
SAO Performance Audit Objectives

The SAO sought to answer these questions:

- Are state agencies currently coordinating their processes to minimize resources needed for businesses’ regulatory approvals?
- Do opportunities exist for expanded coordination among Washington’s regulatory agencies?

SAO Recognition 1: Leading practices used to evaluate agencies have proven success on the federal level.

SAO Recognition 2: Several multi-agency coordination efforts are already in place, and some have aligned well with leading practices.

SAO Issue 1: Three hypothetical projects showed that agency coordination is limited.

SAO Issue 2: The state does not have a strategic approach to identify and prioritize opportunities to coordinate.

SAO Recommendation 1: To ensure ongoing coordination among regulatory agencies, reduce costs to government and businesses, and promote economic vitality, we recommend the Legislature assign a lead agency to:

1. Develop a long-term strategy for identifying and prioritizing multi-agency regulatory processes that can be streamlined through better coordination, based on such things as:
   - Industry needs determined in collaboration with businesses
   - Importance to the state
   - Potential for savings to businesses and agencies
2. Develop a timetable for prioritized regulatory processes to be streamlined through coordination
3. Identify agencies involved in each regulatory process to be streamlined through coordination
4. Convene agencies involved in those regulatory processes and facilitate ongoing coordination
5. Work with identified agencies on prioritized processes to:
   a. Scope and understand the problem
   b. Establish written policies and protocols for coordinating
   c. Identify structured communication channels between agencies
   d. Develop methods for sharing of applicant information between agencies to reduce duplication of what businesses need to submit, where possible
   e. Promote concurrent reviews of applicant materials or comment periods
   f. Ensure compatible regulatory requirements
   g. Develop and track performance measures

6. Report to the Governor and Legislature annually on:
   a. Progress of prioritized regulatory processes being streamlined through coordination
   b. Performance measures for each process

STATE RESPONSE

We appreciate the SAO acknowledging that it is not practical to ask agencies to formalize all of their coordination activities or to coordinate on every type of approval process.

We support identifying where regulatory coordination would add value and agree in concept with appointing a lead agency to develop a long-term strategy for identifying and prioritizing multi-agency processes. Such efforts — either initiated ad hoc by agencies as resources allow or through formal statute — take thoughtful consideration and resources. There also may be constraints that prevent agencies from sharing information, including laws or system limitations such as cobalt programmed legacy computer systems.

Action Steps and Time Frame

   • None applicable. Directed to the Legislature.