or guidelines, or changes to existing rules or
23 guidelines, will negatively impact the commission's ability to
24 effectively carry out its statutory duties, then the individual
25 commission shall collaborate with the secretary to develop alternative
26 solutions to mitigate the impacts. If an alternative solution cannot
27 be reached, the parties may resolve the dispute through a mediator as
28 set forth in (~~(f) of this subsection;~~
29 ~~(e) That~~)) subsection (6) of this section.

30 (5) The commission shall negotiate with the secretary to develop
31 performance-based expectations, including identification of key
32 performance measures. The performance expectations should focus on
33 consistent, timely regulation of health care professionals(~~(+~~~~and~~
34 ~~(f) That~~)).

35 (6) In the event there is a disagreement between the commission and
36 the secretary, that is unable to be resolved through negotiation, a
37 representative of both parties shall agree on the designation of a
38 third party to mediate the dispute.

1 ~~((3) By December 15, 2013, the secretary, the commission, and the~~
2 ~~other commissions conducting similar pilot projects under RCW~~
3 ~~18.71.430, 18.25.210, and 18.32.765, shall report to the governor and~~
4 ~~the legislature on the results of the pilot project. The report shall:~~

5 ~~(a) Compare the effectiveness of licensing and disciplinary~~
6 ~~activities of each commission during the pilot project with the~~
7 ~~licensing and disciplinary activities of the commission prior to the~~
8 ~~pilot project and the disciplinary activities of other disciplining~~
9 ~~authorities during the same time period as the pilot project;~~

10 ~~(b) Compare the efficiency of each commission with respect to the~~
11 ~~timeliness and personnel resources during the pilot project to the~~
12 ~~efficiency of the commission prior to the pilot project and the~~
13 ~~efficiency of other disciplining authorities during the same period as~~
14 ~~the pilot project;~~

15 ~~(c) Compare the budgetary activity of each commission during the~~
16 ~~pilot project to the budgetary activity of the commission prior to the~~
17 ~~pilot project and to the budgetary activity of other disciplining~~
18 ~~authorities during the same period as the pilot project;~~

19 ~~(d) Evaluate each commission's regulatory activities, including~~
20 ~~timelines, consistency of decision making, and performance levels in~~
21 ~~comparison to other disciplining authorities; and~~

22 ~~(e) Review summaries of national research and data regarding~~
23 ~~regulatory effectiveness and patient safety.~~

24 ~~(4)) (7) The secretary shall employ staff that are hired and~~
25 ~~managed by the executive director provided that nothing contained in~~
26 ~~this section may be construed to alter any existing collective~~
27 ~~bargaining unit or the provisions of any existing collective bargaining~~
28 ~~agreement.~~

29 (8) By December 31, 2013, the commission must present a report with
30 recommendations to the governor and the legislature regarding:

31 (a) Evidence-based practices and research-based practices used by
32 boards of nursing when conducting licensing, educational, disciplinary,
33 and financial activities and the use of such practices by the
34 commission; and

35 (b) A comparison of the commission's licensing, education,
36 disciplinary, and financial outcomes with those of other boards of
37 nursing using a national database.

1 NEW SECTION. **Sec. 6.** A new section is added to chapter 18.79 RCW
2 to read as follows:

3 In addition to the authority provided in RCW 42.52.804, the
4 commission, its members, or staff as directed by the commission, may
5 communicate, present information requested, volunteer information,
6 testify before legislative committees, and educate the legislature, as
7 the commission may from time to time see fit.

8 **Sec. 7.** RCW 43.70.240 and 1998 c 245 s 73 are each amended to read
9 as follows:

10 The secretary and each of the professional licensing and
11 disciplinary boards (~~((under the administration of the department))~~)
12 listed in RCW 18.130.040(2)(b) shall enter into written operating
13 agreements on administrative procedures with input from the regulated
14 profession and the public. The intent of these agreements is to
15 provide a process for the department to consult each board on
16 administrative matters and to ensure that the administration and staff
17 functions effectively enable each board to fulfill its statutory
18 responsibilities in a manner that supports the health care delivery
19 system and evidence-based practices across all health professions. The
20 agreements shall include, but not be limited to, the following
21 provisions:

- 22 (1) Administrative activities supporting the board's policies,
23 goals, and objectives;
- 24 (2) Development and review of the agency budget as it relates to
25 the board; (~~and~~)
- 26 (3) Board related personnel issues;
- 27 (4) Use of performance audits to evaluate the consistent use of
28 common business practices where appropriate; and
- 29 (5) Calculation and reporting of timelines and performance
30 measures.

31 The agreements shall be reviewed and revised in like manner if
32 appropriate at the beginning of each (~~(fiscal year))~~ biennium, and at
33 other times upon written request by the secretary or the board. Any
34 dispute between a board and the department, including the terms of the
35 operating agreement, must be mediated and determined by a
36 representative of the office of financial management.

1 NEW SECTION. **Sec. 8.** The following acts or parts of acts are each
2 repealed:

3 (1) RCW 18.71.0191 (Executive director--Staff) and 1994 sp.s. c 9
4 s 326, 1991 c 3 s 168, & 1979 ex.s. c 111 s 6; and

5 (2) RCW 18.79.130 (Executive director--Staff) and 1994 sp.s. c 9 s
6 413.

7 NEW SECTION. **Sec. 9.** This act is necessary for the immediate
8 preservation of the public peace, health, or safety, or support of the
9 state government and its existing public institutions, and takes effect
10 July 1, 2013.

 Passed by the House March 11, 2013.
 Passed by the Senate April 12, 2013.
 Approved by the Governor April 25, 2013.
 Filed in Office of Secretary of State April 25, 2013.