



Preliminary Cost-Benefit Analysis

**Chapter 296-49A WAC, Director's Factory Assembled
Structures Advisory Board**

Chapter 296-150P WAC, Recreational Park Trailers

Chapter 296-150R WAC, Recreational Vehicles

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Introduction

Administrative Procedure Act Requirements

The Administrative Procedure Act (APA) requires that, before adopting a significant legislative rule, the Department of Labor & Industries (L&I) must analyze the probable costs and benefits of the rule, and determine that the benefits are greater than its costs, taking into account both the qualitative and quantitative benefits and costs.” [RCW 34.05.328(1)(d)]

RCW 34.05.328(5)(c)(iii) defines a "significant legislative rule" as a rule, other than a procedural or interpretive rule, that:

- Adopts substantive provisions of law pursuant to delegated legislative authority, the violation of which subjects a violator of such rule to a penalty or sanction;
- Establishes, alters, or revokes any qualification or standard for the issuance, suspension, or revocation of a license or permit; or
- Adopts a new, or makes significant amendments to, a policy or regulatory program.

Under certain circumstances, a rule or rule component is exempt from this requirement.

Proposed Amendments

This rulemaking proposes amendments to the factory assembled structures (FAS) rules under chapters 296-49A, 296-150P and 296-150R WAC. The proposed amendments affect L&I’s FAS Advisory Board (Board), and distributing inspection insignia to manufacturers of recreational vehicles. The amendments are necessary after passage of two bills in 2023 that took effect July 23, 2023: House Bill 1514 (HB 1514), chapter 78, Laws of 2023; and Senate Bill 5089 (SB 5089), chapter 36, Laws of 2023.

HB 1514 allows recreational vehicles (RV’s) and recreational park trailer manufacturers with an agency approved Quality Control Program to request and purchase insignia while their plans are under review by the FAS Program.

SB 5089 was an L&I request bill that amends membership for the Board. Amendments include:

- Increasing the number of board members from nine to at least 11;
- Adding a representative for allied trades such as electricians, plumbers and contractors;
- Adding diversity considerations for Board appointments; and
- Requiring members to apply for reappointment if serving consecutive terms.

The new statutory amendments also make technical and clean-up changes under Chapters 43.22 and 43.22A RCW.

Probable Costs and Benefits of the Proposed Amendments

Most of the proposed amendments are not significant legislative rules and are exempt from the cost-benefit analysis requirement. The proposed amendments that are considered significant legislative rules are as follows:

WAC 296-49A-040, Who are the members and officers of the board?

WAC 296-49A-040(1)

- Overview

Adds new language that expands the Board. The proposed amendments allow for appointment of additional representatives at the discretion of the director and adds new members representing the allied trades and conversion vendor units.

- Cost/Benefit Analysis

The proposed amendments expand membership on the Board, which does not add costs. The benefits are greater representation and participation on the Board for the industry.

WAC 296-49A-040(3)

- Overview

Adds new language clarifying that board members serve at the discretion of the director and allowing for removal of members for cause.

- Cost/Benefit Analysis

The proposed rule aligns with the Board's bylaws and adopts L&I's existing practice; therefore, it does not add costs above existing practice or baseline. The benefits are improved consistency with the existing practices of the Board and ensuring members adhere to their responsibilities.

WAC 296-49A-050, When does the board meet?

- Overview

Amends language that allows the FAS Program Manager to reschedule the regular meetings of the Board with advance notice. The proposed amendments also allow the FAS Program Manager and the Board Chair to call special board meetings when necessary. The Chair must have the approval of the FAS Program Manager on behalf of the L&I Director to call special meetings. Under current law, the Director has authority to call these meetings.

- Cost/Benefit Analysis

The proposed amendments align with the Board’s bylaws and adopts the department’s existing practice; therefore, it does not add costs above existing practice or baseline. The Director is not involved with the day to day operations of the Board, so the proposed amendments extend the authority to call special meetings to the FAS Program Manager and Chair with approval. The benefits are streamlined governmental operation and a reduction in regulatory requirements that are not necessary for public safety.

WAC 296-49A-070, What are the duties of the board?

WAC 296-49A-070(3)

- Overview

Removes language pertaining to the Board’s duties for assisting with interpreting codes and regulations. Removes a time limit for periodic review of rules by the Board, and clarifies what rules the Board must review and what rules may be reviewed. Adds new language that clarifies the information that board members should communicate to their stakeholder groups and the FAS Program.

- Cost/Benefit Analysis

The proposed amendments reflect L&I’s existing practice that is already complied with by members; therefore, it does not add costs above existing practices or baseline. The FAS Program consults with code authorities, such as the State Building Code Council and the International Code Council if there are questions about the interpretation of codes. The Board does review all proposed rules prior to entering into rulemaking. The benefits are improved consistency with the existing duties and practices of the Board and ensuring clear communications between the Board, stakeholders, and the department.

WAC 296-49A-100, What standards of ethical conduct are expected of the board members and persons appearing before the board?

- Overview

Amends language pertaining to state ethic laws. The proposed amendments remove the requirement that non-board members appearing before the Board must comply with the State ethics laws and allows for removal of board members for not conforming to those standards.

- Cost/Benefit Analysis

The proposed amendments removes a regulatory barrier for persons appearing before the Board and adopts the department's existing practice that is already complied with by the industry; therefore, it does not add any new costs above existing practices or baseline. The benefits are improved consistency with the existing duties of the Board and participation in Board activities.

WAC 296-150P-0020, What definitions apply to this chapter?

Definitions

- Overview

Adds a new definition to define the meaning of “submitted design plan”. A submitted design plan is defined as a plan that has been received by the department for review, the plan approval fee is paid, and the plans are awaiting review by the department.

- Cost/Benefit Analysis

The proposed rule defines the term “submitted design plan” and adopts the department's existing process that is already complied with by the industry; therefore, it does not add any new costs above existing practices or baseline. The benefit is improved public safety by ensuring that plans for factory assembled structures are reviewed in accordance with the statutory amendments under chapter 43.22 RCW as a result of HB 1514.

WAC 296-150P-0220, How do I obtain insignia based on state-plan approval?

WAC 296-150P-0220(2)(b)

- Overview

Removes the requirement that manufacturers include a list of their approved plans with each insignia application.

- Cost/Benefit Analysis

The proposed amendments remove a regulatory requirement, as the department already has this information in their plan database. For customers, the result is a minor cost savings because applicants no longer have to submit a list with each insignia application. The benefits are the reduction in regulatory requirements that are not necessary for enforcement of public safety rules.

WAC 296-150P-0220, How do I obtain insignia based on state-plan approval?

WAC 296-150P-0220(3), (3)(a), (3)(b), (3)(c)

- Overview

Creates a new subsection that adds restrictions for park model recreational vehicles labels. The proposed amendments prohibit the purchase or use of insignia for units when the design plan is under review by a licensed professional and without a plan approval number, or is at the department less than 10 working days, or have been reviewed but not approved by the department.

- Cost/Benefit Analysis

The proposed amendments clarify the use of insignia and adopts L&I's existing practice that is already complied with by the industry; therefore, it does not add new costs above existing practice and baseline. The benefit is improved public safety by ensuring that plans for factory assembled structures are reviewed in accordance with the statutory amendments under chapter 43.22 RCW as a result of HB 1514.

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The proposed rule defines the term “submitted design plan” and adopts the department’s existing process that is already complied with by the industry; therefore, it does not add any

new costs above existing practices or baseline. The benefit is improved public safety by ensuring that plans for factory assembled structures are reviewed in accordance with the statutory amendments under chapter 43.22 RCW as a result of HB 1514.

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- Cost/Benefit Analysis

The proposed amendments clarify the use of insignia and adopts L&I's existing practice that is already complied with by the industry; therefore, it does not add new costs above existing practice and baseline. The benefit is improved public safety by ensuring that plans for factory assembled structures are reviewed in accordance with the statutory amendments under chapter 43.22 RCW as a result of HB 1514.

Cost-Benefit Determination

As described above, the proposed rules do not impose additional costs and result in a minor cost saving; therefore, the probable benefits of this rule are likely much greater than the probable costs.

Least Burdensome Alternative Analysis

L&I is required to determine, after considering alternative versions of the rule and the analysis required, that the amendments being proposed are the least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives of the statute. RCW 34.05.328(1)(e).

Member and officers of the Board.

The rule amendments expand the Board to include additional representatives and allow for removal of members for cause. The rule amendment is the best approach because it allows for greater representation, diversity and expertise on the Board for the industry. It also helps to ensure that members adhere to their responsibilities.

Board meetings.

The rule amendments allow the FAS Program Manager to reschedule regular meetings and call special meetings of the Board. The amendments also give the Chair the authority to call special meetings with the approval of the FAS Program Manager. The rule amendment is the best approach because it creates greater flexibility in managing the meetings of the Board.

Duties of the Board.

The rule amendments remove provisions pertaining to the Board's duties and clarifies the information that board members should communicate to their stakeholder groups and the FAS Program. The rule amendment is the best approach because it creates consistency with the existing practices of the Board and provides clear expectations for members to ensure greater transparency and participation from the industry.

Standards of ethical conduct are expected of the board members and persons appearing before the Board.

The rule amendments update requirements pertaining to state ethic laws for board members and the public. The amendments also allow for removal of board members for failure to conform to those standards. The rule amendment is the best approach because improves consistency with current state ethic laws and Board practices and removes an unenforceable barrier to public participation in Board activities.

Definitions for recreational park trailers

The rule amendments add a new definition to define the meaning of a submitted design plan. The rule amendment is the best approach because it clarifies the department's existing process that customers must follow in order to request and purchase insignia while plans are awaiting approval by the department.

Obtain insignia based on state-plan approval for recreational park trailers.

This rule amendment adds restrictions for purchasing and using insignia and repeals the requirements to include a list of approved plans with each application. The rule amendment is the best approach because it clarifies when insignia can be purchased or used and reduces the burden on customers to provide a list that is no longer necessary.

Definitions for recreational vehicles.

This rule amendment adds a new definition for submitted design plan. The rule amendment is the best approach because it clarifies the department’s existing process that customers must follow in order to request and purchase insignia while their plans are awaiting approval by the department.

Obtain insignia based on state-plan approval for recreational vehicles.

This rule amendment adds language for restrictions for labels being applied to units and removes the requirements to include a list of approved plans with each application. The rule amendment is the best approach because it clarifies when insignia can be purchased or used and reduces the burden on customers to provide a list that is no longer necessary.