



LAWS OF ALASKA

2004

Source

HCS CSSB 203(FIN)

Chapter No.

AN ACT

Relating to administrative hearings, to hearing officers, and to administrative law judges; establishing the office of administrative hearings and relating to that office; and providing for an effective date.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

THE ACT FOLLOWS ON PAGE 1

AN ACT

1 Relating to administrative hearings, to hearing officers, and to administrative law judges;
2 establishing the office of administrative hearings and relating to that office; and providing for
3 an effective date.

4
5 * **Section 1.** The uncoded law of the State of Alaska is amended by adding a new section
6 to read:

7 **PURPOSE.** The purpose of this Act is to increase the separation between the
8 adjudicatory functions of executive branch agencies and the agencies' investigatory,
9 prosecutory, and policy-making functions.

10 * **Sec. 2.** AS 44 is amended by adding a new chapter to read:

11 **Chapter 64. Hearing Officers and Office of Administrative Hearings.**

12 **Sec. 44.64.010. Office created.** (a) There is created in the Department of
13 Administration an independent office of administrative hearings under the direction of
14 the chief administrative law judge.

1 (b) The chief administrative law judge must
2 (1) be a resident of the state;
3 (2) have experience in administrative law;
4 (3) be licensed to practice law in this state and have been admitted to
5 practice law in this state for at least five years; and
6 (4) have experience representing clients in administrative or judicial
7 proceedings.

8 (c) The chief administrative law judge is appointed to a five-year term of
9 office by the governor and is subject to confirmation by the legislature. An individual
10 may serve not more than three full or partial terms as chief administrative law judge.
11 The governor may remove the chief administrative law judge from office only for
12 good cause. The basis for removal shall be stated in writing. A vacancy in the office
13 of chief administrative law judge shall be filled by the governor, and the individual
14 appointed serves for the remainder of the term to which appointed.

15 (d) The chief administrative law judge shall receive a monthly salary that is
16 not less than Step A nor more than Step F, Range 27, of the salary schedule in
17 AS 39.27.011(a) for Juneau, Alaska. The chief administrative law judge is in the
18 partially exempt service.

19 **Sec. 44.64.020. Powers and duties of chief administrative law judge.** (a)
20 The chief administrative law judge shall

21 (1) supervise the office;
22 (2) employ administrative staff, who shall be in the classified service;
23 (3) employ administrative law judges, who shall be in the partially
24 exempt service;

25 (4) preside over administrative hearings handled by the office or, based
26 upon the qualifications and expertise of the administrative law judges, assign
27 administrative law judges to preside over hearings, and protect, support, and enhance
28 the decisional independence of the administrative law judges;

29 (5) establish and implement performance standards, including
30 provision for timeliness, and peer review programs for administrative law judges
31 employed or retained by the office;

1 (6) make available and facilitate training and continuing education
2 programs and services in administrative procedure, administrative adjudication,
3 substantive law, alternate dispute resolution, and technical matters for administrative
4 law judges and other administrative adjudicators;

5 (7) survey administrative hearing participants and use other methods to
6 monitor the quality of administrative hearings held by the office and other state
7 agencies, and submit to the governor and the legislature on January 31 of each year the
8 results of the survey along with a report that includes a description of the activities of
9 the office and recommendations for statutory changes that may be needed in relation
10 to the administrative hearings held by the office or other state agencies;

11 (8) review and comment on regulations proposed by state agencies to
12 govern procedures in administrative hearings;

13 (9) enter into contracts as necessary to carry out the functions of the
14 office;

15 (10) annually prepare and submit to the commissioner of
16 administration a budget for the office for the next fiscal year that shall include and
17 separately identify funding for training and continuing education; a copy of the budget
18 submitted to the commissioner under this paragraph shall also be submitted to the
19 Finance Committee of each house of the legislature; and

20 (11) after consulting with affected agencies, adopt regulations under
21 AS 44.62 (Administrative Procedure Act) to carry out the duties of the office and
22 implement this chapter.

23 (b) In carrying out the responsibilities of the office, the chief administrative
24 law judge shall seek to accomplish the following goals:

25 (1) provide for the delivery of high quality adjudication services in a
26 timely, efficient, and cost-effective manner;

27 (2) ensure respect for the privacy and dignity of the individuals whose
28 cases are being adjudicated and protect them from threats, intimidation, and
29 harassment;

30 (3) foster open and clearly explained agency decisions and improve
31 public access to the process of administrative adjudication;

1 (4) guarantee protection of all parties' due process rights, increase the
2 public parties' perception of fairness in administrative adjudication, and foster
3 acceptance of final administrative decisions by the public and affected parties;

4 (5) protect the integrity of the process of administrative adjudication
5 and decisional independence of administrative adjudicators; and

6 (6) increase consistency in administrative procedures and decisions.

7 * **Sec. 3.** AS 44.64 is amended by adding new sections to read:

8 **Sec. 44.64.030. Jurisdiction of the office.** (a) The office shall conduct all
9 adjudicative administrative hearings required under the following statutes or under
10 regulations adopted to implement the statutes:

11 (1) AS 04.11.510(b)(1) and (c) (alcoholic beverages license);

12 (2) AS 05.15 (charitable gaming);

13 (3) AS 05.20 (recreational devices);

14 (4) AS 05.90.001 (special racing events);

15 (5) AS 06 (banks and financial institutions);

16 (6) AS 08 (occupational licensing), other than AS 08.08 and
17 AS 08.62.046;

18 (7) AS 10.06 (Alaska Corporations Code);

19 (8) AS 10.13 (Alaska BIDCO Act);

20 (9) AS 10.25.375 (Electric and Telephone Cooperative Act);

21 (10) AS 10.50.408 (limited liability companies);

22 (11) AS 14.11.016 (education-related facility grants);

23 (12) AS 14.18 (discrimination in public education);

24 (13) AS 14.48 (postsecondary educational institutions);

25 (14) AS 17.20 (Alaska Food, Drug, and Cosmetic Act), other than
26 AS 17.20.060 and 17.20.360;

27 (15) AS 18.18.030 (hospice licenses);

28 (16) AS 18.20 (hospitals and nursing facilities), other than
29 AS 18.20.180;

30 (17) AS 18.35.040 (tourist accommodations);

31 (18) AS 21.09, AS 21.22.190, AS 21.27, AS 21.34, AS 21.36,

1 AS 21.69, AS 21.86.200, AS 21.87, and AS 21.89 (insurance);
2 (19) AS 25.27 (child support enforcement);
3 (20) AS 32.06 (Uniform Partnership Act);
4 (21) AS 34.45 (unclaimed property);
5 (22) AS 34.55.024 and 34.55.026 (Uniform Land Sales Practices Act);
6 (23) AS 36.30 (State Procurement Code), other than
7 AS 36.30.627(a)(2);
8 (24) AS 38.05.065 (contracts for sale of state land);
9 (25) AS 39.52 (Alaska Executive Branch Ethics Act);
10 (26) AS 43.23 (permanent fund dividends);
11 (27) AS 43.70 (Alaska Business License Act);
12 (28) AS 44.50 (notaries public);
13 (29) AS 44.77 (claims against the state);
14 (30) AS 45.30.040 (mobile homes);
15 (31) AS 45.55 (Alaska Securities Act);
16 (32) AS 45.57 (Takeover Bid Disclosure Act);
17 (33) AS 47.33 (assisted living homes);
18 (34) AS 47.35 (child care);
19 (35) AS 47.45 (longevity bonuses).

20 (b) An agency may request the office to conduct an administrative hearing or
21 other proceeding of that agency or to conduct several administrative hearings or other
22 proceedings under statutes not listed in (a) of this section. The office may provide the
23 service after entering into a written agreement with the agency describing the services
24 to be provided and providing for reimbursement by the agency to the office of the
25 costs incurred by the office in providing the services.

26 (c) To the extent otherwise permitted by law, the agency may delegate to the
27 administrative law judge assigned to conduct the hearing on behalf of the agency the
28 authority to make a final agency decision in the matter. The final decision may be
29 appealed to the superior court by any party.

30 (d) Nothing in this chapter may be construed to create a right to a hearing or to
31 require a hearing that is not required under other law.

1 **Sec. 44.64.040. Administrative law judges.** (a) An administrative law judge
2 must be admitted to practice law in this state and must have been admitted to practice
3 in this state for at least two years before being employed or retained with the office.
4 The chief administrative law judge shall establish additional qualifications for
5 administrative law judges employed or retained by the office and for those
6 administrative law judges that may be assigned to particular types of cases. An
7 administrative law judge is in the partially exempt service. Notwithstanding
8 AS 39.25.120(b), full-time administrative law judges employed by the office are
9 subject to the personnel rules adopted under AS 39.25.150(7), (15), and (16).

10 (b) An administrative law judge employed or retained by the office may, in
11 conducting an administrative hearing for an agency, exercise the powers authorized by
12 law for exercise by that agency in the performance of its duties in connection with the
13 hearing. An administrative law judge may

14 (1) engage in alternative dispute resolution under regulations adopted
15 by the chief administrative law judge that is in addition to any alternate dispute
16 resolution procedure used by an agency before the case is referred to the office;

17 (2) order a party, a party's attorney, or another authorized
18 representative of a party to pay reasonable expenses, including attorney fees, incurred
19 by another party as a result of actions done in bad faith or as a result of tactics used
20 frivolously or solely intended to cause unnecessary delay;

21 (3) perform other necessary and appropriate acts in the performance of
22 official duties.

23 (c) An administrative law judge employed by the office must devote full time
24 to the duties of the office unless appointed to a position that is less than full-time. An
25 administrative law judge employed by the office may not perform duties inconsistent
26 with the duties and responsibilities of an administrative law judge.

27 (d) The office may enter into a contract with an individual who meets the
28 qualifications established in (a) of this section to serve as an administrative law judge
29 in a particular administrative hearing or in several hearings of the same type. The
30 individual is subject to AS 39.52 (Alaska Executive Branch Ethics Act).
31 Notwithstanding AS 36.30.015(d), the office may contract for or hire an

1 administrative law judge without notifying or securing the approval of the Department
2 of Law.

3 **Sec. 44.64.050. Hearing officer conduct.** (a) An administrative law judge
4 employed full time by the office or a hearing officer employed full time by an agency
5 may not serve in any other judicial or quasi-judicial capacity or engage in the private
6 practice of law.

7 (b) The chief administrative law judge shall, subject to AS 39.52.920 and by
8 regulation, adopt a code of hearing officer conduct. The code shall apply to the chief
9 administrative law judge, administrative law judges of the office, and hearing officers
10 of each other agency. The following fundamental canons of conduct shall be included
11 in the code: in carrying out official duties, an administrative law judge or hearing
12 officer shall

- 13 (1) uphold the integrity and independence of the office;
14 (2) avoid impropriety and the appearance of impropriety;
15 (3) perform the duties of the office impartially and diligently;
16 (4) conduct unofficial activities in ways that minimize the risk of
17 conflict with the obligations of the office; and
18 (5) refrain from inappropriate activity in seeking employment with
19 another agency or employer or in seeking reappointment.

20 (c) Except as provided in (e) of this section, the chief administrative law judge
21 shall receive and consider all complaints against administrative law judges or hearing
22 officers employed or retained by the office or another agency alleging violations of (a)
23 of this section or of the code of hearing officer conduct. The chief administrative law
24 judge shall deliver the complaint to the attorney general when the chief administrative
25 law judge determines that the conduct alleged, if true, would constitute a violation of

- 26 (1) subsection (a) of this section; or
27 (2) the code and would warrant disciplinary action under the
28 regulations adopted under (b) of this section.

29 (d) If the attorney general determines that a violation has occurred, the
30 attorney general shall submit written findings to the agency that employed or retained
31 the administrative law judge or hearing officer who is the subject of the complaint

1 together with recommendations for corrective or disciplinary action. If the
2 administrative law judge is employed or retained by the office, the chief administrative
3 law judge shall take appropriate corrective or disciplinary action.

4 (e) The attorney general shall, by regulation, establish procedures to
5 implement (d) of this section, including procedures for investigating and holding
6 hearings on complaints. The attorney general shall receive and consider any
7 complaint filed against the chief administrative law judge under this section, and may
8 investigate or hold a hearing on the complaint in compliance with the regulations
9 adopted under this subsection.

10 **Sec. 44.64.055. Reimbursement agreements.** The office may enter into
11 agreements for reimbursement for services related to an administrative hearing from a
12 school district, municipality, or other governmental entity if the reimbursement is
13 authorized by other law.

14 **Sec. 44.64.060. Procedure for hearings.** (a) The chief administrative law
15 judge shall, by regulation, establish procedures for administrative hearings conducted
16 by the office. Each administrative hearing under the jurisdiction of the office or that
17 has been transferred to the office by an agency shall be conducted in accordance with
18 statutes that apply to that hearing, including, if applicable, AS 44.62 (Administrative
19 Procedure Act). In case of conflict between this section and another applicable statute
20 establishing procedures for administrative hearings, the other statute prevails.
21 However, to the extent regulations adopted by an agency for the conduct of an
22 administrative hearing conflict with regulations adopted by the chief administrative
23 law judge under this subsection, the regulations adopted by the chief administrative
24 law judge control to the maximum extent possible without conflicting with applicable
25 statutes.

26 (b) When an agency receives a request for a hearing that is subject to
27 AS 44.64.030, the agency shall, within 10 days and in writing, deny the request for
28 reasons provided by law or grant the request and refer the case to the office. The
29 agency shall immediately give notice of the denial or referral to the requestors and the
30 office. If the request is denied, the denial may be appealed to the superior court as
31 provided by other law. If the request is granted, the agency shall, within 15 days after

1 receiving the request, compile and transmit to the office a copy of the request for a
2 hearing, the names, addresses, and telephone numbers of all parties and their
3 representatives, and the agency's decision, if any, together with the record relied on to
4 support the decision. Any information provided to the office that is confidential by
5 law shall be identified by the agency as confidential and shall be kept confidential by
6 the office.

7 (c) The agency may, with materials transmitted under (b) of this section,
8 request the chief administrative law judge to permit the individual, board, or
9 commission that will make the final decision to participate with the assigned
10 administrative law judge in the conduct of the administrative hearing. The chief
11 administrative law judge shall determine the degree and manner of participation and
12 may terminate that participation at any time. However, the individual, board, or
13 commission that participates under this subsection may not serve as the administrative
14 law judge or preside during the hearing and may not take action on behalf of the
15 agency in the agency's capacity as a party to the proceedings.

16 (d) An administrative law judge employed or retained by the office shall,
17 within 120 days after the date the agency received the request for a hearing, prepare a
18 proposed decision, unless another time period is provided by law or agreed to by the
19 parties and the chief administrative law judge. The administrative law judge shall
20 immediately submit the proposed decision to the agency.

21 (e) A proposed decision in an administrative hearing shall be in a form that
22 may be adopted as the final decision by the agency with authority to make the final
23 decision. The proposed decision is a public record, except as otherwise provided by
24 statute. A copy of the proposed decision shall be served by the office on each party in
25 the case or on the attorneys representing those parties in the hearing. Unless the office
26 has established a shorter time period or another statute has established a different time
27 period, within 30 days after the proposed decision is served, a party may file with the
28 agency a proposal for action under (1) - (5) of this subsection. The agency with
29 authority to make a final decision in the case retains agency discretion in the final
30 disposition of the case and shall, within 45 days after the date the proposed decision is
31 served or at the next regularly scheduled meeting that occurs at least 45 days after the

1 proposed decision is served, do one or more of the following:

2 (1) adopt the proposed decision as the final agency decision;

3 (2) return the case to the administrative law judge to take additional
4 evidence or make additional findings or for other specific proceedings, in which case
5 the administrative law judge shall complete the additional work and return the revised
6 proposed decision to the agency within 45 days after the original decision was
7 returned under this paragraph;

8 (3) exercise its discretion by revising the proposed enforcement action,
9 determination of best interests, order, award, remedy, sanction, penalty, or other
10 disposition of the case, and adopt the proposed decision as revised;

11 (4) in writing, reject, modify, or amend a factual finding in the
12 proposed decision by specifying the affected finding and identifying the testimony and
13 other evidence relied on by the agency for the rejection, modification, or amendment
14 of the finding, and issue a final agency decision;

15 (5) in writing, reject, modify, or amend an interpretation or application
16 in the proposed decision of a statute or regulation directly governing the agency's
17 actions by specifying the reasons for the rejection, modification, or amendment, and
18 issue a final agency decision.

19 (f) If a final decision is not issued timely in accordance with (e) of this section,
20 the administrative law judge's proposed decision is the final agency decision.

21 **Sec. 44.64.070. Disqualification of administrative law judge.** (a) The chief
22 administrative law judge or an administrative law judge employed or retained by the
23 office is disqualified from a case in which the administrative law judge cannot accord
24 a fair and impartial hearing or for other reasons established in the code of hearing
25 officer conduct.

26 (b) A party may request the disqualification of the chief administrative law
27 judge or another administrative law judge by filing an affidavit, before the taking of
28 evidence at a hearing, stating with particularity the grounds upon which it is claimed
29 that a fair and impartial hearing cannot be accorded by that administrative law judge.
30 Notwithstanding AS 44.62.450(c), upon receipt of the affidavit, the administrative law
31 judge assigned to the administrative hearing shall make a determination. If the affiant

1 objects to the decision, the matter shall be decided by the chief administrative law
2 judge, whose decision is final, or if the hearing is assigned to the chief administrative
3 law judge, by the attorney general, whose decision is final.

4 (c) In addition to disqualification of an administrative law judge under (a) and
5 (b) of this section, each side is entitled to change the assigned administrative law judge
6 once. Two or more parties aligned on the same side of an action shall be treated as
7 one side for purposes of this subsection, but the chief administrative law judge may
8 allow an additional change to a party whose interests are adverse to the interests of
9 another party on the same side. A party wishing to exercise the right to change the
10 administrative law judge shall give notice to the chief administrative law judge within
11 five days after notice is given that the case has been assigned. A party waives the
12 right to a change in the assigned administrative law judge by participating before that
13 administrative law judge in any proceeding or conference involving the case.

14 **Sec. 44.64.080. Agency cooperation.** (a) All agencies shall cooperate with
15 the chief administrative law judge and with other administrative law judges of the
16 office in the matters involving the duties of the office.

17 (b) Except as provided under AS 44.64.070 or by regulation adopted under
18 this chapter, an agency may not select or reject a particular administrative law judge
19 for assignment to an administrative hearing.

20 (c) After an administrative hearing is referred by an agency to the office for
21 hearing, the agency may not take further adjudicatory action in the case, except as a
22 party litigant or to render a final decision as provided by law. This subsection does
23 not otherwise limit the agency's authority to take action affecting a party to the case.

24 **Sec. 44.64.090. Administrative hearing records.** (a) The office shall
25 acquire and organize statistical and other information relating to administrative
26 hearings of the office and of other agencies. The office shall acquire and organize
27 copies of proposed and final agency decisions in administrative hearings and copies of
28 court decisions resulting from those administrative hearings. The information and
29 decisions shall be made available to the public, agencies, and the legislature. The
30 office shall make final agency decisions reached after administrative hearings
31 available online through an electronic data base.

1 (b) This section does not apply to records that are confidential or privileged.

2 **Sec. 44.64.095. Federal requirements.** Federal requirements applicable to an
3 administrative hearing prevail to the extent they conflict with any provision of
4 AS 44.64.010 - 44.64.200.

5 **Sec. 44.64.200. Definitions.** In this chapter,

6 (1) "administrative hearing" means a quasi-judicial hearing before an
7 agency; it does not include an informal conference or review held by an agency before
8 a final decision is issued or a rate-making proceeding or other nonadjudicative public
9 hearing;

10 (2) "administrative law judge" means a hearing officer who is retained
11 or employed by the office;

12 (3) "agency" means an agency of the executive branch of state
13 government, including an officer, a division, or another subunit of an agency, a board
14 or commission, a public corporation, and the University of Alaska;

15 (4) "hearing officer" means an individual who presides over the
16 conduct of an administrative hearing and who is retained or employed by an agency
17 for that purpose;

18 (5) "office" means the office of administrative hearings established in
19 AS 44.64.010.

20 * **Sec. 4.** AS 04.11.510(b) is amended to read:

21 (b) The board may review an application for the issuance, renewal, transfer of
22 location, or transfer to another person of a license without affording the applicant
23 notice or hearing, except

24 (1) if an application is denied, the notice of denial shall be furnished
25 the applicant immediately in writing stating the reason for the denial in clear and
26 concise language; the notice of denial must inform the applicant that the applicant is
27 entitled to an informal conference with either the director or the board, and that, if not
28 satisfied by the informal conference, the applicant is then entitled to a formal hearing
29 conducted by the office of administrative hearings (AS 44.64.010) [BEFORE THE
30 BOARD]; if the applicant requests a formal hearing, the office of administrative
31 hearings [BOARD] shall adhere to AS 44.62.330 - 44.62.630 (Administrative

1 Procedure Act); all interested persons may be heard at the hearing and unless waived
2 by the applicant and the board, the formal hearing shall be held in the area for which
3 the application is requested;

4 (2) the board may, on its own initiative or in response to an objection
5 or protest, hold a hearing to ascertain the reaction of the public or a local governing
6 body to an application if a hearing is not required under this subsection; the board
7 shall send notice of a hearing conducted under this paragraph 20 days in advance of
8 the hearing to each community council established within the municipality and to each
9 nonprofit community organization entitled to notification under AS 04.11.310(b);

10 (3) if a petition containing the signatures of 35 percent of the adult
11 residents having a permanent place of abode outside of but within two miles of an
12 incorporated city or an established village is filed with the board, the board shall hold
13 a public hearing on the question of whether the issuance, renewal, or transfer of the
14 license in the city or village would be in the public interest;

15 (4) if a protest to the issuance, renewal, transfer of location or transfer
16 to another person of a license made by a local governing body is based on a question
17 of law, the board shall hold a public hearing.

18 * **Sec. 5.** AS 05.20.080 is amended to read:

19 **Sec. 05.20.080. Application of Administrative Procedure Act.** The
20 procedure for review of the orders or actions of the department, its agents or
21 employees, is the same as that contained in AS 44.62 (Administrative Procedure Act).
22 **Administrative hearings on contested cases shall be conducted by the office of**
23 **administrative hearings (AS 44.64.010).**

24 * **Sec. 6.** AS 06.01.030(f) is amended to read:

25 (f) Hearings required or authorized under this title are not subject to
26 AS 44.62.330 - 44.62.630, except as required by AS 44.62.560 and 44.62.570. The
27 department shall adopt regulations, consistent with the provisions of this title,
28 establishing procedures for hearings held under this section. **Administrative**
29 **hearings on contested cases shall be conducted by the office of administrative**
30 **hearings (AS 44.64.010).**

31 * **Sec. 7.** AS 08.01.075(c) is amended to read:

1 (c) A board may summarily suspend a licensee from the practice of the
2 profession before a final hearing is held or during an appeal if the board finds that the
3 licensee poses a clear and immediate danger to the public health and safety. A person
4 is entitled to a hearing **conducted by the office of administrative hearings**
5 **(AS 44.64.010)** [BEFORE THE BOARD] to appeal the summary suspension within
6 seven days after the order of suspension is issued. A person may appeal an adverse
7 decision of the board on an appeal of a summary suspension to a court of competent
8 jurisdiction.

9 * **Sec. 8.** AS 08.01.087(b) is amended to read:

10 (b) If it appears to the commissioner that a person has engaged in or is about
11 to engage in an act or practice in violation of a provision of this chapter or a regulation
12 adopted under it, or a provision of AS 43.70, or a provision of this title or regulation
13 adopted under this title dealing with an occupation or board listed in AS 08.01.010, the
14 commissioner may, if the commissioner considers it in the public interest, and after
15 notification of a proposed order or action by telephone, telegraph, or facsimile to all
16 board members, if a board regulates the act or practice involved, unless a majority of
17 the members of the board object within 10 days,

18 (1) issue an order directing the person to stop the act or practice;
19 however, reasonable notice of and an opportunity for a hearing must first be given to
20 the person, except that the commissioner may issue a temporary order before a hearing
21 is held; a temporary order remains in effect until a final order affirming, modifying, or
22 reversing the temporary order is issued or until 15 days after the person receives the
23 notice and has not requested a hearing by that time; a temporary order becomes final if
24 the person to whom the notice is addressed does not request a hearing within 15 days
25 after receiving the notice; the **office of administrative hearings (AS 44.64.010)**
26 [COMMISSIONER OR THE COMMISSIONER'S DESIGNEE] shall **conduct** [BE
27 THE HEARING OFFICER AT] the hearing and shall issue a **proposed decision**
28 [FINAL ORDER] within 10 days after the hearing; **the commissioner shall issue a**
29 **final order within five days after the proposed decision is issued;**

30 (2) bring an action in the superior court to enjoin the acts or practices
31 and to enforce compliance with this chapter, a regulation adopted under it, an order

1 issued under it, or with a provision of this title or regulation adopted under this title
2 dealing with business licenses or an occupation or board listed in AS 08.01.010;

3 (3) examine or have examined the books and records of a person
4 whose business activities require a business license or licensure by a board listed in
5 AS 08.01.010, or whose occupation is listed in AS 08.01.010; the commissioner may
6 require the person to pay the reasonable costs of the examination; and

7 (4) issue subpoenas for the attendance of witnesses, and the production
8 of books, records, and other documents.

9 * **Sec. 9.** AS 08.11.090(c) is amended to read:

10 (c) The department may summarily suspend a license before final hearing or
11 during the appeals process if the department finds that the licensee poses a clear and
12 immediate danger to the public welfare and safety if the licensee continues to practice.
13 An individual whose license is suspended under this subsection is entitled to a hearing
14 **conducted** by the **office of administrative hearings (AS 44.64.010)** **not**
15 [DEPARTMENT NO] later than seven days after the effective date of the order. The
16 individual may appeal the suspension after the hearing to the superior court.

17 * **Sec. 10.** AS 08.32.171(c) is amended to read:

18 (c) The board may summarily suspend the license of a licensee who refuses to
19 submit to a physical or mental examination under AS 08.36.070(b)(1). A person
20 whose license is suspended under this section is entitled to a hearing **conducted** by the
21 **office of administrative hearings (AS 44.64.010)** [BOARD] within seven days after
22 the effective date of the order. If, after a hearing, the board upholds the suspension,
23 the licensee may appeal the suspension to a court of competent jurisdiction.

24 * **Sec. 11.** AS 08.36.320(c) is amended to read:

25 (c) The board may summarily suspend the license of a licensee who refuses to
26 submit to a physical or mental examination under AS 08.36.070(b)(1). A person
27 whose license is suspended under this section is entitled to a hearing **conducted** by the
28 **office of administrative hearings (AS 44.64.010)** [BOARD] within seven days after
29 the effective date of the order. If, after a hearing, the board upholds the suspension,
30 the licensee may appeal the suspension to a court of competent jurisdiction.

31 * **Sec. 12.** AS 08.40.170(f) is amended to read:

1 (f) The department may summarily suspend a license before a final hearing is
2 held or during an appeal if the department finds that the licensee poses a clear and
3 immediate danger to the public health and safety. A person is entitled to a hearing
4 **conducted by** [BEFORE] the **office of administrative hearings (AS 44.64.010)**
5 [DEPARTMENT] to appeal the summary suspension within seven days after the order
6 of suspension is issued. A person may appeal an adverse decision of the department
7 on an appeal of a summary suspension to a court of competent jurisdiction.

8 * **Sec. 13.** AS 08.40.320(f) is amended to read:

9 (f) The department may summarily suspend a license before a final hearing is
10 held or during an appeal if the department finds that the licensee poses a clear and
11 immediate danger to the public health and safety. A person is entitled to a hearing
12 **conducted by** [BEFORE] the **office of administrative hearings (AS 44.64.010)**
13 [DEPARTMENT] to appeal the summary suspension within seven days after the order
14 of suspension is issued. A person may appeal an adverse decision of the department
15 on an appeal of a summary suspension to a court of competent jurisdiction.

16 * **Sec. 14.** AS 08.45.070(c) is amended to read:

17 (c) The division may summarily suspend a license before final hearing or
18 during the appeals process if the division finds that the licensee poses a clear and
19 immediate danger to the public health and safety if the licensee continues to practice.
20 A licensee whose license is suspended under this section is entitled to a hearing
21 **conducted** by the **office of administrative hearings (AS 44.64.010) not** [DIVISION
22 NO] later than seven days after the effective date of the order. The licensee may
23 appeal the suspension after a hearing to a court of competent jurisdiction.

24 * **Sec. 15.** AS 08.54.710(i) is amended to read:

25 (i) The department may summarily suspend a licensee from practice of the
26 profession under this chapter, for a period of not more than 30 days, before a final
27 hearing is held or during an appeal if the department finds that the licensee poses a
28 clear and immediate danger to the public health and safety. A person is entitled to a
29 hearing **conducted by** [BEFORE] the **office of administrative hearings**
30 **(AS 44.64.010)** [DEPARTMENT] to appeal the summary suspension within seven
31 days after the order of suspension is issued. A person may appeal an adverse decision

1 of the department on an appeal of summary suspension to a court of competent
2 jurisdiction.

3 * **Sec. 16.** AS 08.55.140(c) is amended to read:

4 (c) The department may summarily suspend a license before final hearing or
5 during the appeals process if the department finds that the licensee poses a clear and
6 immediate danger to the public welfare and safety if the licensee continues to practice.
7 A person whose license is suspended under this subsection is entitled to a hearing
8 **conducted** by the **office of administrative hearings (AS 44.64.010)** not
9 [DEPARTMENT NO] later than seven days after the effective date of the order. The
10 person may appeal the suspension after the hearing to the superior court.

11 * **Sec. 17.** AS 08.64.331(c) is amended to read:

12 (c) The board may summarily suspend a license before final hearing or during
13 the appeals process if the board finds that the licensee poses a clear and immediate
14 danger to the public health and safety if the licensee continues to practice. A person
15 whose license is suspended under this section is entitled to a hearing **conducted** by the
16 **office of administrative hearings (AS 44.64.010)** not [BOARD NO] later than seven
17 days after the effective date of the order, and the person may appeal the suspension
18 after a hearing to a court of competent jurisdiction.

19 * **Sec. 18.** AS 08.65.120(c) is amended to read:

20 (c) The board may summarily suspend a license before final hearing or during
21 the appeals process if the board finds that the licensee poses a clear and immediate
22 danger to the public health and safety if the licensee continues to practice. A person
23 whose license is suspended under this section is entitled to a hearing **conducted** by the
24 **office of administrative hearings (AS 44.64.010)** not [BOARD NO] later than seven
25 days after the effective date of the order, and the person may appeal the suspension
26 after a hearing to a court of competent jurisdiction.

27 * **Sec. 19.** AS 08.68.275(c) is amended to read:

28 (c) The board may summarily suspend a license before final hearing or during
29 the appeals process if the board finds that the licensee poses a clear and immediate
30 danger to the public health and safety. A person whose license is suspended under this
31 section is entitled to a hearing **conducted** by the **office of administrative hearings**

1 **(AS 44.64.010)** [BOARD] within seven days after the effective date of the order. If,
2 after a hearing, the board upholds the suspension, the licensee may appeal the
3 suspension to a court of competent jurisdiction.

4 * **Sec. 20.** AS 08.86.204(b) is amended to read:

5 (b) The board may summarily suspend the license of a licensee who refuses to
6 submit to a physical or mental examination under AS 08.86.075. A person whose
7 license is suspended under this subsection is entitled to a hearing **conducted** by the
8 **office of administrative hearings (AS 44.64.010)** [BOARD] within seven days after
9 the effective date of the order. If, after **the** [A] hearing, the board upholds the
10 suspension, the licensee may appeal the suspension to a court of competent
11 jurisdiction.

12 * **Sec. 21.** AS 08.88.460(b) is amended to read:

13 (b) A copy of a claim filed with the commission under (a) of this section shall
14 be sent to each real estate licensee alleged to have committed the misconduct resulting
15 in losses, to the principal real estate broker employing a licensee alleged to have
16 committed the conduct resulting in losses, and to any other real estate licensee
17 involved in the transaction at least 20 days before any hearing held on the claim by the
18 **office of administrative hearings (AS 44.64.010)** [COMMISSION].

19 * **Sec. 22.** AS 08.88.460(d) is amended to read:

20 (d) A claimant under this section shall pay a filing fee of \$250 to the
21 commission at the time the claim is filed. The filing fee shall be refunded if **the**

22 (1) [THE] commission makes an award to the claimant from the real
23 estate surety fund;

24 (2) [THE] claim is dismissed under (c) of this section; or

25 (3) [THE] claim is withdrawn by the claimant before the **office of**
26 **administrative hearings (AS 44.64.010)** [COMMISSION] holds a hearing on the
27 claim.

28 * **Sec. 23.** AS 08.88.472(c) is amended to read:

29 (c) The commission may contract under AS 36.30 (State Procurement Code)
30 with a person for the person to perform [HEARING AND] legal services for the
31 commission with regard to a claim against the real estate surety fund. The contract

1 may cover one or more claims.

2 * **Sec. 24.** AS 08.92.040(c) is amended to read:

3 (c) If the department determines that a person is acting as a promoter in
4 violation of this chapter, the department may order the person to stop the violation.
5 Upon receipt of the order, the person affected has the right to be heard and to present
6 proof to the **office of administrative hearings (AS 44.64.010)** [DEPARTMENT] that
7 the violation has not occurred. **Upon** [IN THE DEPARTMENT'S DISCRETION OR
8 UPON] application made by the recipient of the order, the **office of administrative**
9 **hearings may** [DEPARTMENT SHALL] schedule a hearing at the earliest possible
10 time. After the hearing, the department may affirm, modify, or set aside the order.

11 * **Sec. 25.** AS 10.06.633(b) is amended to read:

12 (b) A corporation may not be dissolved under this section unless the
13 commissioner has given the corporation written notice of its delinquency, failure, or
14 noncompliance by mail as provided by (i) of this section. If the corporation fails,
15 within 60 days after the requirements of (i) of this section have been satisfied, to
16 contest the alleged neglect, omission, delinquency, or noncompliance by a written
17 request for a hearing **conducted by** [BEFORE] the **office of administrative hearings**
18 **(AS 44.64.010)** [COMMISSIONER] or fails to correct the asserted neglect, omission,
19 delinquency, or noncompliance, it may be dissolved under (d) of this section.

20 * **Sec. 26.** AS 10.06.865 is amended to read:

21 **Sec. 10.06.865. Cancellation of certificates issued and filings accepted.**

22 The commissioner may, within one year after a filing, and after written notice to the
23 corporation or individual making the filing, cancel a certificate issued or filing
24 accepted under this chapter, on any ground existing at the time of issuance or filing for
25 which the commissioner could have originally refused to issue the certificate or accept
26 the filing. The notice of cancellation must state the reason for the cancellation. A
27 corporation or individual may request a hearing **conducted by** [BEFORE] the **office**
28 **of administrative hearings (AS 44.64.010)** [COMMISSIONER] within 90 days after
29 receipt of the notice. Cancellation becomes final if the corporation or individual does
30 not request a hearing within 90 days after receipt of notice. Notice of cancellation
31 shall be sent by certified mail with return receipt requested. If the return receipt is not

1 received by the department within a reasonable time and the department has made
2 diligent inquiry as to the address of the corporation, notice may be made by
3 publication in a newspaper of general circulation in the vicinity of the registered office
4 of the corporation or the address of the individual who made the filing, and the
5 cancellation becomes final 60 days after publication of the notice if the person or
6 corporation does not request a hearing.

7 * **Sec. 27.** AS 10.13.770(b) is amended to read:

8 (b) If the department fails to **promptly notify the office of administrative**
9 **hearings (AS 44.64.010) of the application and the office fails to** begin a hearing
10 within 15 business days after the application is filed or within a longer period to which
11 the licensee or subject person consents, the order shall be considered rescinded.

12 * **Sec. 28.** AS 14.11.016(b) is amended to read:

13 (b) A district may appeal an adverse decision of the department under (a) of
14 this section by filing a written notice of appeal with the commissioner within 15 days
15 after the date of the department's decision. The notice of appeal must state the legal
16 and factual basis for the appeal and the precise relief sought. The failure of the district
17 to include an issue in a notice of appeal constitutes a waiver of the right to have the
18 issue considered. Not later than 10 days after receipt **by the commissioner** of a notice
19 of appeal, the **chief administrative law judge of the office of administrative**
20 **hearings (AS 44.64.010)** [COMMISSIONER] shall appoint **an administrative law**
21 **judge** [A HEARING OFFICER] who is qualified under AS 44.62.350(c) to **serve as**
22 **hearing officer and** consider the appeal. If the hearing officer finds that the notice of
23 appeal does not raise a reasonable issue of fact or law, the hearing officer shall issue a
24 written decision denying the appeal. Denial of an appeal by hearing officer is a final
25 decision that may be appealed under (d) of this section. If the hearing officer finds
26 that the notice of appeal raises a reasonable issue of fact or law, the hearing officer
27 shall conduct a hearing on those issues and recommend a decision to the board. The
28 hearing officer shall issue a decision on the appeal not later than 60 days after being
29 appointed. The board shall consider the recommended decision of the hearing officer
30 at its next regularly scheduled meeting and may adopt all, part, or none of the
31 recommended decision or may remand the issue to the hearing officer for further

1 hearings. The board shall issue its decision in writing within 10 days after
2 consideration of the hearing officer's decision.

3 * **Sec. 29.** AS 14.18.090(a) is amended to read:

4 (a) The board shall enforce compliance by school districts and regional
5 educational attendance areas with the provisions of this chapter and the regulations
6 and procedures adopted under it by appropriate order made in accordance with
7 AS 44.62. After a hearing **conducted by the office of administrative hearings**
8 **(AS 44.64.010)** and a finding **by the board** that a district or a regional educational
9 attendance area is not in compliance with this chapter and is not actively working to
10 come into compliance, the board shall institute appropriate proceedings to abate the
11 practices found by the board to be a violation of this chapter.

12 * **Sec. 30.** AS 14.20.030 is amended by adding a new subsection to read:

13 (c) The commissioner or the Professional Teaching Practices Commission
14 shall request the chief administrative law judge (AS 44.64.020), to appoint an
15 administrative law judge employed by the office of administrative hearings to preside
16 at a hearing conducted under this section. AS 44.64.060 and 44.64.070 do not apply
17 to the hearing.

18 * **Sec. 31.** AS 14.48.130(b) is amended to read:

19 (b) The commission shall investigate the complaint and may attempt to effect
20 a settlement by persuasion and conciliation. A [THE COMMISSION MAY
21 CONSIDER A] complaint **may be considered** after 30 **days'** [DAYS] written notice
22 by registered mail to the institution or agent, or both, giving notice of a time and place
23 for hearing on the complaint. The hearing shall be conducted in accordance with
24 AS 44.62 (Administrative Procedure Act) **by the office of administrative hearings**
25 **(AS 44.64.010)**.

26 * **Sec. 32.** AS 18.18.030(b) is amended to read:

27 (b) The department may, without a hearing, summarily suspend a license of a
28 hospice program if it finds that the actions or deficiencies of the program have caused,
29 or present an immediate threat of causing, serious injury to a hospice program client.
30 A licensee is entitled to a hearing **conducted by the office of administrative**
31 **hearings (AS 44.64.010)** [BEFORE THE DEPARTMENT] to appeal the summary

1 suspension within seven days after the order of suspension is issued. A licensee may
2 appeal an adverse decision of the department on an appeal of a summary suspension to
3 the superior court. A summary suspension remains in effect until the department finds
4 that the actions or deficiencies are corrected, the license is revoked, or the licensee is
5 successful in appealing the suspension.

6 * **Sec. 33.** AS 18.18.030(c) is amended to read:

7 (c) The department may, without a hearing, reduce a hospice license to a
8 provisional license for a period of time established by the department if the department
9 finds that the licensee is temporarily unable to comply with 18.18.005 - 18.18.390 or
10 is in the process of becoming decertified under the Medicare program but is taking
11 appropriate steps to bring the program into compliance with 18.18.005 - 18.18.390 or
12 Medicare certification requirements. A licensee is entitled to a hearing **conducted by**
13 **the office of administrative hearings** [BEFORE THE DEPARTMENT] to appeal a
14 reduction to a provisional license under this subsection within seven days after the
15 order to reduce the license is issued. A licensee may appeal an adverse decision of the
16 department on an appeal of the order reducing the license to a provisional license to
17 the superior court. A program with a provisional license under this subsection may
18 not accept new clients. If the program fails to correct its deficiencies and does not
19 successfully appeal the order reducing the license to provisional status within the
20 period stipulated in the provisional license, the department shall revoke the license.

21 * **Sec. 34.** AS 18.60.093 is amended by adding a new subsection to read:

22 (g) The board shall request the chief administrative law judge (AS 44.64.020)
23 to appoint an administrative law judge employed or retained by the office of
24 administrative hearings to preside at a hearing conducted under this section.
25 AS 44.64.060 and 44.64.070 do not apply to the hearing. The administrative law
26 judge who presided at the hearing shall be present during the consideration of the case
27 and, if requested by the board, shall assist and advise the board. A member of the
28 board who has not heard all of the evidence may not vote on the decision.

29 * **Sec. 35.** AS 18.67.020(f) is amended to read:

30 (f) **After obtaining consent from the chief administrative law judge**
31 **(AS 44.64.020), the** [THE] board may appoint one or more **administrative law**

1 **judges employed or retained by the office of administrative hearings** [HEARING
2 OFFICERS, WHO MUST BE LICENSED TO PRACTICE LAW IN THE STATE,]
3 to conduct hearings and take testimony in proceedings under this chapter, but final
4 determinations of any matter shall be only by the board. **AS 44.64.060 and 44.64.070**
5 **do not apply to proceedings under this chapter. An administrative law judge** [A
6 HEARING OFFICER] acting under this section shall report findings of fact and
7 conclusions of law to the board, together with the reasons for the findings and
8 conclusions. The board shall act only after consideration of the report and other
9 evidence that it considers appropriate.

10 * **Sec. 36.** AS 18.80.120 is amended by adding a new subsection to read:

11 (b) The commission shall request the chief administrative law judge
12 (AS 44.64.020) to appoint an administrative law judge employed or retained by the
13 office of administrative hearings to preside at a hearing conducted under this section.
14 AS 44.64.060 and 44.64.070 do not apply to the hearing.

15 * **Sec. 37.** AS 18.80.145(b) is amended to read:

16 (b) If, within the period allowed, [THE COMMISSION CONDUCTS] a
17 hearing **is conducted** and [REACHES] a decision **is reached** under AS 18.80.120 and
18 18.80.130, the decision of the commission is binding on the parties to the court action
19 as to all issues resolved in the hearing but not as to any issues not resolved in the
20 hearing.

21 * **Sec. 38.** AS 18.80.145(c) is amended to read:

22 (c) When proceedings in the superior court are deferred for a hearing and
23 decision [BY THE COMMISSION] under this section, the plaintiff may proceed, after
24 the decision of the commission, as an aggrieved party for the purpose of obtaining
25 judicial review under AS 18.80.135, whether or not the person was a party to, or
26 complainant in, the **administrative** [COMMISSION] proceedings.

27 * **Sec. 39.** AS 21.06.170(a) is amended to read:

28 (a) With respect to the subject of an examination, investigation, or hearing
29 being conducted by the director or an examiner, if general written authority has been
30 given the examiner by the director, the director or the examiner may subpoena
31 witnesses and administer oaths or affirmations and examine any person under oath,

1 and may compel the production of records, books, papers, contracts, and other
2 documents by attachments, if necessary. If, in connection with an examination of an
3 insurer, the director desires to examine an officer, director, or manager who is then
4 outside this state, the director is authorized to conduct and to enforce by appropriate
5 and available means an examination under oath in another state or a territory of the
6 United States in which the officer, director, or manager may then presently be, to the
7 full extent permitted by the laws of the other state or territory, this special
8 authorization considered. **An administrative law judge from the office of**
9 **administrative hearings (AS 44.64.010) conducting a hearing under this title may,**
10 **in the course of the hearing, exercise the powers granted to the director under**
11 **this subsection.**

12 * **Sec. 40.** AS 21.06.170(d) is amended to read:

13 (d) If a person disobeys or resists a lawful order of the **administrative law**
14 **judge or** director, refuses to respond to a subpoena, refuses to take oath or affirmation
15 as a witness, refuses to be examined, or is guilty of misconduct at a hearing or so near
16 the hearing as to obstruct the proceeding, the **administrative law judge or** director
17 shall certify the facts to the superior court where the hearing is held, and, upon
18 certification, the court shall issue an order directing the person to appear before the
19 court and show cause why the person should not be punished for contempt.

20 * **Sec. 41.** AS 21.06.180(b) is amended to read:

21 (b) The **office of administrative hearings (AS 44.64.010)** [DIRECTOR] shall
22 **conduct** [HOLD] a hearing **on behalf of the director if required under**
23 **AS 44.64.030. Otherwise, the director shall conduct a hearing** if required by a
24 provision of this title, or upon written demand **to the director** by a person aggrieved
25 by an act, threatened act, or failure of the director to act, or by a report, regulation, or
26 order of the director (other than an order for the holding of a hearing, or an order on
27 hearing or under it). A demand must specify the grounds to be relied upon at the
28 hearing as a basis for the relief. Unless postponed by mutual consent or for good
29 cause shown, the hearing shall be held within 30 days after receipt by the director of
30 the written demand.

31 * **Sec. 42.** AS 21.06.200 is amended to read:

1 **Sec. 21.06.200. Notice of hearing.** Not less than 20 days in advance, the
2 **administrative law judge or** director shall give notice of the time and place of the
3 hearing, stating the matters to be considered at the hearing. If the persons to be given
4 notice are not specified in the provision under which the hearing is held, the
5 **administrative law judge or** director shall give notice to all persons whose pecuniary
6 interests are to be directly and immediately affected by the hearing.

7 * **Sec. 43.** AS 21.06.210(a) is amended to read:

8 (a) The **administrative law judge or** director shall allow a party to the
9 hearing to appear in person and by counsel, to be present during the giving of all
10 evidence, to have a reasonable opportunity to inspect all documentary evidence and to
11 examine witnesses, to present evidence in support of the party's interest, and to have
12 subpoenas issued by the **administrative law judge or** director to compel attendance
13 of witnesses and production of evidence in the party's behalf.

14 * **Sec. 44.** AS 21.06.210(b) is amended to read:

15 (b) The **administrative law judge or** director shall permit to become a party
16 to the hearing by intervention, if timely, any person who was not an original party to
17 the proceeding and whose pecuniary interests are to be directly and immediately
18 affected by the director's order made upon the hearing.

19 * **Sec. 45.** AS 21.06.210(d) is amended to read:

20 (d) Upon written request seasonably made by a party to the hearing and at that
21 person's expense, the **administrative law judge or** director shall cause a full
22 stenographic record of the proceedings to be made by a competent reporter. If
23 transcribed, a copy of the stenographic record shall be furnished to the director,
24 without cost to the director or the state, and shall be a part of the director's record of
25 the hearing. If transcribed, a copy of the stenographic record shall be furnished to any
26 other party to the hearing at the request and expense of the other party. If no
27 stenographic record is made or transcribed, the **administrative law judge or** director
28 shall prepare an adequate record of the evidence and of the proceedings.

29 * **Sec. 46.** AS 21.06.210(f) is amended to read:

30 (f) If the parties agree, the **administrative law judge or** director may conduct
31 a hearing under this section by teleconference.

1 * **Sec. 47.** AS 21.06.210(h) is amended to read:

2 (h) The **administrative law judge or** director may close a hearing to the
3 public when the **administrative law judge or** director finds the closure is necessary to
4 protect a person against unwarranted injury or is in the public interest.

5 * **Sec. 48.** AS 21.06.220(a) is amended to read:

6 (a) In conducting the hearing, the **administrative law judge or** director shall
7 sit in a quasi-judicial capacity. Within **45** [30] days after termination of the hearing,
8 rehearing, or reargument, the director shall make an order on hearing, covering matters
9 involved in the hearing, rehearing, or reargument, and shall give a copy of the order to
10 the same persons given notice of the hearing.

11 * **Sec. 49.** AS 24.60.030 is amended by adding a new subsection to read:

12 (i) Except for supplying information requested by the hearing officer or the
13 individual, board, or commission with authority to make the final decision in the case,
14 or when responding to contacts initiated by the hearing officer or the individual, board,
15 or commission with authority to make the final decision in the case, a legislator or
16 legislative employee may not attempt to influence the outcome of an administrative
17 hearing by directly or indirectly contacting or attempting to contact the hearing officer
18 assigned to the hearing or the individual, board, or commission with authority to make
19 the final decision in the case unless the

20 (1) contact is made in the presence of all parties to the hearing or the
21 parties' representatives and the contact is made a part of the record; or

22 (2) fact and substance of the contact is promptly disclosed by the
23 legislator or legislative employee to all parties to the hearing and the contact is made a
24 part of the record.

25 * **Sec. 50.** AS 34.45.400(c) is amended to read:

26 (c) At the formal hearing, the **administrative law judge from the office of**
27 **administrative hearings (AS 44.64.010)** [DEPARTMENT] may subpoena witnesses
28 and may administer oaths and make inquiries necessary to determine the validity of
29 the claim. The person aggrieved may present arguments and evidence relevant to the
30 decision or action of the department. If, **after the hearing,** the department determines
31 that a correction is warranted, the department shall make the correction.

1 * **Sec. 51.** AS 36.30.015(d) is amended to read:

2 (d) An agency may not contract for the services of legal counsel without the
3 approval of the attorney general. **An agency may not contract for the services of a**
4 **hearing officer or administrative law judge for an administrative, quasi-judicial**
5 **hearing without the approval of the attorney general and the chief administrative**
6 **law judge of the office of administrative hearings (AS 44.64.010).**

7 * **Sec. 52.** AS 36.30.615 is amended to read:

8 **Sec. 36.30.615. Hearing on protest appeal.** A hearing on a protest appeal
9 shall be conducted in accordance with AS 36.30.670 and regulations adopted by the
10 commissioner **to the extent the regulations do not conflict with regulations**
11 **adopted under AS 44.64.060.**

12 * **Sec. 53.** AS 36.30.630(a) is amended to read:

13 (a) Except as provided in (b) of this section, a hearing shall be conducted
14 according to AS 36.30.670 and, **to the extent they do not conflict with regulations**
15 **adopted under AS 44.64.060,** regulations adopted by the commissioner of
16 administration on a contract claim appealed to the commissioner of administration or
17 the commissioner of transportation and public facilities or referred to either
18 commissioner under AS 36.30.620(f).

19 * **Sec. 54.** AS 36.30.635(a) is amended to read:

20 (a) After consultation with the using agency and the attorney general and after
21 a hearing conducted according to AS 36.30.670 and, **to the extent they do not**
22 **conflict with regulations adopted under AS 44.64.060,** regulations adopted by the
23 commissioner of administration, the commissioner of administration or the
24 commissioner of transportation and public facilities may debar a person for cause from
25 consideration for award of contracts. Notice of a debarment hearing shall be provided
26 in writing at least seven days before the hearing. The debarment may not be for a
27 period of more than three years.

28 * **Sec. 55.** AS 36.30.650 is amended to read:

29 **Sec. 36.30.650. Hearing on a suspension.** (a) A person suspended under
30 AS 36.30.635 is entitled to a hearing conducted according to AS 36.30.670 and, **to the**
31 **extent that they do not conflict with regulations adopted under AS 44.64.060,**

1 regulations adopted by the commissioner of administration if the person files a written
2 request for a hearing with the commissioner of administration or the commissioner of
3 transportation and public facilities, as appropriate, within seven days after receipt of
4 the notice of suspension under AS 36.30.645.

5 (b) If a suspended person requests a hearing, the commissioner of
6 administration or the commissioner of transportation and public facilities, as
7 appropriate, after consulting with the office of administrative hearings
8 (AS 44.64.010), shall schedule a prompt hearing unless the attorney general
9 determines that a hearing at the proposed time is likely to jeopardize an investigation.
10 A hearing may not be delayed longer than six months after notice of the suspension is
11 provided under AS 36.30.645.

12 * **Sec. 56.** AS 36.30.670(a) is amended to read:

13 (a) The chief administrative law judge (AS 44.64.010) [COMMISSIONER
14 OF ADMINISTRATION OR THE COMMISSIONER OF TRANSPORTATION
15 AND PUBLIC FACILITIES] shall assign an administrative law judge to act as a
16 hearing officer [OR APPOINT A HEARING OFFICER] for a hearing conducted
17 under this chapter. The hearing officer shall arrange for a prompt hearing and notify
18 the parties in writing of the time and place of the hearing. The hearing shall be
19 conducted in an informal manner. The provisions of AS 44.62 (Administrative
20 Procedure Act) do not apply to a hearing conducted under this chapter.

21 * **Sec. 57.** AS 36.30.675(a) is amended to read:

22 (a) The [IF THE COMMISSIONER OF ADMINISTRATION OR THE
23 COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES IS NOT
24 ACTING AS HEARING OFFICER, THE] hearing officer shall recommend a decision
25 to the commissioner of administration or the commissioner of transportation and
26 public facilities, as appropriate, based on the evidence presented. The
27 recommendation must include findings of fact and conclusions of law.

28 * **Sec. 58.** AS 39.25.120(c) is amended by adding a new paragraph to read:

29 (20) the chief administrative law judge and administrative law judges
30 of the office of administrative hearings.

31 * **Sec. 59.** AS 39.52.120 is amended by adding a new subsection to read:

1 (e) Except for supplying information requested by the hearing officer or the
2 entity with authority to make the final decision in the case, or when responding to
3 contacts initiated by the hearing officer or the individual, board, or commission with
4 authority to make the final decision in the case, a public officer may not attempt to
5 influence the outcome of an administrative hearing by directly or indirectly contacting
6 or attempting to contact the hearing officer or individual, board, or commission with
7 authority to make the final decision in the case assigned to the hearing officer unless
8 the

9 (1) contact is made in the presence of all parties to the hearing or the
10 parties' representatives and the contact is made a part of the record; or

11 (2) fact and substance of the contact is promptly disclosed by the
12 public officer to all parties to the hearing and the contact is made a part of the record.

13 * **Sec. 60.** AS 39.52.350(c) is amended to read:

14 (c) If the subject of the accusation denies that a violation of this chapter has
15 occurred, the attorney general shall refer the matter to the personnel board, which
16 **shall notify the chief administrative law judge (AS 44.64.010), who** shall appoint
17 **an administrative law judge to serve as** a hearing officer to conduct a hearing.

18 * **Sec. 61.** AS 40.25.100(a) is amended to read:

19 (a) Information in the possession of the Department of Revenue that discloses
20 the particulars of the business or affairs of a taxpayer or other person is not a matter of
21 public record, except as provided in AS 43.05.230(i) or for purposes of investigation
22 and law enforcement. The information shall be kept confidential except when its
23 production is required in an official investigation, administrative adjudication under
24 **AS 43.05.405 - 43.05.499** [AS 43.05.400 - 43.05.499], or court proceeding. These
25 restrictions do not prohibit the publication of statistics presented in a manner that
26 prevents the identification of particular reports and items, prohibit the publication of
27 tax lists showing the names of taxpayers who are delinquent and relevant information
28 that may assist in the collection of delinquent taxes, or prohibit the publication of
29 records, proceedings, and decisions under **AS 43.05.405 - 43.05.499** [AS 43.05.400 -
30 43.05.499].

31 * **Sec. 62.** AS 43.05.010(8) is amended to read:

(8) except as provided in AS 43.05.405 - 43.05.499 and in AS 44.64.030 [AS 43.05.400 - 43.05.499], hear and determine appeals of a matter within the jurisdiction of the Department of Revenue and enter orders on the appeals that are final unless reversed or modified by the courts;

* **Sec. 63.** AS 43.05.230(a) is amended to read:

(a) It is unlawful for a current or former officer, employee, or agent of the state to divulge the amount of income or the particulars set out or disclosed in a report or return made under this title, except

(1) in connection with official investigations or proceedings of the department, whether judicial or administrative, involving taxes due under this title;

(2) in connection with official investigations or proceedings of the child support enforcement agency, whether judicial or administrative, involving child support obligations imposed or imposable under AS 25 or AS 47;

(3) as provided in AS 38.05.036 pertaining to audit functions of the Department of Natural Resources;

(4) as provided in AS 43.05.405 - 43.05.499 [AS 43.05.400 - 43.05.499]; and

(5) as otherwise provided in this section.

* **Sec. 64.** AS 43.05.241 is amended to read:

Sec. 43.05.241. Administrative appeal. For a matter within the jurisdiction of the office of administrative hearings (AS 44.64) [TAX APPEALS] under AS 43.05.405, the taxpayer aggrieved by an informal conference decision entered under AS 43.05.240 may file with the office of administrative hearings [TAX APPEALS] a notice of appeal for formal hearing, as provided in AS 43.05.430, no later than 30 days after service of the decision resulting from an informal conference.

* **Sec. 65.** AS 43.05.242(i) is amended to read:

(i) If it is determined that appeal was improperly filed under this section, the appeal shall be transferred to the office of administrative hearings (AS 44.64) [TAX APPEALS] for further proceedings under AS 43.05.405 - 43.05.499 [AS 43.05.400 - 43.05.499].

* **Sec. 66.** AS 43.05.405 is amended to read:

1 **Sec. 43.05.405. Jurisdiction.** The office [OF TAX APPEALS] has original
2 jurisdiction to hear formal appeals from informal conference decisions of the
3 Department of Revenue under AS 43.05.240. Appeal to the office may be taken only
4 from an informal conference decision under AS 43.05.240. **AS 44.64.060 does not**
5 **apply to an administrative hearing under the jurisdiction of the office under this**
6 **section.** Jurisdiction of the office **under this section** is limited to, and **AS 43.05.405 -**
7 **43.05.499 and AS 44.64.070 apply** [AS 43.05.400 - 43.05.499 APPLIES] to and
8 **govern** [GOVERNS], an administrative appeal regarding

- 9 (1) electric and telephone cooperative taxes under AS 10.25;
10 (2) a seafood marketing assessment under AS 16.51;
11 (3) all taxes levied under AS 43, except the property tax assessed
12 under AS 43.56; and
13 (4) any other taxes administered by the Department of Revenue.

14 * **Sec. 67.** AS 43.05.420(b) is repealed and reenacted to read:

15 (b) In addition to qualifications under AS 44.64.040, an administrative law
16 judge who conducts a proceeding under AS 43.05.405 - 43.05.499 shall have at least
17 four years of professional experience as a tax attorney, a certified public accountant
18 practicing in the area of tax, or a tax administrator.

19 * **Sec. 68.** AS 43.05.420(c) is amended to read:

20 (c) The chief administrative law judge may adopt regulations implementing or
21 interpreting **AS 43.05.405 - 43.05.499** [AS 43.05.400 - 43.05.499], including rules of
22 procedure and evidence for proceedings before the office.

23 * **Sec. 69.** AS 43.05.435 is amended to read:

24 **Sec. 43.05.435. Scope and standards for decision.** The administrative law
25 judge shall hear all questions de novo under **AS 43.05.405 - 43.05.499** [AS 43.05.400
26 - 43.05.499]. The administrative law judge shall

- 27 (1) resolve a question of fact by a preponderance of the evidence or, if
28 a different standard of proof has been set by law for a particular question, by that
29 standard of proof;
30 (2) resolve a question of law in the exercise of the independent
31 judgment of the administrative law judge;

1 (3) defer to the Department of Revenue as to a matter for which
2 discretion is legally vested in the Department of Revenue, unless not supported by a
3 reasonable basis.

4 * **Sec. 70.** AS 43.05.440 is amended to read:

5 **Sec. 43.05.440. Service of documents.** Service of documents required under
6 **AS 43.05.405 - 43.05.499** [AS 43.05.400 - 43.05.499] may be accomplished in any
7 manner authorized under the Alaska Rules of Civil Procedure. If service is done only
8 by mail, the date of service is determined by the date of mailing. If service is done by
9 both mail and hand delivery, the date of service is determined by the earlier of the date
10 of mailing or actual receipt of the documents.

11 * **Sec. 71.** AS 43.05.470(a) is amended to read:

12 (a) Records, proceedings, and decisions under **AS 43.05.405 - 43.05.499**
13 [AS 43.05.400 - 43.05.499] are confidential, except that the records, proceedings, and
14 decisions become public records and open to the public when the final administrative
15 decision is issued and becomes final.

16 * **Sec. 72.** AS 43.05.475 is amended to read:

17 **Sec. 43.05.475. Consistency of decisions.** (a) As to questions of law, a final
18 administrative decision issued under **AS 43.05.405 - 43.05.499** [AS 43.05.400 -
19 43.05.499], unless reversed or overruled, has the force of legal precedent.

20 (b) To promote consistency among legal determinations issued under
21 **AS 43.05.405 - 43.05.499** [AS 43.05.400 - 43.05.499], the chief administrative law
22 judge may review and circulate among the other administrative law judges the drafts
23 of formal decisions, decisions upon reconsideration, and other legal opinions of the
24 other administrative law judges in the office. The drafts are confidential documents
25 and are not subject to disclosure under AS 40.25.100 - 40.25.220 or this chapter.

26 * **Sec. 73.** AS 43.05.480(a) is amended to read:

27 (a) Judicial review by the superior court of a final administrative decision may
28 be had by a party to the appeal under **AS 43.05.405 - 43.05.499** [AS 43.05.400 -
29 43.05.499] by filing a notice of appeal in accordance with the applicable rules of court
30 governing appeals to that court in civil matters. The notice of appeal shall be filed
31 within 30 days after an administrative decision becomes final under AS 43.05.465.

1 The right to judicial review under this subsection is not affected by the failure to seek
2 reconsideration before the administrative law judge.

3 * **Sec. 74.** AS 43.05.499 is amended to read:

4 **Sec. 43.05.499. Definitions.** In AS 43.05.405 - 43.05.499 [AS 43.05.400 -
5 43.05.499], unless the context otherwise requires,

6 (1) "administrative law judge" means an administrative law judge
7 employed or retained by the office [APPOINTED UNDER AS 43.05.410];

8 (2) "commissioner" means the commissioner of administration;

9 (3) "department" means the Department of Administration;

10 (4) "discovery" means the use of subpoenas, subpoenas duces tecum,
11 interrogatories, requests for production, requests for admission, depositions, and other
12 methods of civil procedure by which one party to an action may discover information
13 within the knowledge and control of another person;

14 (5) "legislative history" means the documents of the legislature
15 recording the background and events, including draft bills, correspondence and
16 memoranda, committee reports, tapes and transcripts of hearings, and tapes and
17 transcripts of floor debate concerning consideration of a bill;

18 (6) "office" means office of administrative hearings (AS 44.64)
19 [TAX APPEALS IN THE DEPARTMENT];

20 (7) "party" means the Department of Revenue or the taxpayer;

21 (8) "proceeding" means only a proceeding under the jurisdiction of the
22 office;

23 (9) "subpoena" means a command to appear at a certain time and place
24 to testify, or to appear at a certain time and place to produce books, papers, and other
25 things, and testify;

26 (10) "tax" means a tax described in AS 43.05.405, including a seafood
27 marketing assessment under AS 16.51;

28 (11) "taxpayer" means a person required to pay a tax, including a
29 person required to pay a seafood marketing assessment under AS 16.51.

30 * **Sec. 75.** AS 43.55.040 is amended to read:

31 **Sec. 43.55.040. Powers of Department of Revenue.** Except as provided in

1 **AS 43.05.405 - 43.05.499** [AS 43.05.400 - 43.05.499], the department may

2 (1) require a person engaged in production and the agent or employee
3 of the person, and the purchaser of oil or gas, or the owner of a royalty interest in oil
4 or gas to furnish additional information that is considered by the department as
5 necessary to compute the amount of the tax;

6 (2) examine the books, records, and files of such a person;

7 (3) conduct hearings and compel the attendance of witnesses and the
8 production of books, records, and papers of any person; and

9 (4) make an investigation or hold an inquiry that is considered
10 necessary to a disclosure of the facts as to

11 (A) the amount of production from any oil or gas location, or of
12 a company or other producer of oil or gas; and

13 (B) the rendition of the oil and gas for taxing purposes.

14 * **Sec. 76.** AS 43.70.075(m) is amended to read:

15 (m) The department may initiate suspension of a business license endorsement
16 or the right to obtain a business license endorsement under this section by sending the
17 person subject to the suspension a notice by certified mail, return receipt requested, or
18 by delivering the notice to the person. The notice must contain information that
19 informs the person of the grounds for suspension, the length of any suspension sought,
20 and the person's right to administrative review [BEFORE THE DEPARTMENT]. A
21 suspension begins 30 days after receipt of notice described in this subsection unless
22 the person delivers a timely written request for a hearing to the department in the
23 manner provided by regulations of the department. If a hearing is requested under this
24 subsection, a hearing officer of the **office of administrative hearings (AS 44.64.010)**
25 [DEPARTMENT] shall determine the issues by using the preponderance of the
26 evidence test and shall, **to the extent they do not conflict with regulations adopted**
27 **under AS 44.64.060,** conduct the hearing in the manner provided by regulations of the
28 department. A hearing under this subsection is limited to the following questions:

29 (1) was the person holding the business license endorsement, or an
30 agent or employee of the person while acting within the scope of the agency or
31 employment of the person, convicted by plea or judicial finding of violating

AS 11.76.100, 11.76.106, or 11.76.107;

(2) if the department does not allege a conviction of AS 11.76.100, 11.76.106, or 11.76.107, did the person, or an agent or employee of the person while acting within the scope of the agency or employment of the person, violate a provision of (a) or (g) of this section;

(3) within the 24 months before the date of the department's notice under this subsection, was the person, or an agent or employee of the person while acting within the scope of the agency or employment of the person, convicted of violating AS 11.76.100, 11.76.106, or 11.76.107 or adjudicated for violating a provision of (a) or (g) of this section.

* **Sec. 77.** AS 43.70.075(q) is amended to read:

(q) The department may adopt regulations **that do not conflict with regulations adopted under AS 44.64.010** to establish an administrative hearing process for actions taken [BY THE DEPARTMENT] under this section. AS 44.62 (Administrative Procedure Act) does not apply to a hearing under this section.

* **Sec. 78.** AS 44.62.350(a) is amended to read:

(a) The governor shall assign a qualified, unbiased, and impartial hearing officer, with experience in the general practice of law, to conduct hearings under this chapter **that are not conducted by the office of administrative hearings (AS 44.64.010).** A [THE] hearing officer may perform other duties in connection with the administration of this chapter and other laws.

* **Sec. 79.** AS 44.62.450(a) is amended to read:

(a) A hearing in a contested case shall be presided over by a hearing officer. **Unless the hearing is conducted by the office of administrative hearings (AS 44.64.010), the** [THE] agency itself shall determine whether the hearing officer hears the case alone or whether the agency hears the case with the hearing officer.

* **Sec. 80.** AS 44.62.500(b) is amended to read:

(b) If a contested case is heard by a hearing officer alone, the hearing officer shall prepare a proposed decision in a form that may be adopted as the decision in the case. A copy of the proposed decision shall be filed by the agency as a public record with the lieutenant governor, and a copy of the proposed decision shall be served by

1 the agency on each party in the case and the party's attorney. **Except as otherwise**
2 **provided in AS 44.64.060(e), for a hearing conducted by the office of**
3 **administrative hearings, the** [THE] agency itself may adopt the proposed decision in
4 its entirety, or may reduce the proposed penalty and adopt the balance of the proposed
5 decision.

6 * **Sec. 81.** AS 44.62.500(c) is amended to read:

7 (c) If the proposed decision is not adopted as provided in (b) of this section the
8 agency may decide the case upon the record, including the transcript, with or without
9 taking additional evidence, or may refer the case to the same or another hearing officer
10 to take additional evidence. If the case is so assigned the hearing officer shall prepare
11 a proposed decision as provided in (b) of this section upon the additional evidence and
12 the transcript and other papers that are part of the record of the earlier hearing. A copy
13 of the proposed decision shall be furnished to each party and the party's attorney as
14 prescribed by (b) of this section. The agency may not decide a case provided for in
15 this subsection without giving the parties the opportunity to present either oral or
16 written argument before the agency. If additional oral evidence is introduced before
17 the agency, an agency member may not vote unless that member has heard the
18 additional oral evidence. **This subsection does not apply to a hearing conducted by**
19 **the office of administrative hearings.**

20 * **Sec. 82.** AS 44.64.030(a), added by sec. 3 of this Act, is amended to read:

21 (a) The office shall conduct all adjudicative administrative hearings required
22 under the following statutes or under regulations adopted to implement the statutes:

- 23 (1) AS 04.11.510(b)(1) and (c) (alcoholic beverages license);
24 (2) AS 05.15 (charitable gaming);
25 (3) AS 05.20 (recreational devices);
26 (4) AS 05.90.001 (special racing events);
27 (5) AS 06 (banks and financial institutions);
28 (6) AS 08 (occupational licensing), other than AS 08.08 and
29 AS 08.62.046;
30 (7) AS 10.06 (Alaska Corporations Code);
31 (8) AS 10.13 (Alaska BIDCO Act);

- 1 (9) AS 10.25.375 (Electric and Telephone Cooperative Act);
2 (10) AS 10.50.408 (limited liability companies);
3 (11) AS 14.11.016 (education-related facility grants);
4 (12) AS 14.18 (discrimination in public education);
5 (13) AS 14.48 (postsecondary educational institutions);
6 (14) AS 17.20 (Alaska Food, Drug, and Cosmetic Act), other than
7 AS 17.20.060 and 17.20.360;
8 (15) AS 18.18.030 (hospice licenses);
9 (16) AS 18.20 (hospitals and nursing facilities), other than
10 AS 18.20.180;
11 (17) AS 18.35.040 (tourist accommodations);
12 (18) AS 21.09, AS 21.22.190, AS 21.27, AS 21.34, AS 21.36,
13 AS 21.69, AS 21.86.200, AS 21.87, and AS 21.89 (insurance);
14 (19) AS 25.27 (child support enforcement);
15 (20) AS 32.06 (Uniform Partnership Act);
16 (21) AS 34.45 (unclaimed property);
17 (22) AS 34.55.024 and 34.55.026 (Uniform Land Sales Practices Act);
18 (23) AS 36.30 (State Procurement Code), other than
19 AS 36.30.627(a)(2);
20 (24) AS 38.05.065 (contracts for sale of state land);
21 (25) AS 39.52 (Alaska Executive Branch Ethics Act);
22 (26) AS 43.23 (permanent fund dividends);
23 (27) AS 43.70 (Alaska Business License Act);
24 (28) AS 44.50 (notaries public);
25 (29) AS 44.77 (claims against the state);
26 (30) AS 45.30.040 (mobile homes);
27 (31) AS 45.55 (Alaska Securities Act);
28 (32) AS 45.57 (Takeover Bid Disclosure Act);
29 (33) **AS 46 (water, air, energy, and environmental conservation),**
30 **other than AS 46.03.820, 46.03.850, AS 46.39, and AS 46.40;**
31 **(34)** AS 47.33 (assisted living homes);

1 **(35)** [(34)] AS 47.35 (child care);

2 **(36)** [(35)] AS 47.45 (longevity bonuses).

3 * **Sec. 83.** AS 44.77.040(a) is amended to read:

4 (a) The Department of Administration, **after consulting with the office of**
5 **administrative hearings (AS 44.64.010)**, shall fix a time for hearing the appeal and
6 shall notify the claimant and the officer who approved the voucher and give them a
7 reasonable opportunity to be heard. **The hearing shall be conducted by the office of**
8 **administrative hearings.**

9 * **Sec. 84.** AS 45.30.040(c) is amended to read:

10 (c) Whenever it determines that there may be a violation of the provisions of
11 this chapter by a manufacturer or dealer of mobile homes, the department may give
12 notice of hearing, and, within 30 days after giving notice, [HOLD] a hearing **shall be**
13 **held by the office of administrative hearings (AS 44.64.010)** to determine whether
14 there has been a violation. After notice and hearing,

15 (1) if the department finds that there has been a violation of the
16 provisions of this chapter, the department may issue an order directing that the person
17 who is violating the provision cure the violation in a reasonable time and in a
18 reasonable manner;

19 (2) if the department determines that violations of the provisions of
20 this chapter are regular and recurring, it may require forfeiture of the bond to the
21 benefit of the state and arrange for distribution of the proceeds of the bond to the
22 mobile home owners injured by the activities of the dealer or manufacturer, or to
23 mobile home dealers injured by the activities of the manufacturer.

24 * **Sec. 85.** AS 45.55.935 is amended to read:

25 **Sec. 45.55.935. Hearings.** (a) The administrator shall adopt regulations,
26 consistent with the provisions of this chapter **and with regulations adopted under**
27 **AS 44.64.060**, governing administrative hearings conducted by the **office of**
28 **administrative hearings (AS 44.64.010)** [ADMINISTRATOR OR A DESIGNEE OF
29 THE ADMINISTRATOR] for the following:

30 (1) orders issued under AS 45.55.120, 45.55.900(d), or 45.55.920; in
31 these instances, the administrator shall promptly send a notice of opportunity for

1 hearing to the issuer of the securities and to all persons who have filed with the
2 department a notice of intention to sell the securities; and

3 (2) orders issued under AS 45.55.060; before the administrator enters
4 an order under AS 45.55.060, the administrator shall send to the person involved a
5 notice of opportunity for hearing; if the person involved is an agent or investment
6 adviser representative, then the administrator shall, in addition, notify the employing
7 broker-dealer, state investment adviser, federal covered adviser, or issuer.

8 (b) In conducting a hearing in accordance with (a) of this section, the
9 **administrative law judge** [ADMINISTRATOR] may issue a subpoena to compel the
10 attendance of any witness or party and to compel production of evidence.

11 * **Sec. 86.** AS 45.55.950(e) is amended to read:

12 (e) Every hearing in an administrative proceeding shall be public unless the
13 **administrative law judge**, [ADMINISTRATOR] in the exercise of discretion, grants
14 a request joined in by all the respondents that the hearing be conducted privately.

15 * **Sec. 87.** AS 45.57.020(a) is amended to read:

16 (a) An offeror may not make a takeover bid unless at least 20 days before the
17 bid the offeror files with the department and with the registered agent of the offeree
18 company a statement containing all the information required by (c) of this section and
19 either

20 (1) within 10 days following the filing no hearing has been ordered by
21 the department or requested by the offeree company; or

22 (2) a hearing has been ordered within that time and, **after** [UPON] the
23 hearing **conducted by the office of administrative hearings (AS 44.64.010)**, the
24 department has **decided** [ADJUDICATED] that the offeror proposed to make fair,
25 full, and effective disclosure to offerees of all information material to a decision to
26 accept or reject the offer.

27 * **Sec. 88.** AS 45.57.020(b) is amended to read:

28 (b) A hearing shall begin within 20 days of the date of filing of the statement,
29 and adjudication shall be made within 30 days of the filing unless extended by the
30 **administrative law judge** [DEPARTMENT] for the convenience of the parties or
31 protection of the offerees.

1 * **Sec. 89.** AS 46.15.065(c) is amended to read:

2 (c) The commissioner shall make investigations as necessary of rights asserted
3 by declarations filed under this section and shall determine each existing appropriation
4 and mail a summary of the determination to each person who has filed a declaration
5 with respect to the specified area or source. Any person adversely affected by a
6 determination may file with the commissioner a request for a hearing within 20 days
7 of the date the notice is mailed. If a hearing is requested, the commissioner shall,
8 **after consulting with the office of administrative hearings (AS 44.64.010),** send a
9 notice of the time and place of the hearing to each person who has filed a declaration.

10 * **Sec. 90.** AS 47.45.050 is amended to read:

11 **Sec. 47.45.050. Department hearing.** The Department of Health and Social
12 Services may **arrange with the office of administrative hearings (AS 44.64.010) to**
13 hold a [DEPARTMENTAL] hearing upon the request of an applicant or recipient who
14 has been disqualified. Before this hearing, the department shall, by certified mail,
15 notify an applicant or recipient in plain and comprehensive language the exact reason
16 for the disqualification. Form letters using only referral to state statutes or department
17 regulations, or otherwise vague in detail, are not considered compliance by the
18 department with this section.

19 * **Sec. 91.** AS 39.25.110(31); AS 43.05.400, 43.05.410, 43.05.415, 43.05.420(a), and
20 43.05.425 are repealed.

21 * **Sec. 92.** The uncodified law of the State of Alaska is amended by adding a new section to
22 read:

23 **APPLICABILITY.** (a) Sections 1 - 81, 83 - 88, 90, and 91 of this Act apply to
24 administrative proceedings that begin on or after July 1, 2005.

25 (b) Sections 82 and 89 of this Act apply to administrative proceedings that begin on
26 or after July 1, 2007.

27 * **Sec. 93.** The uncodified law of the State of Alaska is amended by adding a new section to
28 read:

29 **REGULATIONS.** The chief administrative law judge and any agency affected by this
30 Act may proceed to adopt regulations to implement this Act. A regulation adopted under this
31 section takes effect under AS 44.62 (Administrative Procedure Act) but not before the

1 effective date of the law implemented by the regulation.

2 * **Sec. 94.** The uncodified law of the State of Alaska is amended by adding a new section to
3 read:

4 TRANSITION. (a) Litigation, hearings, investigations, and other proceedings
5 pending under a law amended or repealed by this Act, or in connection with functions
6 transferred by this Act, continue in effect and may be continued and completed,
7 notwithstanding a transfer, amendment, or repeal provided for in this Act.

8 (b) Certificates, orders, and regulations issued or adopted under authority of a law
9 amended or repealed by this Act remain in effect for the term issued, or until revoked,
10 vacated, or otherwise modified under the provisions of this Act.

11 (c) Contracts, rights, liabilities, and obligations created by or under a law amended or
12 repealed on July 1, 2005, by this Act and in effect on July 1, 2005, remain in effect.
13 Contracts, rights, liabilities, and obligations created by or under a law amended or repealed on
14 July 1, 2007, by this Act and in effect on July 1, 2007, remain in effect.

15 (d) If, before July 1, 2005, there is a vacancy in the office of chief administrative law
16 judge of the office of tax appeals, the commissioner of administration may refer a case to a
17 hearing officer for a hearing under AS 43.05.400 - 43.05.499.

18 (e) Upon the initial appointment of the chief administrative law judge under
19 AS 44.64.010(c), added by sec. 2 of this Act, the chief administrative law judge and the
20 commissioner of administration, the commissioner of community and economic development,
21 the commissioner of revenue, and the governor's office shall identify administrative law
22 judges and support staff to be transferred to the office of administrative hearings on or after
23 January 1, 2005. A state employee who is transferred under this section from another agency
24 to the office of administrative hearings shall continue to be compensated at the same range
25 and step of the salary schedule in AS 39.27.011(a) that the employee was receiving before the
26 transfer, and qualifies for salary increases authorized under AS 39.27.011 and 39.27.022.

27 (f) Procedural regulations of an agency that refers an administrative hearing to the
28 office of administrative hearings shall apply to the hearing until regulations adopted under
29 AS 44.64.060(a), added by sec. 3 of this Act, become effective.

30 * **Sec. 95.** Sections 1, 2, 93, and 94 of this Act take effect immediately under
31 AS 01.10.070(c).

1 * **Sec. 96.** Sections 82 and 89 of this Act take effect July 1, 2007.

2 * **Sec. 97.** Except as provided in secs. 95 and 96 of this Act, this Act takes effect July 1,
3 2005.