

**HOUSE CS FOR CS FOR SENATE BILL NO. 203(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered: 5/1/04  
Referred: Rules

Sponsor(s): SENATE RULES COMMITTEE BY REQUEST

**A BILL**

**FOR AN ACT ENTITLED**

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

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

5 \* **Section 1.** The uncodified 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 board, shall assist and advise the board. A member of the board  
 28 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 a 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:

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

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

6 **Sec. 43.05.230. Disclosure of tax returns and reports.** (a) It is unlawful for  
 7 a current or former officer, employee, or agent of the state to divulge the amount of  
 8 income or the particulars set out or disclosed in a report or return made under this title,  
 9 except

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

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

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

17 (4) as provided in AS 43.05.405 - 43.05.499 [AS 43.05.400 -  
 18 43.05.499]; and

19 (5) as otherwise provided in this section.

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

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

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

28 (i) If it is determined that appeal was improperly filed under this section, the  
 29 appeal shall be transferred to the office of administrative hearings (AS 44.64) [TAX  
 30 APPEALS] for further proceedings under AS 43.05.405 - 43.05.499 [AS 43.05.400 -  
 31 43.05.499].

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

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

10                           (1) electric and telephone cooperative taxes under AS 10.25;

11                           (2) a seafood marketing assessment under AS 16.51;

12                           (3) all taxes levied under AS 43, except the property tax assessed  
13 under AS 43.56; and

14                           (4) any other taxes administered by the Department of Revenue.

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

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

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

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

24 \* **Sec. 69.** AS 43.05.435 is amended to read:

25                           **Sec. 43.05.435. Scope and standards for decision.** The administrative law  
26 judge shall hear all questions de novo under **AS 43.05.405 - 43.05.499** [AS 43.05.400  
27 - 43.05.499]. The administrative law judge shall

28                           (1) resolve a question of fact by a preponderance of the evidence or, if  
29 a different standard of proof has been set by law for a particular question, by that  
30 standard of proof;

31                           (2) resolve a question of law in the exercise of the independent

1 judgment of the administrative law judge;

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

5 \* **Sec. 70.** AS 43.05.440 is amended to read:

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

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

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

17 \* **Sec. 72.** AS 43.05.475 is amended to read:

18 **Sec. 43.05.475. Consistency of decisions.** (a) As to questions of law, a final  
19 administrative decision issued under AS 43.05.405 - 43.05.499 [AS 43.05.400 -  
20 43.05.499], unless reversed or overruled, has the force of legal precedent.

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

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

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

1 within 30 days after an administrative decision becomes final under AS 43.05.465.  
 2 The right to judicial review under this subsection is not affected by the failure to seek  
 3 reconsideration before the administrative law judge.

4 \* **Sec. 74.** AS 43.05.499 is amended to read:

5 **Sec. 43.05.499. Definitions.** In AS 43.05.405 - 43.05.499 [AS 43.05.400 -  
 6 43.05.499], unless the context otherwise requires,

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

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

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

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

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

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

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

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

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

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

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

31 \* **Sec. 75.** AS 43.55.040 is amended to read:

1                   **Sec. 43.55.040. Powers of Department of Revenue.** Except as provided in  
2                   AS 43.05.405 - 43.05.499 [AS 43.05.400 - 43.05.499], the department may

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

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

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

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

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

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

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

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

30                                 (1) was the person holding the business license endorsement, or an  
31                                 agent or employee of the person while acting within the scope of the agency or

1 employment of the person, convicted by plea or judicial finding of violating  
2 AS 11.76.100, 11.76.106, or 11.76.107;

3 (2) if the department does not allege a conviction of AS 11.76.100,  
4 11.76.106, or 11.76.107, did the person, or an agent or employee of the person while  
5 acting within the scope of the agency or employment of the person, violate a provision  
6 of (a) or (g) of this section;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- 1 (8) AS 10.13 (Alaska BIDCO Act);
- 2 (9) AS 10.25.375 (Electric and Telephone Cooperative Act);
- 3 (10) AS 10.50.408 (limited liability companies);
- 4 (11) AS 14.11.016 (education-related facility grants);
- 5 (12) AS 14.18 (discrimination in public education);
- 6 (13) AS 14.48 (postsecondary educational institutions);
- 7 (14) AS 17.20 (Alaska Food, Drug, and Cosmetic Act), other than
- 8 AS 17.20.060 and 17.20.360;
- 9 (15) AS 18.18.030 (hospice licenses);
- 10 (16) AS 18.20 (hospitals and nursing facilities), other than
- 11 AS 18.20.180;
- 12 (17) AS 18.35.040 (tourist accommodations);
- 13 (18) AS 21.09, AS 21.22.190, AS 21.27, AS 21.34, AS 21.36,
- 14 AS 21.69, AS 21.86.200, AS 21.87, and AS 21.89 (insurance);
- 15 (19) AS 25.27 (child support enforcement);
- 16 (20) AS 32.06 (Uniform Partnership Act);
- 17 (21) AS 34.45 (unclaimed property);
- 18 (22) AS 34.55.024 and 34.55.026 (Uniform Land Sales Practices Act);
- 19 (23) AS 36.30 (State Procurement Code), other than
- 20 AS 36.30.627(a)(2);
- 21 (24) AS 38.05.065 (contracts for sale of state land);
- 22 (25) AS 39.52 (Alaska Executive Branch Ethics Act);
- 23 (26) AS 43.23 (permanent fund dividends);
- 24 (27) AS 43.70 (Alaska Business License Act);
- 25 (28) AS 44.50 (notaries public);
- 26 (29) AS 44.77 (claims against the state);
- 27 (30) AS 45.30.040 (mobile homes);
- 28 (31) AS 45.55 (Alaska Securities Act);
- 29 (32) AS 45.57 (Takeover Bid Disclosure Act);
- 30 (33) **AS 46 (water, air, energy, and environmental conservation),**
- 31 **other than AS 46.03.820, 46.03.850, AS 46.39, and AS 46.40;**

1                   **(34)** AS 47.33 (assisted living homes);

2                   **(35)** [(34)] AS 47.35 (child care);

3                   **(36)** [(35)] AS 47.45 (longevity bonuses).

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

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

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

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

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

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

25 \* **Sec. 85.** AS 45.55.935 is amended to read:

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

31                   (1) orders issued under AS 45.55.120, 45.55.900(d), or 45.55.920; in

1 these instances, the administrator shall promptly send a notice of opportunity for  
 2 hearing to the issuer of the securities and to all persons who have filed with the  
 3 department a notice of intention to sell the securities; and

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

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

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

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

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

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

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

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

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

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

1 protection of the offerees.

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

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

11 \* **Sec. 90.** AS 47.45.050 is amended to read:

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

20 \* **Sec. 91.** AS 39.25.110(31); AS 43.05.400, 43.05.410, 43.05.415, 43.05.420(a), and  
21 43.05.425 are repealed.

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

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

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

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

30 REGULATIONS. The chief administrative law judge and any agency affected by this  
31 Act may proceed to adopt regulations to implement this Act. A regulation adopted under this

1 section takes effect under AS 44.62 (Administrative Procedure Act) but not before the  
2 effective date of the law implemented by the regulation.

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

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

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

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

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

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

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

31 \* **Sec. 95.** Sections 1, 2, 93, and 94 of this Act take effect immediately under

1 AS 01.10.070(c).

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

3 \* **Sec. 97.** Except as provided in secs. 95 and 96 of this Act, this Act takes effect July 1,  
4 2005.