

**SB**

**203**

# ALASKA STATE LEGISLATURE

SENATOR  
**Gene Therriault**  
119 N. Cushman Suite 101  
Fairbanks, Alaska 99701  
(907) 488-0857  
FAX (907) 488-4271



While in Juneau  
State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-4797  
FAX (907) 465-3884

Senate  
Senate District F

## Sponsor Statement SB 203

### Fair Hearing Bill

Senate Bill 203 is a culmination of many years of effort to achieve a more efficient, timely, and fairer administrative hearing process. The purpose of this legislation is to separate the administration adjudication process away from the agencies that write, promulgate and enforce administrative law. As the separation occurs opportunities to create an efficient and more professional administrative hearing process in a central panel will be realized. It is through these efficiencies that any initial start-up costs are soon negated, and significant savings accrue over time. Of course the reductions in time and expense to citizens and businesses, though never reflected in fiscal notes, are equally important components in this major reform.

Instead of allowing hearing officers to be typical employees and extensions of the agencies whose administrative law they adjudicate, SB 203 is designed to give these administrative adjudicators a more independent and protected station from which to deliver timely due process through fair and objective hearings. This is accomplished through the creation of a model central independent hearing office, and the application of protections and new rules for all hearing officers in and out of that office.

As tempting as an all-encompassing reform might through placing all hearing officers and functions within a central office, two critical obstacles have caused us to move in a more incremental approach. The first is a commitment to keep costs down. The second is sensitivity to both employees and administrators who will be involved in the reform. The model central office created in this bill will over time incorporate more hearing functions and officers. In the interim it will provide resources and training and alternative dispute resolution for all state hearing officers.

The primary objectives of this act are to insure better quality, less costly, less time consuming, and fairer administrative hearings. Achieving these goals will not only be beneficial to our constituents, but good for business, and government as well. Creation of independent hearing offices in other states has enjoyed bi-partisan support. I look forward to the same as SB 203 proceeds through our legislative process.

Senate Bill 203 accomplishes three main objectives.

A model administrative hearing office is created.

A small, but important model independent hearing office within the Department of Administration is created by transferring existing hearing officers and functions into new location with new rules and standards.

The model will be managed and brought up to speed through a Chief Administrative Hearing Officer with a high standard of accountability and record keeping.

The goals of the model are efficient, timely, fair hearings with outstanding ad judicatory professionalism in the delivery of due process for our citizens and businesses.

A new set of standards and protection for hearing officers statewide is established.

A secondary but equally important goal is the training and oversight of hearing officers throughout the state via the Central Office.

Also included is protection for all hearing officers from undue agency or legislative influence and a requirement for a standard code of conduct for all state hearing officers.

New standards of agency interaction with hearing officers is established with guidelines on how that contact should be conducted subject to our existing ethics act.

A time maximum limit is established in the administrative hearing process.

Resolution of conflicts with state administrative law must be reasonable. SB 203 requires that those resolutions should occur within 90 days after the case has been assigned for a hearing.

If not resolved by then, SB 203 stipulates that the court shall consider that the plaintiff has exhausted all administrative remedies so that they can proceed to the judiciary for a solution if they so desire.

Summary

Improving administrative hearings is not only a worthy goal to pursue on behalf of citizens and businesses, it is also an important step in making government more accountable and efficient.

To improve Alaska's administrative hearing process two things had to be addressed. The first is the process itself and the second was the professional standards of our hearing officers. SB 203 is designed to accomplish these two goals in the most cost efficient and responsible way possible.

# An Act establishing an Independent Office of Administrative Hearings.

## Section By Section Quick Reference

- Section 1.** Purpose and intent
- Section 2.**
- 44.21.510 Establishes location of independent office of administrative hearings and qualifications and compensation of chief hearing officer.
  - 44.21.520 Powers and duties of chief hearing officer.
  - 44.21.530 Administrative hearing functions to be included in the new independent office. Provisions of service and delegation of decision authority.
  - 44.21.540 Hearing officer qualifications and duties. Authority for chief administrative hearing officer to enter into contracts with qualified individuals to serve as hearing officers.
  - 44.21.550 Code of conduct for hearing officers.
  - 44.21.560 Establishment of procedures for administrative hearings, including time limits, decision authority, and rules for altering a hearing officer decision.
  - 44.21.570 Disqualification of hearing officer.
  - 44.21.580 Agency cooperation with hearing officers. Selection of hearing officers. Non-interference.
  - 44.21.590 Administrative hearing records. Record keeping requirements.
  - 44.21.599 Definitions
- Sections 3 – 72** Conforming technical amendments to affected statutes.
- Section 73** 24.60.030 Prohibits legislative influence.

Sections 74 – 98      Conforming technical amendments to affected statutes.

Section 99            39.52.120 Prohibits agency influence.

Section 100 – 127    Conforming technical amendments to affected statutes.

Section 128          Transition authority to accommodate administrative process.

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: 1  
Bill Version: CSSB 203  
(S) Publish Date: 5/7/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
Title "An Act relating to certain BRU Administrative Hearings  
administrative hearings..." Component Administrative Hearings  
Sponsor Rules \_\_\_\_\_  
Requester State Affairs \_\_\_\_\_ Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	686.6	686.6	686.6	686.6	686.6	686.6
Travel	15.0	15.0	15.0	15.0	15.0	15.0
Contractual	35.0	35.0	35.0	35.0	35.0	35.0
Supplies	6.0	3.0	3.0	3.0	3.0	3.0
Equipment	4.0	0.0	0.0	0.0	0.0	0.0
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>746.6</b>	<b>739.6</b>	<b>739.6</b>	<b>739.6</b>	<b>739.6</b>	<b>739.6</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

FUND SOURCE	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
1040 Real Estate Surety	12.1	12.1	12.1	12.1	12.1	12.1
1156 Rcpt. Sup. Svcs.	142.0	142.0	142.0	142.0	142.0	142.0
1004 GF	258.4	251.4	251.4	251.4	251.4	251.4
1007 Interagency Receipts	167.9	167.9	167.9	167.9	167.9	167.9
1133 Indirect Cost Reimb.	166.2	166.2	166.2	166.2	166.2	166.2
Other (Specify Type-Do not abbreviate)						
<b>TOTAL</b>	<b>746.6</b>	<b>739.6</b>	<b>739.6</b>	<b>739.6</b>	<b>739.6</b>	<b>739.6</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time	8	8	8	8	8	8
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

SB 203 establishes the Office of Administrative Hearings (OAH) in the Department of Administration. The OAH will conduct administrative hearings under the direction of the Chief Administrative Hearing Officer.

This fiscal note includes personal services and associated costs for the new Chief Administrative Hearing Officer position as well as five additional hearing officer positions and two support staff positions which will be transferred from the Departments of Revenue, Community and Economic Development, and Administration.

Although precise numbers are as yet unknown, budget savings are expected to result from the creation of the OAH. The new office will be able to conduct hearings that otherwise would have been contracted out. Economies of scale may produce additional savings.

Prepared by: Kevin Jardell, Assistant Commissioner Phone \_\_\_\_\_  
Division: Commissioner's Office Date/Time 5/6/03 2:48 PM  
Approved by: Mike Miller, Commissioner Date 5/6/2003  
Agency: Department of Administration

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 2  
Bill Version: SB 203  
(S) Publish Date: 5/7/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
Title Office of Administrative Hearings BRU Administration and Support  
Component Commissioner's Office  
Sponsor Rules Committee  
Requester Senate State Affairs Committee Component No. 123

**Expenditures/Revenues (Thousands of Dollars)**

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	(379.4)	(379.4)	(379.4)	(379.4)	(379.4)	(379.4)
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE (Thousands of Dollars)**

1002 Federal Receipts						
1003 GF Match						
1004 GF	(45.6)	(45.6)	(45.6)	(45.6)	(45.6)	(45.6)
1005 GF/Program Receipts						
1113 Indirect Cost Reimbursement	(189.2)	(189.2)	(189.2)	(189.2)	(189.2)	(189.2)
1007 Inter-agency Receipts	(144.6)	(144.6)	(144.6)	(144.6)	(144.6)	(144.6)
<b>TOTAL</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>	<b>(379.4)</b>

Estimate of any current year (FY2003) cost: 0.0  
Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time	-5	-5	-5	-5	-5	-5
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation would transfer the Department of Revenue's three hearing examiners and two support staff positions to the newly created Office of Administrative Hearings at the Department of Administration. Department of Revenue hearing examiners currently hear appeals of child support orders and modifications, Permanent Fund dividend eligibility cases and charitable gaming license cases.

The fiscal note shows the transfer of five positions and the accompanying funding for those positions. The Indirect Cost Reimbursement funding source is federal money allocated to the Department of Revenue as reimbursement for the cost of hearing child support cases. The Inter-agency Receipt funding is Permanent Fund Dividend funding allocated to the department for the cost of hearing dividend eligibility cases.

Prepared by: Larry Persily, Deputy Commissioner Phone 465-5469  
Division: Department of Revenue Date/Time 5/6/03 10:19 AM  
Approved by: Larry Persily, Deputy Commissioner Date 5/6/2003  
Agency: Department of Revenue

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 3  
Bill Version: CSSB 203  
(S) Publish Date: 5/7/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Administration  
Title "An Act relating to certain BRU Centralized Administrative Services  
administrative hearings..." Component Office of Tax Appeals  
Sponsor Rules  
Requester State Affairs Component No. 2131

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services	(90.9)	(90.9)	(90.9)	(90.9)	(90.9)	(90.9)
Travel	0.0	0.0	0.0	0.0	0.0	0.0
Contractual	0.0	0.0	0.0	0.0	0.0	0.0
Supplies	0.0	0.0	0.0	0.0	0.0	0.0
Equipment	0.0	0.0	0.0	0.0	0.0	0.0
Land & Structures	0.0	0.0	0.0	0.0	0.0	0.0
Grants & Claims	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL OPERATING</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts	0.0	0.0	0.0	0.0	0.0	0.0
1003 GF Match	0.0	0.0	0.0	0.0	0.0	0.0
1004 GF	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)	(50.0)
1007 Interagency Receipts	(40.9)	(40.9)	(40.9)	(40.9)	(40.9)	(40.9)
1037 GF/Mental Health	0.0	0.0	0.0	0.0	0.0	0.0
Other (Specify Type--Do not abbreviate)	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>	<b>(90.9)</b>

Estimate of any current year (FY2003) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time	-1	-1	-1	-1	-1	-1
Part-time	0	0	0	0	0	0
Temporary	0	0	0	0	0	0

**ANALYSIS:** (Attach a separate page if necessary)

SB 203 creates the Office of Administrative Hearings in the Department of Administration and transfers to it the Office of Tax Appeals Hearing Officer position.

Prepared by: Kevin Jardell, Assistant Commissioner Phone \_\_\_\_\_  
Division Commissioner's Office Date/Time 5/6/03 2:42 PM  
Approved by: Mike Miller, Commissioner Date 5/6/2003  
Agency Department of Administration

# FISCAL NOTE

**STATE OF ALASKA**  
**2003 LEGISLATIVE SESSION**

Fiscal Note Number: 4  
 Bill Version: SB 203  
 (S) Publish Date: 5/7/03

Revision Date/Time (Note if correction):  
 Title Office of Administrative Hearings  
 Sponsor Rules by Request  
 Requester Senate State Affairs  
 Dept. Affected: DCED  
 BRU Occupational Licensing (11?)  
 Component Occupational Licensing  
 Component No. 2360

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other 1007 - Inter-Agency Receipts						
<b>TOTAL</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 140.7  
 Mark this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time	-2					
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

SB 203 establishes an Office of Administrative Hearings in the Department of Administration. Under the new Office of Administrative Hearings, the Division of Occupational Licensing would transfer its current Hearing Examiner (PCN 08-1040) and Law Office Assistant (PCN 08-1038) included in the FY04 budget request.

The fund source for these positions and related costs are receipt supported services (RSS) from licensing fees. When the positions are transferred to the new Office, it is anticipated that receipts from licensing fees (RSS) will be transmitted via Inter-Agency Receipts to support the hearing services requested by Occupational Licensing.

Prepared by: Jennifer Strickler, Administrative Manager Phone 907-465-2144  
 Division: Occupational Licensing Date/Time 5/6/03 11:57 AM  
 Approved by: Edgar Blatchford, Commissioner Date 5/6/2003  
 Agency: Department of Community & Economic Development

# FISCAL NOTE

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

Fiscal Note Number: 5  
Bill Version: SB 203  
(S) Publish Date: 5/7/03

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Law  
Title "An Act relating to certain administrative BRU Civil Division  
hearings; . . . the office of administrative hearings . . ." Component All  
Sponsor Senate Rules Committee by Request  
Requester Senate State Affairs Committee Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Personal Services						
Travel						
Contractual						
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Miscellaneous						
<b>TOTAL OPERATING</b>	<b>*****</b>	<b>*****</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

CAPITAL EXPENDITURES						
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CHANGE IN REVENUES ( )						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1037 GF/Mental Health						
Other (Specify Type--Do not abbreviate)						
<b>TOTAL</b>	<b>*****</b>	<b>*****</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

Estimate of any current year (FY2003) cost: 0.0  
Check this box (X) if funding for this bill is included in the Governor's FY 2004 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** *(Attach a separate page if necessary)*  
This bill establishes the Office of Administrative Hearings in the Department of Administration. The office will conduct all adjudicative administrative hearings for an extensive list of state programs, including alcoholic beverage licensing, charitable gaming, banking, occupational licensing, and oil and gas exploration, production, and pipeline transportation property taxes, among others.  
  
The fiscal impact on the Department of Law from this bill will be during the first year or two of transition from the current structure of agency hearing officers to the centralized Office of Administrative Hearings. Hundreds of pages of regulations directing how the current adjudicative process is handled will need to be rewritten to implement the new process. Boards, commissions, and agency staff will need to be trained. Whether or not the new workload can be absorbed with existing staff will depend on how quickly the revised regulations need to be implemented. This will likely

Prepared by: Joan M. Kasson Phone (907) 465-5370  
Division Attorney General's Office Date/Time 5/6/03 10:50 AM  
Approved by: Kathryn Daughhettee for Gregg D. Renkes, Attorney General Date 5/6/2003  
Agency Department of Law

FISCAL NOTE #5

STATE OF ALASKA  
2003 LEGISLATIVE SESSION

BILL NO. SB 203

ANALYSIS CONTINUATION

vary from agency to agency. If any of the regulations projects assume an urgency that existing staff cannot meet, outside contract counsel may be necessary to handle them. Given the uncertainty, we cannot estimate what the potential cost might be.

23-LS0903U  
Cook  
5/12/03

**CS FOR SENATE BILL NO. 203( )**  
**IN THE LEGISLATURE OF THE STATE OF ALASKA**  
**TWENTY-THIRD LEGISLATURE - FIRST SESSION**

**BY**

**Offered:**  
**Referred:**

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST**

**A BILL**  
**FOR AN ACT ENTITLED**

1 **"An Act relating to certain administrative hearings; and establishing the office of**  
2 **administrative hearings and relating to that office."**

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

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

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

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

12 (2) ensure respect for the dignity of the individuals whose cases are being  
13 adjudicated;

14 (3) foster open and clearly explained agency decisions and improve public

1 access to the process of administrative adjudication;

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

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

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

8 \* Sec. 2. AS 44.21 is amended by adding new sections to read:

9 **Article 9. Office of Administrative Hearings.**

10 **Sec. 44.21.510. Office created.** (a) There is created in the Department of  
11 Administration an independent office of administrative hearings under the direction of  
12 the chief administrative hearing officer.

13 (b) The chief administrative hearing officer must

14 (1) be a resident of the state;

15 (2) have experience in administrative law; and

16 (3) be licensed to practice law in this state and have been admitted to  
17 practice law in this state for at least five years.

18 (c) The chief administrative hearing officer is appointed to a five-year term of  
19 office by the governor. An individual may serve not more than three full or partial  
20 terms as chief administrative hearing officer. The governor may remove the chief  
21 administrative hearing officer from office only for good cause and shall state in  
22 writing the basis for removal. A vacancy in the office of chief administrative hearing  
23 officer shall be filled by the governor and the individual appointed serves for the  
24 remainder of the term to which appointed.

25 (d) The chief administrative hearing officer shall receive a monthly salary that  
26 is not less than Step A nor more than Step F, Range 27, of the salary schedule in  
27 AS 39.27.011(a) for Juneau, Alaska. The chief administrative hearing officer is in the  
28 partially exempt service.

29 **Sec. 44.21.520. Powers and duties of chief administrative hearing officer.**

30 The chief administrative hearing officer shall

31 (1) supervise the office;

- 1 (2) employ administrative staff, who shall be in the classified service;
- 2 (3) employ hearing officers, who shall be in the partially exempt
- 3 service;
- 4 (4) preside over administrative hearings handled by the office or assign
- 5 hearing officers to preside over hearings and protect, support, and enhance the
- 6 decisional independence of the hearing officers;
- 7 (5) establish and implement performance standards and peer review
- 8 programs for hearing officers employed by the office;
- 9 (6) make available and facilitate training and continuing education
- 10 programs and services in administrative procedure, administrative adjudication,
- 11 substantive law, and technical matters for hearing officers and other administrative
- 12 adjudicators;
- 13 (7) survey administrative hearing participants and use other methods to
- 14 monitor the quality of administrative hearings held by the office and other state
- 15 agencies, and submit to the governor and the legislature on January 31 of each year the
- 16 results of the survey along with a report that includes a description of the activities of
- 17 the office and recommendations for statutory changes that may be needed in relation
- 18 to the administrative hearings held by the office or other state agencies;
- 19 (8) review and comment on regulations proposed by state agencies to
- 20 govern procedures in administrative hearings;
- 21 (9) enter into contracts as necessary to carry out the functions of the
- 22 office;
- 23 (10) annually prepare and submit to the commissioner of
- 24 administration a budget for the office for the next fiscal year that shall include and
- 25 separately identify funding for training and continuing education; a copy of the budget
- 26 submitted to the commissioner under this paragraph shall also be submitted to the
- 27 Finance Committee of each house of the legislature; and
- 28 (11) adopt regulations under AS 44.62 (Administrative Procedure Act)
- 29 to carry out the duties of the office and implement this chapter.
- 30 **Sec. 44.21.530. Jurisdiction of the office.** (a) The office shall conduct all
- 31 adjudicative administrative hearings required under the following statutes or under

1 regulations adopted to implement the statutes:

- 2 (1) AS 04.11.510(b)(1) (alcoholic beverages license);
- 3 (2) AS 05.15 (charitable gaming);
- 4 (3) AS 05.20 (recreational devices);
- 5 (4) AS 05.90.001 (special racing events);
- 6 (5) AS 06 (banks and financial institutions);
- 7 (6) AS 08 (occupational licensing), other than AS 08.08;
- 8 (7) AS 10.06 (Alaska Corporations Code);
- 9 (8) AS 10.13 (Alaska BIDCO Act);
- 10 (9) AS 10.25.375 (Electric and Telephone Cooperative Act);
- 11 (10) AS 10.50.408 (limited liability companies);
- 12 (11) AS 14.11.016 (education-related facility grants);
- 13 (12) AS 14.18 (discrimination in public education);
- 14 (13) AS 14.20.030 (teacher certificates);
- 15 (14) AS 14.25.037 (teachers' retirement);
- 16 (15) AS 14.30 (educational programs);
- 17 (16) AS 14.37 (child care facilities);
- 18 (17) AS 14.48 (postsecondary educational institutions);
- 19 (18) AS 17.20 (Alaska Food, Drug, and Cosmetic Act);
- 20 (19) AS 18.07 (certificate of need program);
- 21 (20) AS 18.18.030 (hospice licenses);
- 22 (21) AS 18.20 (hospitals and nursing facilities);
- 23 (22) AS 18.35.040 (tourist accommodations);
- 24 (23) AS 18.55 (housing and public buildings);
- 25 (24) AS 18.60 (safety);
- 26 (25) AS 18.67.040 (Violent Crimes Compensation Board);
- 27 (26) AS 18.80 (State Commission for Human Rights);
- 28 (27) AS 21 (insurance);
- 29 (28) AS 25.27 (child support enforcement);
- 30 (29) AS 27.21 (Alaska Surface Coal Mining and Reclamation Act);
- 31 (30) AS 32.05 (Uniform Partnership Act);

- 1 (31) AS 34.45 (unclaimed property);  
2 (32) AS 34.55.024 and 34.55.026 (Uniform Land Sales Practices Act);  
3 (33) AS 36.30 (State Procurement Code);  
4 (34) AS 38.05.065 (contracts for sale of state land);  
5 (35) AS 39.25 (State Personnel Act);  
6 (36) AS 39.35 and AS 39.45 (Public Employees Retirement Board);  
7 (37) AS 39.52 (Alaska Executive Branch Ethics Act);  
8 (38) AS 41.17 (forest resources and practices);  
9 (39) AS 41.37.050 (Citizens' Advisory Commission on Federal Areas  
10 in Alaska);  
11 (40) AS 43.23 (permanent fund dividends);  
12 (41) AS 43.56.010 - 43.56.120 (oil and gas exploration, production,  
13 and pipeline transportation property taxes);  
14 (42) AS 43.70 (Alaska Business License Act);  
15 (43) AS 44.77 (claims against the state);  
16 (44) AS 45.30.040 (mobile homes);  
17 (45) AS 45.55 (Alaska Securities Act);  
18 (46) AS 45.57 (Takeover Bid Disclosure Act);  
19 (47) AS 46 (water, air, energy, and environmental conservation);  
20 (48) AS 47.30.031 (Alaska Mental Health Trust Authority);  
21 (49) AS 47.33 (assisted living homes);  
22 (50) AS 47.35 (child care);  
23 (51) AS 47.45 (longevity bonuses).

24 (b) An agency may request the office to conduct an administrative hearing of  
25 that agency or to conduct several administrative hearings. The office may provide the  
26 service after entering into a written agreement with the agency describing the services  
27 to be provided and providing for reimbursement by the agency to the office of the  
28 costs incurred by the office in providing the services. To the extent otherwise  
29 permitted by law, the agency may delegate to the hearing officer assigned to conduct  
30 the hearing on behalf of the agency the authority to make a final agency decision in  
31 the matter.

1           **Sec. 44.21.540. Hearing officers.** (a) A hearing officer must be admitted to  
2 practice law in this state and must have been admitted to practice in this state for at  
3 least two years before being employed or retained with the office. The chief  
4 administrative hearing officer shall establish additional qualifications for hearing  
5 officers employed or retained by the office and for those hearing officers that may be  
6 assigned to particular types of cases. Full-time hearing officers employed by the  
7 office are subject to the personnel rules adopted under AS 39.25.150(7), (15), and  
8 (16).

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

13                   (1) engage in alternative dispute resolution under regulations adopted  
14 by the chief administrative hearing officer;

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

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

21           (c) A hearing officer employed by the office must devote full time to the  
22 duties of the office unless appointed to a position that is less than full-time. A hearing  
23 officer employed by the office may not perform duties inconsistent with the duties and  
24 responsibilities of a hearing officer.

25           (d) The chief administrative hearing officer may enter into a contract with an  
26 individual who meets the qualifications established in (a) of this section to serve as a  
27 hearing officer in a particular administrative hearing or in several hearings of the same  
28 type. Notwithstanding AS 36.30.015(d), the chief administrative hearing officer may  
29 contract for or hire a hearing officer without notifying or securing the approval of the  
30 Department of Law.

31           **Sec. 44.21.550. Code of hearing officer conduct.** (a) The chief

1 administrative hearing officer shall, by regulation, adopt a code of hearing officer  
2 conduct. Hearing officers of the office and of each other agency shall comply with the  
3 code.

4 (b) Except as provided in (d) of this section, the chief administrative hearing  
5 officer shall receive and consider all complaints against hearing officers employed or  
6 retained by the office or another agency alleging violations of the code. If the chief  
7 administrative hearing officer determines that the conduct alleged, if true, would  
8 constitute a violation of the code, the officer shall deliver the complaint to the attorney  
9 general.

10 (c) ~~If the~~ attorney general determines that a violation has occurred, the  
11 attorney general shall submit written findings to the agency that employed or retained  
12 the hearing officer who is the subject of the complaint together with recommendations  
13 for corrective or disciplinary action. If the hearing officer is employed or retained by  
14 the office, the chief administrative hearing officer shall take appropriate corrective or  
15 disciplinary action.

16 (d) The attorney general shall, by regulation, establish procedures to  
17 implement (c) of this section, including procedures for investigating and holding  
18 hearings on complaints. The attorney general shall receive and consider any  
19 complaint filed against the chief administrative hearing officer under this section, and  
20 may investigate or hold a hearing on the complaint in compliance with the regulations  
21 adopted under this subsection.

22 **Sec. 44.21.560. Procedure for hearings.** (a) The chief administrative  
23 hearing officer shall, by regulation, establish procedures for administrative hearings  
24 conducted by the office. Each administrative hearing under the jurisdiction of the  
25 office or that has been transferred to the office by an agency shall be conducted in  
26 accordance with statutes that apply to that hearing, including, if applicable, the  
27 Administrative Procedure Act (AS 44.62). However, to the extent regulations adopted  
28 by an agency for the conduct of an administrative hearing conflict with regulations  
29 adopted by the chief administrative hearing officer under this subsection, the  
30 regulations adopted by the chief administrative hearing officer control.

31 (b) When an agency receives a request for a hearing that will be conducted by

1 the office under AS 44.21.530, the agency shall, within two working days, notify the  
2 office. The agency shall compile and transmit to the office the agency file and all  
3 materials relevant to the matter.

4 (c) A hearing officer employed or retained by the office shall, within 120 days  
5 after the agency received the request for a hearing, prepare a proposed decision, unless  
6 another time period is provided by law or agreed to by the parties and the chief  
7 administrative hearing officer. The hearing officer shall immediately submit the  
8 proposed decision to the agency.

9 (d) A proposed decision in an administrative hearing shall be in a form that  
10 may be adopted as the final decision by the agency with authority to make the final  
11 decision. The proposed decision is a public record unless otherwise provided by law.  
12 A copy of the proposed decision shall be served by the office on each party in the case  
13 and the attorneys representing those parties in the hearing. Notwithstanding  
14 AS 44.62.500(b) and except as provided by other statute, the agency with authority to  
15 make a final decision in the case shall, within 30 days after the date the proposed  
16 decision is served, do one or more of the following:

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

18 (2) return the case to the hearing officer to take additional evidence or  
19 make additional findings or for other specific proceedings; the hearing officer shall  
20 complete the additional work on the case and return it to the agency within 60 days  
21 after the date the original proposed decision of the hearing officer was submitted to the  
22 agency by the hearing officer;

23 (3) exercise its discretion by revising the proposed enforcement action,  
24 order, award, remedy, sanction, or penalty, and adopt the proposed decision as revised;

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

29 (5) in writing reject, modify, or amend an interpretation or application  
30 in the proposed decision of a statute or regulation directly governing the agency's  
31 actions by specifying the reasons for the rejection, modification, or amendment, and

1 issue a final agency decision.

2 **Sec. 44.21.570. Disqualification of hearing officer.** (a) The chief  
3 administrative hearing officer or a hearing officer employed or retained by the office is  
4 disqualified from a case in which the officer cannot accord a fair and impartial hearing  
5 or for other reasons established in the code of hearing officer conduct.

6 (b) A party may request the disqualification of the chief administrative hearing  
7 officer or a hearing officer by filing an affidavit, before the taking of evidence at a  
8 hearing, stating with particularity the grounds upon which it is claimed that a fair and  
9 impartial hearing cannot be accorded by that officer. Notwithstanding  
10 AS 44.62.450(c), upon receipt of the affidavit, the hearing officer assigned to the  
11 administrative hearing shall make a determination. If the affiant objects to the  
12 decision, the matter shall be decided by the chief administrative hearing officer, whose  
13 decision is final, or if the hearing is assigned to the chief administrative hearing  
14 officer, by the attorney general, whose decision is final.

15 **Sec. 44.21.580. Agency cooperation.** (a) All agencies shall cooperate with  
16 the chief administrative hearing officer and with other hearing officers of the office in  
17 the matters involving the duties of the office.

18 (b) Except as provided under AS 44.21.570 or by regulation adopted under  
19 this chapter, an agency may not select or reject a particular hearing officer for  
20 assignment to an administrative hearing.

21 (c) After an administrative hearing is referred by an agency to the office for  
22 hearing, the agency may not take further adjudicatory action with respect to the  
23 proceeding, except as a party litigant or to render a final decision as provided by law.

24 **Sec. 44.21.590. Administrative hearing records.** (a) The office shall  
25 acquire and organize records relating to administrative hearings of the office. The  
26 records must include information, materials, and data bases used in the conduct of  
27 hearings, and the proposed and final agency decisions. All court decisions resulting  
28 from appeals from final agency decisions shall also be collected and included in the  
29 records. The records shall be made available to the public. The office shall make final  
30 agency decisions available online through an electronic data base.

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

1                   **Sec. 44.21.599. Definitions.** In AS 44.21.510 - 44.21.599,

2                   (1) "administrative hearing" means a contested case before an agency  
3                   in which

4                   (A) the matter is heard by a hearing officer who does not  
5                   represent or have authority to make decisions for the agency in its capacity as a  
6                   party to the proceedings;

7                   (B) the parties may present testimony and evidence not  
8                   previously considered by the agency; and

9                   (C) the hearing officer has authority to make factual findings,  
10                  legal rulings, and issue a proposed or final agency decision; an administrative  
11                  hearing does not include a public non-adjudicative hearing;

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

15                  (3) "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                  (4) "office" means the office of administrative hearings established in  
19                  AS 44.21.510.

20                  \* Sec. 3. 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 before a hearing officer from the office of administrative hearings  
30                  (AS 44.21.510) [THE BOARD]; if the applicant requests a formal hearing, the office  
31                  of administrative hearings [BOARD] shall adhere to AS 44.62.330 - 44.62.530

1 (Administrative Procedure Act); all interested persons may be heard at the hearing and  
2 unless waived by the applicant and the board, the formal hearing shall be held in the  
3 area for which 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. 4. 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 44.21.510).

24 \* Sec. 5. AS 05.90.001(b) is amended to read:

25 (b) The Department of Public Safety, with the concurrence of the Department  
26 of Transportation and Public Facilities, may grant, and for cause cancel, permission to  
27 conduct a special racing event as provided in this section upon terms and conditions  
28 and at times and places the department may determine. If an applicant's permission is  
29 refused or cancelled, the applicant may request the Department of Public Safety for a  
30 hearing. The hearing shall be conducted under the provisions of AS 44.62 [THE]  
31 (Administrative Procedure Act) by the office of administrative hearings

1           (AS 44.21.510) [(AS 44.62)].

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

3           (f) Hearings required or authorized under this title are not subject to  
4           AS 44.62.330 - 44.62.630, except as required by AS 44.62.560 and 44.62.570. The  
5           department shall adopt regulations, consistent with the provisions of this title,  
6           establishing procedures for hearings held under this section. Administrative  
7           hearings on contested cases shall be conducted by the office of administrative  
8           hearings (AS 44.21.510).

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

10           (c) A board may summarily suspend a licensee from the practice of the  
11           profession before a final hearing is held or during an appeal if the board finds that the  
12           licensee poses a clear and immediate danger to the public health and safety. A person  
13           is entitled to a hearing conducted by the office of administrative hearings  
14           (AS 44.21.510) [BEFORE THE BOARD] to appeal the summary suspension within  
15           seven days after the order of suspension is issued. A person may appeal an adverse  
16           decision of the board on an appeal of a summary suspension to a court of competent  
17           jurisdiction.

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

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

27           (1) issue an order directing the person to stop the act or practice;  
28           however, reasonable notice of and an opportunity for a hearing must first be given to  
29           the person, except that the commissioner may issue a temporary order before a hearing  
30           is held; a temporary order remains in effect until a final order affirming, modifying, or  
31           reversing the temporary order is issued or until 15 days after the person receives the

1 notice and has not requested a hearing by that time; a temporary order becomes final if  
2 the person to whom the notice is addressed does not request a hearing within 15 days  
3 after receiving the notice; if the hearing involves AS 08.08 or a regulation adopted  
4 under that chapter, the commissioner or the commissioner's designee shall be the  
5 hearing officer at the hearing and shall issue a final order within 10 days after the  
6 hearing; otherwise the hearing shall be conducted by the office of administrative  
7 hearings (AS 44.21.510);

8 (2) bring an action in the superior court to enjoin the acts or practices  
9 and to enforce compliance with this chapter, a regulation adopted under it, an order  
10 issued under it, or with a provision of this title or regulation adopted under this title  
11 dealing with business licenses or an occupation or board listed in AS 08.01.010;

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

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

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

19 (c) The department may summarily suspend a license before final hearing or  
20 during the appeals process if the department finds that the licensee poses a clear and  
21 immediate danger to the public welfare and safety if the licensee continues to practice.  
22 An individual whose license is suspended under this subsection is entitled to a hearing  
23 conducted by the office of administrative hearings (AS 44.21.510) not  
24 [DEPARTMENT NO] later than seven days after the effective date of the order. The  
25 individual may appeal the suspension after the hearing to the superior court.

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

27 (c) The board may summarily suspend the license of a licensee who refuses to  
28 submit to a physical or mental examination under AS 08.36.070(b)(1). A person  
29 whose license is suspended under this section is entitled to a hearing conducted by the  
30 office of administrative hearings (AS 44.21.510) [BOARD] within seven days after  
31 the effective date of the order. If, after a hearing, the board upholds the suspension,

1 the licensee may appeal the suspension to a court of competent jurisdiction.

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

3 (c) The board may summarily suspend the license of a licensee who refuses to  
4 submit to a physical or mental examination under AS 08.36.070(b)(1). A person  
5 whose license is suspended under this section is entitled to a hearing conducted by the  
6 office of administrative hearings (AS 44.21.510) [BOARD] within seven days after  
7 the effective date of the order. If, after a hearing, the board upholds the suspension,  
8 the licensee may appeal the suspension to a court of competent jurisdiction.

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

10 (f) The department may summarily suspend a license before a final hearing is  
11 held or during an appeal if the department finds that the licensee poses a clear and  
12 immediate danger to the public health and safety. A person is entitled to a hearing  
13 conducted by [BEFORE] the office of administrative hearings (AS 44.21.510)  
14 [DEPARTMENT] to appeal the summary suspension within seven days after the order  
15 of suspension is issued. A person may appeal an adverse decision of the department  
16 on an appeal of a summary suspension to a court of competent jurisdiction.

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

18 (f) The department may summarily suspend a license before a final hearing is  
19 held or during an appeal if the department finds that the licensee poses a clear and  
20 immediate danger to the public health and safety. A person is entitled to a hearing  
21 conducted by [BEFORE] the office of administrative hearings (AS 44.21.510)  
22 [DEPARTMENT] to appeal the summary suspension within seven days after the order  
23 of suspension is issued. A person may appeal an adverse decision of the department  
24 on an appeal of a summary suspension to a court of competent jurisdiction.

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

26 (c) The division may summarily suspend a license before final hearing or  
27 during the appeals process if the division finds that the licensee poses a clear and  
28 immediate danger to the public health and safety if the licensee continues to practice.  
29 A licensee whose license is suspended under this section is entitled to a hearing  
30 conducted by the office of administrative hearings (AS 44.21.510) not [DIVISION  
31 NO] later than seven days after the effective date of the order. The licensee may

1 appeal the suspension after a hearing to a court of competent jurisdiction.

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

3 (i) The department may summarily suspend a licensee from practice of the  
4 profession under this chapter, for a period of not more than 30 days, before a final  
5 hearing is held or during an appeal if the department finds that the licensee poses a  
6 clear and immediate danger to the public health and safety. A person is entitled to a  
7 hearing conducted by [BEFORE] the office of administrative hearings  
8 (AS 44.21.510) [DEPARTMENT] to appeal the summary suspension within seven  
9 days after the order of suspension is issued. A person may appeal an adverse decision  
10 of the department on an appeal of summary suspension to a court of competent  
11 jurisdiction.

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

13 (c) The department may summarily suspend a license before final hearing or  
14 during the appeals process if the department finds that the licensee poses a clear and  
15 immediate danger to the public welfare and safety if the licensee continues to practice.  
16 A person whose license is suspended under this subsection is entitled to a hearing  
17 conducted by the office of administrative hearings (AS 44.21.510) not  
18 [DEPARTMENT NO] later than seven days after the effective date of the order. The  
19 person may appeal the suspension after the hearing to the superior court.

20 \* **Sec. 17.** AS 08.62.046(c) is amended to read:

21 (c) The master, owner, operator, or agent of the master, owner, or operator, of  
22 a vessel required to employ a pilot under this chapter may object to the proposed rate  
23 for a specific pilotage service by filing a written notice of objection, containing the  
24 grounds for the objection and relevant evidence demonstrating that the rate is not  
25 reasonable, with the board within 60 days after the final date of publication of the  
26 proposed rate in a newspaper of general circulation. The pilot organization that  
27 proposed the rate has until 15 days after the close of the period for filing objections to  
28 the proposed rate to provide its written response to the notice of objection and relevant  
29 evidence demonstrating that the rate is reasonable. If the pilot organization does not  
30 respond to the notice of objection by the close of the 15-day period for response to the  
31 objection, the board may not take action on the proposed rate and the proposed rate

1 does not take effect. If the pilot organization does respond to the notice of objection  
2 before the close of the response period, the board shall request that the office of  
3 administrative hearings (AS 44.21.510) hold a hearing to determine whether the  
4 proposed rate is reasonable. If, after the hearing, the board finds that the proposed  
5 rate is reasonable, the rate is approved and takes effect retroactive to January 1 of the  
6 calendar year in which the rate would have taken effect under (b) of this section if no  
7 objection had been filed. If the board finds that the proposed rate is not reasonable,  
8 the proposed rate is disapproved and does not take effect. In determining what  
9 constitutes a reasonable rate, the board shall consider the following factors:

10 (1) current and historical rates charged for comparable pilotage  
11 services;

12 (2) the actual time aboard the vessel, time engaged in preparing to  
13 provide the pilotage services, seasonal and weather conditions, and risks;

14 (3) the reasonable expenses incurred in providing the pilotage services  
15 such as dispatch, transportation, overhead, and other associated expenses;

16 (4) the financial effect of pilotage expenses on the owner of the vessel,  
17 except that this factor shall only be considered if the owner provides all financial  
18 information that the board determines is necessary to determine the financial effect;

19 (5) the number of vessels and volume of pilotage services at issue in  
20 the dispute and the number of members of the pilot organization;

21 (6) the effect of the determination on the income of affected pilots  
22 relative to prior years, taking into account changes in vessel tonnage and vessel traffic  
23 in the pilotage region from year-to-year;

24 (7) prior determinations under this subsection; and

25 (8) other factors the board considers relevant.

26 \* Sec. 18. AS 08.64.331(c) is amended to read:

27 (c) The board may summarily suspend a license before final hearing or during  
28 the appeals process if the board finds that the licensee poses a clear and immediate  
29 danger to the public health and safety if the licensee continues to practice. A person  
30 whose license is suspended under this section is entitled to a hearing conducted by the  
31 office of administrative hearings (AS 44.21.510) not [BOARD NO] later than seven

1 days after the effective date of the order and the person may appeal the suspension  
2 after a hearing to a court of competent jurisdiction.

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

4 (c) The board may summarily suspend a license before final hearing or during  
5 the appeals process if the board finds that the licensee poses a clear and immediate  
6 danger to the public health and safety if the licensee continues to practice. A person  
7 whose license is suspended under this section is entitled to a hearing conducted by the  
8 office of administrative hearings (AS 44.21.510) ~~not~~ [BOARD NO] later than seven  
9 days after the effective date of the order and the person may appeal the suspension  
10 after a hearing to a court of competent jurisdiction.

11 \* Sec. 20. AS 08.68.275(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. A person whose license is suspended under this  
15 section is entitled to a hearing conducted by the office of administrative hearings  
16 (AS 44.21.510) [BOARD] within seven days after the effective date of the order. If,  
17 after a hearing, the board upholds the suspension, the licensee may appeal the  
18 suspension to a court of competent jurisdiction.

19 \* Sec. 21. AS 08.86.204(b) is amended to read:

20 (b) The board may summarily suspend the license of a licensee who refuses to  
21 submit to a physical or mental examination under AS 08.86.075. A person whose  
22 license is suspended under this subsection is entitled to a hearing conducted by the  
23 office of administrative hearings (AS 44.21.510) [BOARD] within seven days after  
24 the effective date of the order. If, after the [A] hearing, the board upholds the  
25 suspension, the licensee may appeal the suspension to a court of competent  
26 jurisdiction.

27 \* Sec. 22. AS 08.88.037(b) is amended to read:

28 (b) If it appears to the department that a person has engaged in or is about to  
29 engage in an act or practice in violation of a provision of this chapter or a regulation  
30 adopted under it and that action is warranted in the public interest, the department  
31 shall notify all commission members by telephone, telegraph, or facsimile of a

1 proposed order or action, and, if a majority of the members of the commission  
2 approve, the department may

3 (1) after reasonable notice of and an opportunity for a hearing is given  
4 to the person, issue an order directing the person to stop the act or practice; the  
5 department may issue a temporary order before a hearing is held; a temporary order  
6 remains in effect until a final order affirming, modifying, or reversing the temporary  
7 order is issued or until 15 days have elapsed after the person receives the notice and  
8 has not requested a hearing; a temporary order becomes final if the person to whom  
9 the notice is addressed does not request a hearing; within 15 days after receiving the  
10 notice; if a hearing is requested, a hearing shall be conducted by a hearing officer  
11 from the office of administrative hearings (AS 44.21.510) within 30 days; the  
12 commission shall issue a final order within 10 days after the hearing;

13 (2) bring an action in superior court to enjoin the act or practice and to  
14 enforce compliance with this chapter, a regulation adopted under it, or an order issued  
15 under it;

16 (3) examine or have examined the books and records of a person  
17 whose business activities require licensure under this chapter and the department may  
18 require the person to pay the reasonable costs of the examination; and

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

21 \* Sec. 23. AS 08.88.460(b) is amended to read:

22 (b) A copy of a claim filed with the commission under (a) of this section shall  
23 be sent to each real estate licensee alleged to have committed the misconduct resulting  
24 in losses, to the principal real estate broker employing a licensee alleged to have  
25 committed the conduct resulting in losses, and to any other real estate licensee  
26 involved in the transaction at least 20 days before any hearing held on the claim by the  
27 office of administrative hearings (AS 44.21.510) [COMMISSION].

28 \* Sec. 24. AS 08.88.460(d) is amended to read:

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

31 (1) [THE] commission makes an award to the claimant from the real

1 estate surety fund;

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

3 (3) [THE] claim is withdrawn by the claimant before the office of  
4 administrative hearings (AS 44.21.510) [COMMISSION] holds a hearing on the  
5 claim.

6 \* Sec. 25. AS 08.88.472(c) is amended to read:

7 (c) The commission may contract under AS 36.30 (State Procurement Code)  
8 with a person for the person to perform [HEARING AND] legal services for the  
9 commission with regard to a claim against the real estate surety fund filed in court.  
10 The contract may cover one or more claims.

11 \* Sec. 26. AS 08.92.040(c) is amended to read:

12 (c) If the department determines that a person is acting as a promoter in  
13 violation of this chapter, the department may order the person to stop the violation.  
14 Upon receipt of the order, the person affected has the right to be heard and to present  
15 proof to the hearing officer from the office of administrative hearings  
16 (AS 44.21.510) [DEPARTMENT] that the violation has not occurred. Upon [IN THE  
17 DEPARTMENT'S DISCRETION OR UPON] application made by the recipient of the  
18 order, the office of administrative hearings may [DEPARTMENT SHALL]  
19 schedule a hearing at the earliest possible time. After the hearing the department may  
20 affirm, modify, or set aside the order.

21 \* Sec. 27. AS 10.06.633(b) is amended to read:

22 (b) A corporation may not be dissolved under this section unless the  
23 commissioner has given the corporation written notice of its delinquency, failure, or  
24 noncompliance by mail as provided by (i) of this section. If the corporation fails,  
25 within 60 days after the requirements of (i) of this section have been satisfied, to  
26 contest the alleged neglect, omission, delinquency, or noncompliance by a written  
27 request for a hearing conducted by [BEFORE] the office of administrative hearings  
28 (AS 44.21.510) [COMMISSIONER] or fails to correct the asserted neglect, omission,  
29 delinquency, or noncompliance, it may be dissolved under (d) of this section.

30 \* Sec. 28. AS 10.06.865 is amended to read:

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

1 The commissioner may, within one year after a filing, and after written notice to the  
2 corporation or individual making the filing, cancel a certificate issued or filing  
3 accepted under this chapter, on any ground existing at the time of issuance or filing for  
4 which the commissioner could have originally refused to issue the certificate or accept  
5 the filing. The notice of cancellation must state the reason for the cancellation. A  
6 corporation or individual may request a hearing conducted by [BEFORE] the office  
7 of administrative hearings (AS 44.21.510) [COMMISSIONER] within 90 days after  
8 receipt of the notice. Cancellation becomes final if the corporation or individual does  
9 not request a hearing within 90 days after receipt of notice. Notice of cancellation  
10 shall be sent by certified mail with return receipt requested. If the return receipt is not  
11 received by the department within a reasonable time and the department has made  
12 diligent inquiry as to the address of the corporation, notice may be made by  
13 publication in a newspaper of general circulation in the vicinity of the registered office  
14 of the corporation or the address of the individual who made the filing, and the  
15 cancellation becomes final 60 days after publication of the notice if the person or  
16 corporation does not request a hearing.

17 \* **Sec. 29.** AS 10.13.770(b) is amended to read:

18 (b) If the department fails to promptly notify the office of administrative  
19 hearings (AS 44.21.510) of the application and the office fails to begin a hearing  
20 within 15 business days after the application is filed or within a longer period to which  
21 the licensee or subject person consents, the order shall be considered rescinded.

22 \* **Sec. 30.** AS 10.13.860 is amended by adding a new subsection to read:

23 (b) Administrative hearings under this chapter shall be conducted by the office  
24 of administrative hearings (AS 44.21.510).

25 \* **Sec. 31.** AS 10.25.375 is amended to read:

26 **Sec. 10.25.375. Cancellation of certificates issued and filings accepted.**

27 The commissioner may, within one year after a filing, and after written notice to the  
28 cooperative or individual making a filing, cancel a certificate issued or filing accepted  
29 under this chapter, on any ground existing at the time notice of cancellation is made  
30 for which the commissioner could have originally refused to issue the certificate or  
31 accept the filing. The notice of cancellation must state the reason for the proposed

1 cancellation. A cooperative or individual may request a hearing within 90 days after  
2 receipt of the notice. The notice of cancellation becomes final if the cooperative or  
3 individual does not request a hearing within 90 days after receipt of notice. Notice of  
4 cancellation must be sent by certified mail with return receipt requested. If the return  
5 receipt is not received by the department within a reasonable time and the department  
6 has made diligent inquiry as to the current address of the corporation, notice may be  
7 made by publication in a newspaper of general circulation in the vicinity of the  
8 registered office of the cooperative or the address of the individual who made the  
9 filing, and the cancellation becomes final 60 days after publication of the notice. If a  
10 hearing is requested, the hearing shall be conducted by the office of  
11 administrative hearings (AS 44.21.510).

12 \* Sec. 32. AS 10.50.408(c) is amended to read:

13 (c) If, following a hearing conducted by the office of administrative  
14 hearings (AS 44.21.510), the commissioner determines the presence of the  
15 delinquency, failure, or misrepresentation providing grounds for involuntary  
16 dissolution under this section, the company may appeal to the superior court. The  
17 court shall either sustain the commissioner or direct the commissioner to take action  
18 the court considers proper.

19 \* Sec. 33. AS 14.11.016(b) is amended to read:

20 (b) A district may appeal an adverse decision of the department under (a) of  
21 this section by filing a written notice of appeal with the commissioner within 15 days  
22 after the date of the department's decision. The notice of appeal must state the legal  
23 and factual basis for the appeal and the precise relief sought. The failure of the district  
24 to include an issue in a notice of appeal constitutes a waiver of the right to have the  
25 issue considered. Not later than 10 days after receipt by the commissioner of a notice  
26 of appeal, the chief administrative hearing officer of the office of administrative  
27 hearings (AS 44.21.510) [COMMISSIONER] shall appoint a hearing officer who is  
28 qualified under AS 44.62.350(c) to consider the appeal. If the hearing officer finds  
29 that the notice of appeal does not raise a reasonable issue of fact or law, the hearing  
30 officer shall issue a written decision denying the appeal. Denial of an appeal by a  
31 hearing officer is a final decision that may be appealed under (d) of this section. If the

1 hearing officer finds that the notice of appeal raises a reasonable issue of fact or law,  
2 the hearing officer shall conduct a hearing on those issues and recommend a decision  
3 to the board. The hearing officer shall issue a decision on the appeal not later than 60  
4 days after being appointed. The board shall consider the recommended decision of the  
5 hearing officer at its next regularly scheduled meeting and may adopt all, part, or none  
6 of the recommended decision or may remand the issue to the hearing officer for  
7 further hearings. The board shall issue its decision in writing within 10 days after  
8 consideration of the hearing officer's decision.

9 \* Sec. 34. AS 14.18.090(a) is amended to read:

10 (a) The board shall enforce compliance by school districts and regional  
11 educational attendance areas with the provisions of this chapter and the regulations  
12 and procedures adopted under it by appropriate order made in accordance with  
13 AS 44.62. After a hearing conducted by the office of administrative hearings  
14 (AS 44.21.510) and a finding by the board that a district or a regional educational  
15 attendance area is not in compliance with this chapter and is not actively working to  
16 come into compliance, the board shall institute appropriate proceedings to abate the  
17 practices found by the board to be a violation of this chapter.

18 \* Sec. 35. AS 14.20.040 is amended by adding a new subsection to read:

19 (b) Hearings under AS 14.20.030 shall be conducted by the office of  
20 administrative hearings (AS 44.21.510).

21 \* Sec. 36. AS 14.25.037(b) is amended to read:

22 (b) In the conduct of a hearing under this chapter, the hearing officer from  
23 the office of administrative hearings (AS 44.21.510) [BOARD] may issue  
24 subpoenas, administer oaths, compel the attendance and testimony of witnesses,  
25 compel the taking of depositions and the submission of affidavits, and compel the  
26 production of documents and records. The hearing officer's [BOARD'S] powers  
27 under this subsection do not extend to prehearing discovery. However, upon good  
28 cause shown, the hearing officer [BOARD] may permit the preservation of witness  
29 testimony if the hearing officer [BOARD] cannot successfully compel the witness to  
30 attend a hearing. The board may authorize hearing officers to [CONDUCT  
31 HEARINGS UNDER THIS CHAPTER AND] issue binding decisions. A binding [;

1 THE] decision of a hearing officer may be applied to the board. The board shall  
2 adopt procedures for appeals from a hearing officer's binding decision.

3 \* Sec. 37. AS 14.30.193(b) is amended to read:

4 (b) If a due process hearing is requested by either a school district or a parent,  
5 the school district shall contact the office of administrative hearings (AS 44.21.510)  
6 [DEPARTMENT] to request appointment of a hearing officer. The chief  
7 administrative hearing officer [DEPARTMENT] shall select a hearing officer  
8 through a random selection process, from a list maintained by the office  
9 [DEPARTMENT] under (g) of this section. Within five working days after receipt of  
10 the request, the chief administrative hearing officer [DEPARTMENT] shall provide  
11 to the school district and the parent a notice of appointment, including the name and a  
12 statement of qualifications, of the hearing officer that [THE DEPARTMENT  
13 DETERMINES] is available to conduct the hearing.

14 \* Sec. 38. AS 14.30.193(c) is amended to read:

15 (c) The school district and the parent each have the right to reject, without  
16 stating a reason, one hearing officer appointed under this section. The rejecting party  
17 shall notify the office of administrative hearings [DEPARTMENT] of that rejection  
18 in writing within five days after receipt of the [DEPARTMENT'S] notice of  
19 appointment. If a hearing officer is rejected under this subsection, the chief  
20 administrative hearing officer [DEPARTMENT] shall, within five working days  
21 after receipt of the written rejection, provide a notice of appointment, including the  
22 name and a statement of qualifications, of another hearing officer that [THE  
23 DEPARTMENT DETERMINES] is available to conduct the hearing. Each  
24 appointment is subject to a right of rejection under this subsection by a party who has  
25 not previously rejected an appointment.

26 \* Sec. 39. AS 14.30.193(g) is amended to read:

27 (g) The office of administrative hearings [DEPARTMENT] shall maintain a  
28 list of qualified hearing officers and shall provide for qualification of hearing officers  
29 through a training program that is open to all individuals who meet the criteria set by  
30 the office [DEPARTMENT] by regulation. The list of qualified hearing officers shall  
31 be maintained as a public record.

1 \* Sec. 40. AS 14.37.060(b) is amended to read:

2 (b) A prospective licensee who was denied licensure may appeal the  
3 department's decision by requesting a hearing conducted by the office of  
4 administrative hearings (AS 44.21.510), on the form provided by the department,  
5 within 15 days after receipt of the notice of denial of licensure.

6 \* Sec. 41. AS 14.37.130(g) is amended to read:

7 (g) An applicant whose application is denied may appeal the department's  
8 decision, on the form provided by the department, by requesting a hearing conducted  
9 by the office of administrative hearings (AS 44.21.510) within 15 days after receipt  
10 of the notice of denial of application.

11 \* Sec. 42. AS 14.37.170(d) is amended to read:

12 (d) A licensee or other person to whom a notice has been provided under (a)  
13 or (c) of this section may appeal the department's decision to impose an enforcement  
14 action described in (a) or (b)(2) - (8) of this section by filing a written request for a  
15 hearing conducted by the office of administrative hearings (AS 44.21.510), on the  
16 form provided by the department, within 15 days after receipt of the notice of  
17 enforcement action.

18 \* Sec. 43. 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 44.21.510).

26 \* Sec. 44. AS 17.20.060 is amended to read:

27 **Sec. 17.20.060. Suspension and reinstatement of emergency permit.** The  
28 commissioner may suspend immediately upon notice a permit issued under  
29 AS 17.20.050 if it is found that the conditions of the permit have been violated. The  
30 holder of a suspended permit may apply for the reinstatement of the permit, and the  
31 commissioner, immediately after prompt hearing conducted by the office of

1 administrative hearings (AS 44.21.510) and an inspection of the establishment, shall  
2 reinstate the permit if it is found that adequate measures have been taken to comply  
3 with and maintain the conditions of the permit as originally issued or as amended.

4 \* Sec. 45. AS 17.20.120 is amended to read:

5 **Sec. 17.20.120. Application for sale of new drugs.** The application provided  
6 for in AS 17.20.110 is effective on the 60th day after the filing of it. If the  
7 commissioner finds, after notice to the applicant and providing an opportunity for a  
8 hearing conducted by the office of administrative hearings (AS 44.21.510), that the  
9 drug is not safe for use under the conditions prescribed, recommended, or suggested in  
10 the proposed labeling, the commissioner shall, before the effective date of the  
11 application, issue an order refusing to permit the application to become effective. An  
12 order refusing an application to become effective may be revoked by the  
13 commissioner.

14 \* Sec. 46. AS 17.20.360 is amended to read:

15 **Sec. 17.20.360. Attorney general to prosecute; hearing before report of**  
16 **criminal violation.** The attorney general, to whom the commissioner of  
17 environmental conservation or the commissioner of health and social services, as the  
18 case may be, reports a violation of this chapter, shall institute appropriate proceedings  
19 in the superior court without delay and prosecute them in the manner required by law.  
20 Before a violation of this chapter is reported to the attorney general, the person against  
21 whom the proceeding is contemplated shall be given appropriate notice and an  
22 opportunity to respond to the appropriate commissioner in a hearing conducted by  
23 the office of administrative hearings (AS 44.21.510), orally or in writing, in person  
24 or by attorney, with regard to the contemplated proceeding.

25 \* Sec. 47. AS 18.07.071 is amended by adding a new subsection to read:

26 (d) A hearing under this section shall be conducted by the office of  
27 administrative hearings (AS 44.21.510).

28 \* Sec. 48. AS 18.07.081(a) is amended to read:

29 (a) The department, a member of the public who is substantially affected by  
30 activities authorized by the certificate, or another applicant for a certificate of need  
31 may initiate a hearing to obtain modification, suspension, or revocation of an existing

1 certificate of need by filing an accusation with the commissioner as prescribed under  
2 AS 44.62.360. A revocation, modification, or suspension of an outstanding certificate  
3 may not be undertaken unless it is in accordance with AS 44.62.330 - 44.62.630. A  
4 hearing under this subsection shall be conducted by the office of administrative  
5 hearings (AS 44.21.510).

6 \* Sec. 49. AS 18.18.030(b) is amended to read:

7 (b) The department may, without a hearing, summarily suspend a license of a  
8 hospice program if it finds that the actions or deficiencies of the program have caused,  
9 or present an immediate threat of causing, serious injury to a hospice program client.  
10 A licensee is entitled to a hearing conducted by the office of administrative  
11 hearings (AS 44.21.510) [BEFORE THE DEPARTMENT] to appeal the summary  
12 suspension within seven days after the order of suspension is issued. A licensee may  
13 appeal an adverse decision of the department on an appeal of a summary suspension to  
14 the superior court. A summary suspension remains in effect until the department finds  
15 that the actions or deficiencies are corrected, the license is revoked, or the licensee is  
16 successful in appealing the suspension.

17 \* Sec. 50. AS 18.18.030(c) is amended to read:

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

1 \* **Sec. 51.** AS 18.20.180 is amended to read:

2           **Sec. 18.20.180. Approval of applications.** The commissioner of the  
3 department shall give every applicant an opportunity for a fair hearing conducted by  
4 the office of administrative hearings (AS 44.21.510). If, after giving reasonable  
5 opportunity for development and presentation of applications in the order of relative  
6 need, the commissioner of the department finds that a project application complies  
7 with the requirements of AS 18.20.170 and conforms with the state plan, the  
8 commissioner shall approve and recommend the application and forward it to the  
9 surgeon general.

10 \* **Sec. 52.** AS 18.20.330(a) is amended to read:

11           (a) Notwithstanding AS 44.62.330 - 44.62.630, the department, by regulation,  
12 shall establish a hearing procedure by which a nursing facility may present evidence to  
13 refute a deficiency found by the department, and by which it may appeal a sanction  
14 imposed by order of the department under AS 18.20.310. A request for a hearing shall  
15 be made in writing within 10 days after service of the department's order on the  
16 nursing facility. Except for an order that takes effect immediately under  
17 AS 18.20.310(b)(1), a request under this subsection has the effect of staying the  
18 department's order until the hearing is concluded and the department makes a final  
19 determination. The hearing shall be conducted by the office of administrative  
20 hearings (AS 44.21.510).

21 \* **Sec. 53.** AS 18.55.790 is amended to read:

22           **Sec. 18.55.790. Pleadings and hearing.** The complaint must contain a notice  
23 of a hearing conducted by the office of administrative hearings (AS 44.21.510)  
24 [BEFORE THE CORPORATION OR DESIGNATED AGENT] and the time and  
25 place fixed for the hearing. The hearing shall be not less than 10 days nor more than  
26 30 days after the service of the complaint. The complaint must state that the parties in  
27 interest may file an answer to the complaint, appear, and give testimony at the place  
28 and time fixed in the complaint.

29 \* **Sec. 54.** AS 18.60.093(f) is amended to read:

30           (f) If an employer fails without good cause to appear at a hearing held under  
31 this section after receiving proper notice of the hearing, the OSHA Review Board may

1 order the employer to pay all reasonable expenses incurred by the board or the office  
2 of administrative hearings (AS 44.21.510) for the hearing, including the board's  
3 actual travel expenses and per diem and actual travel expenses and per diem for the  
4 hearing officer.

5 \* Sec. 55. AS 18.67.040(a) is amended to read:

6 (a) Upon application made under the provisions of this chapter, the board shall  
7 consider the application and rule on it. The board may, upon its own motion, order a  
8 hearing, specifying the time and place it is to be held after consulting with the office  
9 of administrative hearings (AS 44.21.510). If [; IF] a hearing is ordered, the board  
10 shall give notice to the applicant. If, after consideration without a hearing, the  
11 decision is unfavorable to the applicant, in whole or in part, the board shall furnish the  
12 applicant a written statement of the reason for the ruling. If, within 30 days after  
13 receipt of this statement, the applicant requests a hearing on the application, the board  
14 shall specify a time and place for a hearing after consulting with the office of  
15 administrative hearings, and shall give notice to the applicant. If a request for a  
16 hearing is not made within the specified time, the decision of the board is final.

17 \* Sec. 56. AS 18.67.040(b) is amended to read:

18 (b) For the purpose of carrying out the provisions of this chapter, the office of  
19 administrative hearings (AS 44.21.510) shall [BOARD OR ITS HEARING  
20 OFFICER MAY] hold the hearings, sit and act at the times and places, and take the  
21 testimony that the [BOARD OR THE] hearing officer considers advisable. The  
22 [BOARD OR ITS] hearing officer may administer oaths or affirmations to witnesses.  
23 The hearing officer [BOARD] has full powers of subpoena and compulsion of  
24 attendance of witnesses and production of documents, but a subpoena may not be  
25 issued except under the signature of a member of the board. Application to a court for  
26 aid in enforcing the subpoena may be made in the name of the board only by a board  
27 member. Subpoenas are served by any person designated by the hearing officer or  
28 the board.

29 \* Sec. 57. AS 18.67.040(c) is amended to read:

30 (c) The applicant and any other person having a substantial interest in a  
31 proceeding may appear and be heard, produce evidence, and cross-examine witnesses

1 in person or by an attorney. The [BOARD OR ITS] hearing officer also may hear  
2 other persons who, in the judgment of the [BOARD OR THE] hearing officer, may  
3 have relevant evidence to submit.

4 \* Sec. 58. AS 18.80.060(c) is amended to read:

5 (c) A commissioner or an employee authorized by the commission may  
6 administer oaths, certify to all official acts, and issue subpoenas, subpoenas duces  
7 tecum, and other process to compel the attendance of witnesses and the production of  
8 testimony, records, papers, accounts, and documents in any inquiry or [,] investigation  
9 [, HEARING, OR PROCEEDING] before the commission in the state. The hearing  
10 officer of the office of administrative hearings (AS 44.21.510) may administer  
11 oaths, certify to all official acts, and issue subpoenas, subpoenas duces tecum, and  
12 other process to compel the attendance of witnesses and the production of  
13 testimony, records, papers, accounts, and documents in any hearing held under  
14 this chapter. The commission, a commissioner, or an employee authorized by the  
15 commission may petition a court of this state to enforce its subpoenas, subpoenas  
16 duces tecum, and other process. The hearing officer may petition a court of this  
17 state to enforce subpoenas, subpoenas duces tecum, and other process issued by  
18 the hearing officer.

19 \* Sec. 59. AS 18.80.120 is amended to read:

20 Sec. 18.80.120. Hearing. If the informal efforts to eliminate the alleged  
21 discrimination are unsuccessful, the executive director shall inform the commission of  
22 the failure, and the commission shall provide the respondent and the complainant with  
23 notice of the failure and shall serve written notice, together with a copy of the  
24 complaint, requiring the person, employer, labor organization, or employment agency  
25 charged in the complaint to answer the allegations of the complaint at a hearing  
26 [BEFORE THE COMMISSION]. The hearing shall be held by the office of  
27 administrative hearings (AS 44.21.510) [COMMISSION] at the location of the  
28 [COMMISSION] office unless a party requests a change of venue for good cause  
29 shown, and the office [COMMISSION] grants the request. The case in support of the  
30 complaint shall be presented before the office [COMMISSION] by the executive  
31 director of the commission or a designee who shall be a bona fide resident of the

1 state. The person charged in the complaint may file a written answer to the complaint  
2 and may appear at the hearing in person or otherwise, with or without counsel, and  
3 submit testimony. The executive director has the power reasonably and fairly to  
4 amend the complaint, and the person charged has the power reasonably and fairly to  
5 amend the answer. The office of administrative hearings [COMMISSION] is not  
6 bound by the strict rules of evidence prevailing in courts of law or equity. The  
7 testimony taken at the hearing shall be under oath and shall be recorded.

8 \* Sec. 60. AS 18.80.145(b) is amended to read:

9 (b) If, within the period allowed, [THE COMMISSION CONDUCTS] a  
10 hearing is conducted and [REACHES] a decision is reached under AS 18.80.120 and  
11 18.80.130, the decision of the commission is binding on the parties to the court action  
12 as to all issues resolved in the hearing but not as to any issues not resolved in the  
13 hearing.

14 \* Sec. 61. AS 18.80.145(c) is amended to read:

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

20 \* Sec. 62. AS 21.06.170(a) is amended to read:

21 (a) With respect to the subject of an examination or [,] investigation [, OR  
22 HEARING] being conducted by the director or an examiner, if general written  
23 authority has been given the examiner by the director, the director or the examiner  
24 may subpoena witnesses and administer oaths or affirmations and examine any person  
25 under oath, and may compel the production of records, books, papers, contracts, and  
26 other documents by attachments, if necessary. If, in connection with an examination  
27 of an insurer, the director desires to examine an officer, director, or manager who is  
28 then outside this state, the director is authorized to conduct and to enforce by  
29 appropriate and available means an examination under oath in another state or a  
30 territory of the United States in which the officer, director, or manager may then  
31 presently be, to the full extent permitted by the laws of the other state or territory, this

1 special authorization considered. A hearing officer from the office of  
2 administrative hearings (AS 44.21.510) conducting a hearing under this title may,  
3 in the course of the hearing, exercise the powers granted to the director under  
4 this subsection.

5 \* Sec. 63. AS 21.06.170(d) is amended to read:

6 (d) If a person disobeys or resists a lawful order of the hearing officer  
7 [DIRECTOR], refuses to respond to a subpoena, refuses to take oath or affirmation as  
8 a witness, refuses to be examined, or is guilty of misconduct at a hearing or so near the  
9 hearing as to obstruct the proceeding, the hearing officer [DIRECTOR] shall certify  
10 the facts to the superior court where the hearing is held, and, upon certification, the  
11 court shall issue an order directing the person to appear before the court and show  
12 cause why the person should not be punished for contempt.

13 \* Sec. 64. AS 21.06.180(a) is amended to read:

14 (a) The office of administrative hearings (AS 44.21.510) [DIRECTOR] may  
15 hold hearings for any purpose within the scope of this title considered to be necessary  
16 by the director.

17 \* Sec. 65. AS 21.06.180(b) is amended to read:

18 (b) The office of administrative hearings (AS 44.21.510) [DIRECTOR] shall  
19 hold a hearing if required by a provision of this title, or upon written demand to the  
20 director by a person aggrieved by an act, threatened act, or failure of the director to  
21 act, or by a report, regulation, or order of the director (other than an order for the  
22 holding of a hearing, or an order on hearing or under it). A demand must specify the  
23 grounds to be relied upon at the hearing as a basis for the relief. Unless postponed by  
24 mutual consent or for good cause shown, the hearing shall be held within 30 days after  
25 receipt by the director of the written demand.

26 \* Sec. 66. AS 21.06.200 is amended to read:

27 Sec. 21.06.200. Notice of hearing. Not less than 20 days in advance, the  
28 hearing officer [DIRECTOR] shall give notice of the time and place of the hearing,  
29 stating the matters to be considered at the hearing. If the persons to be given notice are  
30 not specified in the provision under which the hearing is held, the hearing officer,  
31 with assistance from the director, shall give notice to all persons whose pecuniary

1 interests are to be directly and immediately affected by the hearing.

2 \* **Sec. 67.** AS 21.06.210(a) is amended to read:

3 (a) The hearing officer [DIRECTOR] shall allow a party to the hearing to  
4 appear in person and by counsel, to be present during the giving of all evidence, to  
5 have a reasonable opportunity to inspect all documentary evidence and to examine  
6 witnesses, to present evidence in support of the party's interest, and to have subpoenas  
7 issued by the hearing officer [DIRECTOR] to compel attendance of witnesses and  
8 production of evidence in the party's behalf.

9 \* **Sec. 68.** AS 21.06.210(b) is amended to read:

10 (b) The hearing officer [DIRECTOR] shall permit to become a party to the  
11 hearing by intervention, if timely, any person who was not an original party to the  
12 proceeding and whose pecuniary interests are to be directly and immediately affected  
13 by the director's order made upon the hearing.

14 \* **Sec. 69.** AS 21.06.210(d) is amended to read:

15 (d) Upon written request seasonably made by a party to the hearing and at that  
16 person's expense, the hearing officer [DIRECTOR] shall cause a full stenographic  
17 record of the proceedings to be made by a competent reporter. If transcribed, a copy  
18 of the stenographic record shall be furnished to the director, without cost to the  
19 director or the state, and shall be a part of the director's record of the hearing. If  
20 transcribed, a copy of the stenographic record shall be furnished to any other party to  
21 the hearing at the request and expense of the other party. If no stenographic record is  
22 made or transcribed, the hearing officer [DIRECTOR] shall prepare an adequate  
23 record of the evidence and of the proceedings.

24 \* **Sec. 70.** AS 21.06.210(f) is amended to read:

25 (f) If the parties agree, the hearing officer [DIRECTOR] may conduct a  
26 hearing under this section by teleconference.

27 \* **Sec. 71.** AS 21.06.210(h) is amended to read:

28 (h) The hearing officer [DIRECTOR] may close a hearing to the public when  
29 the hearing officer [DIRECTOR] finds the closure is necessary to protect a person  
30 against unwarranted injury or is in the public interest.

31 \* **Sec. 72.** AS 21.06.220(a) is amended to read:

1 (a) In conducting the hearing, the hearing officer [DIRECTOR] shall sit in a  
2 quasi-judicial capacity. Within 30 days after termination of the hearing, rehearing, or  
3 reargument, the director shall make an order on hearing, covering matters involved in  
4 the hearing, rehearing, or reargument, and shall give a copy of the order to the same  
5 persons given notice of the hearing.

6 \* Sec. 73. AS 24.60.030 is amended by adding a new subsection to read:

7 (i) Except for supplying information requested by the hearing officer or  
8 responding to contacts initiated by the hearing officer, a legislator or legislative  
9 employee may not attempt to influence the outcome of an administrative hearing  
10 conducted by the office of administrative hearings (AS 44.21.510) by directly or  
11 indirectly contacting or attempting to contact the hearing officer assigned to the  
12 hearing unless the

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

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

18 \* Sec. 74. AS 25.27.150(e) is amended to read:

19 (e) The hearing officer from the office of administrative hearings  
20 (AS 44.21.510) [CONFERENCE OFFICER] shall inform the obligor of the informal  
21 conference decision either at the informal conference hearing or within 15 days after  
22 the hearing.

23 \* Sec. 75. AS 25.27.150(f) is amended to read:

24 (f) If the hearing [CONFERENCE] officer determines that withholding will  
25 continue, the obligor may request a formal hearing as provided in the department's  
26 regulations.

27 \* Sec. 76. AS 25.27.160(b) is amended to read:

28 (b) Except as provided in (c) of this section, the notice and finding of financial  
29 responsibility served under (a) of this section must state

30 (1) the sum or periodic payments for which the alleged obligor is  
31 found to be responsible under this chapter;

1 (2) the name of the alleged obligee and the obligee's custodian;  
2 (3) that the alleged obligor may appear and show cause in a hearing  
3 held by the office of administrative hearings (AS 44.21.510) [AGENCY] why the  
4 finding is incorrect, should not be finally ordered, and should be modified or  
5 rescinded, because

6 (A) no duty of support is owed; or

7 (B) the amount of support found to be owed is incorrect;

8 (4) that, if the person served with the notice and finding of financial  
9 responsibility does not request a hearing within 30 days, the property and income of  
10 the person will be subject to execution under AS 25.27.062 and 25.27.230 - 25.27.270  
11 in the amounts stated in the finding without further notice or hearing.

12 \* Sec. 77. AS 25.27.160(c) is amended to read:

13 (c) If the agency is establishing only a medical support order, the notice and  
14 finding of financial responsibility must state

15 (1) that health care insurance shall be provided for the child to whom  
16 the duty of support is owed if health care insurance is available to the alleged obligor  
17 at a reasonable cost and that the alleged obligor and the other parent shall share  
18 equally the cost of the health care insurance and the costs of reasonable health care  
19 expenses not covered by insurance;

20 (2) the name of the alleged obligee and the obligee's custodian;

21 (3) that the alleged obligor may appear and show cause in a hearing  
22 held by the office of administrative hearings [AGENCY] why the finding is  
23 incorrect, should not be finally ordered, and should be modified or rescinded, because

24 (A) no duty of support is owed;

25 (B) health care insurance for the child is not available to the  
26 alleged obligor at a reasonable cost;

27 (C) adequate health care is available to the child through the  
28 Indian Health Service or other insurance coverage; or

29 (D) there is good cause to allocate the costs of health insurance  
30 or uninsured health care expenses unequally between the parents;

31 (4) that, if the person served with the notice under this subsection does

1 not request a hearing within 30 days, a copy of the medical support order will be sent  
2 to the person's employer under AS 25.27.063(b) without further notice or hearing for  
3 inclusion of the child in family health coverage if it is available through the person's  
4 employer.

5 \* **Sec. 78.** AS 27.21.150(a) is amended to read:

6 (a) Within 30 days after an applicant is notified under AS 27.21.140(c) of the  
7 commissioner's decision concerning the application, the applicant or a person who is  
8 or may be adversely affected by the decision may request a hearing to review the  
9 reasons for the decision. The office of administrative hearings (AS 44.21.510)  
10 [COMMISSIONER] shall hold the hearing within 30 days after the request, and the  
11 commissioner, after consulting with the office, shall notify the interested parties of  
12 the hearing at the time the applicant is notified. AS 44.62 (Administrative Procedure  
13 Act) applies to a hearing under this section except as provided by regulations adopted  
14 under this chapter and under AS 44.21.560.

15 \* **Sec. 79.** AS 27.21.150(c) is amended to read:

16 (c) The hearing officer from the office of administrative hearings who is  
17 [PERSON] presiding at the hearing may administer oaths, subpoena witnesses,  
18 subpoena written or printed materials, compel the attendance of witnesses or the  
19 production of materials, and take evidence including [BUT NOT LIMITED TO]  
20 evidence derived from site inspections of the land that will be affected by the permit or  
21 revision and other surface coal mining operations conducted by the applicant in the  
22 general vicinity of the operation proposed in the application. On the motion of a party  
23 or by order of the commissioner, a verbatim record of a hearing required by this  
24 chapter shall be made and a transcript made available.

25 \* **Sec. 80.** AS 27.21.170(g) is amended to read:

26 (g) A person with a valid legal interest that might be adversely affected by  
27 release of a bond or deposit under this section or a federal, state, or municipal agency  
28 that has jurisdiction over an environmental, social, or economic impact involved in the  
29 permittee's operation or that has authority to develop and enforce environmental  
30 standards with respect to the permittee's operation, may, within 30 days after the last  
31 publication of notice required by (a) of this section, file written objections to the

1 request with the commissioner and may request a hearing. A permittee whose request  
2 for release of all or part of a bond or deposit is disapproved may request a hearing  
3 within 30 days after receipt of written notification of the disapproval under (c) of this  
4 section. If a hearing is requested, the commissioner shall, after consulting the office  
5 of administrative hearings (AS 44.21.510), inform the interested parties of the time  
6 and place of the hearing, and the office of administrative hearings shall hold the  
7 hearing within 30 days after the request for the hearing. The commissioner shall  
8 publish the date, time, and location of the hearing in a newspaper of general  
9 circulation in the locality for two consecutive weeks. The office of administrative  
10 hearings [COMMISSIONER] shall conduct the public hearing and any appeal  
11 according to the AS 44.62 (Administrative Procedure Act) except as provided by  
12 regulations adopted under this chapter or under AS 44.21.560.

13 \* Sec. 81. AS 27.21.190(b) is amended to read:

14 (b) The commissioner may not approve an application for revision of a permit  
15 unless the commissioner finds that reclamation required by this chapter and the  
16 regulations adopted under it can be accomplished under the necessary revisions to the  
17 reclamation plan. The commissioner shall establish guidelines for determining the  
18 extent of revision for which all permit application requirements and procedures,  
19 including notice and hearing, shall apply. A revision that, in the commissioner's  
20 determination, requires significant revisions to the applicant's reclamation plan must,  
21 at a minimum, be subject to a notice and hearing requirement, with the hearing to be  
22 held by the office of administrative hearings (AS 44.21.510).

23 \* Sec. 82. AS 27.21.240(c) is amended to read:

24 (c) A person who is or may be adversely affected by a notice of violation or  
25 cessation order issued under (a) or (b) of this section, or by a modification, vacation,  
26 or termination of the notice or order, may apply to the commissioner for review of the  
27 notice or order within 60 days after receipt of the notice or order by the operator or  
28 permittee or within 60 days after the modification, vacation, or termination of the  
29 notice or order. On receipt of the application, the commissioner shall provide for an  
30 investigation and an investigation report, as the commissioner considers appropriate.  
31 At the request of the applicant or another person who is or may be adversely affected,

1 the commissioner shall provide for a public hearing to enable the applicant to present  
2 information relating to the notice or order or the modification, vacation, or termination  
3 of the notice or order. The filing of an application for review under this subsection  
4 may not operate as a stay of the order or notice. The commissioner, after consulting  
5 with the office of administrative hearings (AS 44.21.510), shall give the applicant  
6 and other interested persons written notice of the time and place of the hearing at least  
7 five days before the hearing. AS 44.62 ( [THE] Administrative Procedure Act  
8 [(AS 44.62)] applies to a hearing under this subsection except as provided by  
9 regulations adopted under this chapter or under AS 44.21.560.

10 \* Sec. 83. AS 27.21.240(e) is amended to read:

11 (e) An applicant for review under (c) of this section may file with the  
12 commissioner a written request for temporary relief from a notice or order issued  
13 under (a) or (b) of this section before completion of the review of the notice or order.  
14 The written request must include a detailed statement of the reasons in support of the  
15 request. The commissioner shall expeditiously issue an order granting or denying the  
16 temporary relief. If the applicant requests temporary relief from a cessation order  
17 issued under (a) or (b) of this section, the commissioner shall issue an order granting  
18 or denying the temporary relief within 10 days after the commissioner receives the  
19 written request. The commissioner may grant the temporary relief under this  
20 subsection only

21 (1) after the office of administrative hearings [COMMISSIONER]  
22 holds a hearing in the locality of the permit area on the request for temporary relief in  
23 which the parties have an opportunity to be heard;

24 (2) if the applicant shows that there is substantial likelihood that the  
25 findings of the commissioner under (d) of this section will be favorable to the  
26 applicant; and

27 (3) if the temporary relief will not adversely affect the health or safety  
28 of the public or cause significant, imminent, environmental harm to land, air, or water  
29 resources.

30 \* Sec. 84. AS 34.45.400(c) is amended to read:

31 (c) At the formal hearing, the hearing officer from the office of

1 administrative hearings (AS 44.21.510) [DEPARTMENT] may subpoena witnesses  
2 and may administer oaths and make inquiries necessary to determine the validity of  
3 the claim. The person aggrieved may present arguments and evidence relevant to the  
4 decision or action of the department. If, after the hearing, the department determines  
5 that a correction is warranted, the department shall make the correction.

6 \* **Sec. 85.** AS 36.30.615 is amended to read:

7 **Sec. 36.30.615. Hearing on protest appeal.** A hearing on a protest appeal  
8 shall be conducted in accordance with AS 36.30.670 and regulations adopted by the  
9 commissioner to the extent they do not conflict with regulations adopted under  
10 AS 44.21.560.

11 \* **Sec. 86.** AS 36.30.630(a) is amended to read:

12 (a) Except as provided in (b) of this section, a hearing shall be conducted  
13 according to AS 36.30.670 and, to the extent they do not conflict with regulations  
14 adopted under AS 44.21.560, regulations adopted by the commissioner of  
15 administration on a contract controversy appealed to the commissioner of  
16 administration or the commissioner of transportation and public facilities or referred to  
17 either commissioner under AS 36.30.620(f).

18 \* **Sec. 87.** AS 36.30.635(a) is amended to read:

19 (a) After consultation with the using agency and the attorney general and after  
20 a hearing conducted according to AS 36.30.670 and, to the extent they do not  
21 conflict with regulations adopted under AS 44.21.560, regulations adopted by the  
22 commissioner of administration, the commissioner of administration or the  
23 commissioner of transportation and public facilities may debar a person for cause from  
24 consideration for award of contracts. Notice of a debarment hearing shall be provided  
25 in writing at least seven days before the hearing. The debarment may not be for a  
26 period of more than three years.

27 \* **Sec. 88.** AS 36.30.650 is amended to read:

28 **Sec. 36.30.650. Hearing on a suspension.** (a) A person suspended under  
29 AS 36.30.635 is entitled to a hearing conducted according to AS 36.30.670 and, to the  
30 extent that they do not conflict with regulations adopted under AS 44.21.560,  
31 regulations adopted by the commissioner of administration if the person files a written

1 request for a hearing with the commissioner of administration or the commissioner of  
2 transportation and public facilities, as appropriate, within seven days after receipt of  
3 the notice of suspension under AS 36.30.645.

4 (b) If a suspended person requests a hearing, the commissioner of  
5 administration or the commissioner of transportation and public facilities, as  
6 appropriate, after consulting with the office of administrative hearings  
7 (AS 44.21.510), shall schedule a prompt hearing unless the attorney general  
8 determines that a hearing at the proposed time is likely to jeopardize an investigation.  
9 A hearing may not be delayed longer than six months after notice of the suspension is  
10 provided under AS 36.30.645.

11 \* **Sec. 89.** AS 36.30.670(a) is amended to read:

12 (a) The chief administrative hearing officer (AS 44.21.510)  
13 [COMMISSIONER OF ADMINISTRATION OR THE COMMISSIONER OF  
14 TRANSPORTATION AND PUBLIC FACILITIES] shall act as a hearing officer [OR  
15 APPOINT A HEARING OFFICER] for a hearing conducted under this chapter. The  
16 hearing officer shall arrange for a prompt hearing and notify the parties in writing of  
17 the time and place of the hearing. The hearing shall be conducted in an informal  
18 manner. The provisions of AS 44.62 (Administrative Procedure Act) do not apply to a  
19 hearing conducted under this chapter.

20 \* **Sec. 90.** AS 36.30.675(a) is amended to read:

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

27 \* **Sec. 91.** AS 39.25.120(b) is amended to read:

28 (b) A person holding a position in the partially exempt service is not required  
29 to complete an assessment and is not eligible for a hearing [BY THE PERSONNEL  
30 BOARD] in case of dismissal, demotion, or suspension. Positions in the partially  
31 exempt service are specifically exempt from the rules established under

1 AS 39.25.150(3) - (10), (12), (13), and (16).

2 \* Sec. 92. AS 39.25.120(c) is amended by adding a new paragraph to read:

3 (20) the chief administrative hearing officer and hearing officers of the  
4 office of administrative hearings established in AS 44.21.510.

5 \* Sec. 93. AS 39.25.170(a) is amended to read:

6 (a) An employee in the classified service who is dismissed, demoted, or  
7 suspended for more than 30 working days in a 12-month period shall be notified in  
8 writing by the employer of the action and the reason for it, [AND] may be heard  
9 publicly by a hearing officer from the office of administrative hearings  
10 (AS 44.21.510), [THE PERSONNEL BOARD] and may be represented by counsel at  
11 the hearing. In order to be heard, the complainant shall request a hearing within 15  
12 days of dismissal, demotion, or suspension.

13 \* Sec. 94. AS 39.25.176(a) is amended to read:

14 (a) If a person refuses to respond to a subpoena issued under AS 39.25.175, or  
15 refuses to testify at a hearing authorized by AS 39.25.170, the hearing officer  
16 [PERSONNEL BOARD] may apply to the superior court for an order requiring the  
17 person to respond to the subpoena or to testify.

18 \* Sec. 95. AS 39.35.030(d) is amended to read:

19 (d) The governor shall appoint two physicians authorized to practice medicine  
20 in the state to serve as members of the board and two physicians authorized to practice  
21 medicine in the state to serve as alternate members to the physician members of the  
22 board. The physicians are members of the board only for the purpose of assisting the  
23 hearing officer from the office of administrative hearings (AS 44.21.510) in  
24 hearing appeals to determine medical eligibility for disability benefits under  
25 AS 39.35.400 and 39.35.410. If the administrator, after making a reasonable effort to  
26 secure the participation of two physician members or alternates to serve on a disability  
27 appeal, is unable to do so, the hearing officer [BOARD] may hear the appeal with the  
28 assistance [PARTICIPATION] of only one physician member or alternate [, IN  
29 WHICH CASE, FOR PURPOSES OF A QUORUM, THE BOARD SHALL BE  
30 CONSIDERED TO HAVE ONLY ONE PHYSICIAN AS A MEMBER]. The Public  
31 Employees' Retirement Board and the Teachers' Retirement Board may submit to the

1 governor a list of recommended physicians to serve on the board. Physician members  
2 serve at the pleasure of the governor.

3 \* Sec. 96. AS 39.35.047(b) is amended to read:

4 (b) In the conduct of a hearing under this chapter, the hearing officer from  
5 the office of administrative hearings (AS 44.21.510) [BOARD] may issue  
6 subpoenas, administer oaths, compel the attendance and testimony of witnesses,  
7 compel the taking of depositions and the submission of affidavits, and compel the  
8 production of documents and records. The hearing officer's [BOARD'S] powers  
9 under this subsection do not extend to prehearing discovery. However, upon good  
10 cause shown, the hearing officer [BOARD] may permit the preservation of witness  
11 testimony if the hearing officer [BOARD] cannot successfully compel the witness to  
12 attend a hearing. The board may authorize hearing officers to [CONDUCT  
13 HEARINGS UNDER THIS CHAPTER AND] issue binding decisions. The binding  
14 [; THE] decision of a hearing officer may be appealed to the board. The board shall  
15 adopt procedures for appeals from a hearing officer's binding decision.

16 \* Sec. 97. AS 39.35.522(c) is amended to read:

17 (c) The board may arrange with the office of administrative hearings  
18 (AS 44.21.510) to conduct a hearing on an appeal under this section.

19 \* Sec. 98. AS 39.45.025(a) is amended to read:

20 (a) The Public Employees Retirement Board established by AS 39.35.030  
21 shall

22 (1) hold regular and special meetings it considers necessary to carry  
23 out its responsibilities relating to the deferred compensation program for state  
24 employees; all meetings are open to the public and the board shall keep a full record of  
25 all its proceedings;

26 (2) adopt, with modifications it considers proper, regulations  
27 recommended by the administrator for carrying out the deferred compensation  
28 program for state employees;

29 (3) consider matters referred to it by the administrator in connection  
30 with changes in policy and revisions of the deferred compensation program for state  
31 employees;

1 (4) act as an appeals board, arrange with the office of administrative  
2 hearings (AS 44.21.510) to hold hearings at the request of an employer, employee,  
3 surviving spouse, or a beneficiary on decisions made by the administrator that relate to  
4 the deferred compensation program for state employees, and submit its findings to the  
5 administrator;

6 (5) prescribe the policies for the proper operation of the deferred  
7 compensation program for state employees and take other action that it considers  
8 necessary to carry out the intent and purpose of the program.

9 \* Sec. 99. AS 39.52.120 is amended by adding a new subsection to read:

10 (e) Except for supplying information requested by the hearing officer or  
11 responding to contacts initiated by the hearing officer, a public officer may not attempt  
12 to influence the outcome of an administrative hearing conducted by the office of  
13 administrative hearings (AS 44.21.510) by directly or indirectly contacting or  
14 attempting to contact the hearing officer assigned to the hearing unless the

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

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

19 \* Sec. 100. AS 39.52.350(c) is amended to read:

20 (c) If the subject of the accusation denies that a violation of this chapter has  
21 occurred, the attorney general shall refer the matter to the chief administrative  
22 hearing officer (AS 44.21.510), who [PERSONNEL BOARD, WHICH] shall appoint  
23 a hearing officer to conduct a hearing.

24 \* Sec. 101. AS 41.17.045(a) is amended to read:

25 (a) The governor may initiate the removal of a board member for inefficiency,  
26 neglect of duty, or misconduct in office by delivering to the member a written copy of  
27 the charges and giving the member an opportunity to be heard in person or by counsel  
28 at a public hearing before a hearing officer of the office of administrative hearings  
29 (AS 44.21.510) [THE GOVERNOR OR THE GOVERNOR'S DESIGNEE] on at least  
30 10 days' written notice by registered mail. The member has a right of confrontation  
31 and cross-examination of witnesses testifying.

1 \* Sec. 102. AS 41.17.139(a) is amended to read:

2 (a) Unless otherwise specified, proceedings under AS 41.17.131 - 41.17.139  
3 are not subject to AS 44.62 (Administrative Procedure Act). A hearing under  
4 AS 41.17.136 or 41.17.138 shall be held before [THE STATE FORESTER, A  
5 REGIONAL FORESTER, OR ANOTHER EMPLOYEE OF THE DIVISION WITH  
6 SIMILAR QUALIFICATIONS ACTING AS] a hearing officer of the office of  
7 administrative hearings (AS 44.21.510). A hearing on an appeal under  
8 AS 41.17.087 and a hearing under AS 41.17.082(b) shall also be held before a  
9 hearing officer of the office of administrative hearings [THE COMMISSIONER  
10 OR THE COMMISSIONER'S DESIGNEE. A PERSON WHO HAS ASSISTED IN  
11 THE PREPARATION OF THE DIVISION'S CASE IS INELIGIBLE]. Hearings are  
12 not limited by common law, statutory, or judicial rules of evidence; however, the  
13 hearing officer may admit only that evidence that appears to be reliable and  
14 trustworthy. All hearings shall be open to the public. Written or oral testimony may  
15 be submitted. A party to a hearing may make written or oral argument, secure the  
16 issuance of a subpoena under AS 44.62.430, offer testimony or other evidence, and  
17 cross-examine witnesses. The hearing officer shall endeavor, in conducting any  
18 hearing, to ensure that the respondent understands the proceedings and that the facts  
19 supporting the position of each party have been adequately presented.

20 \* Sec. 103. AS 43.23.015(g) is amended to read:

21 (g) If an individual is aggrieved by a decision of the department determining  
22 the individual's eligibility for a permanent fund dividend or the individual's authority  
23 to claim a permanent fund dividend on behalf of another, the individual may, upon  
24 payment of a \$25 appeal fee, request the department to review its decision. Within 12  
25 months after the administrative appeal is filed and after a hearing conducted by the  
26 office of administrative hearings (AS 44.21.510), the department shall provide the  
27 individual with a final written decision. If the individual is aggrieved by the decision  
28 of the department after all administrative proceedings, the individual may appeal that  
29 decision to the superior court in accordance with AS 44.62.560. An appeal to the court  
30 under this section does not entitle the aggrieved individual to a trial de novo. The  
31 appeal shall be based on the record of the administrative proceeding from which

1 appeal is taken and the scope of appeal is limited to matters contained in the record of  
2 the administrative proceeding. If, as a result of an administrative proceeding or a court  
3 appeal, the individual prevails, the \$25 appeal fee shall be returned to the individual  
4 by the department.

5 \* **Sec. 104.** AS 43.23.066(c) is amended to read:

6 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an individual  
7 under (b)(3) of this section. The hearing shall be conducted by the office of  
8 administrative hearings (AS 44.21.510).

9 \* **Sec. 105.** AS 43.23.068(c) is amended to read:

10 (c) AS 44.62.330 - 44.62.630 apply to a hearing requested by an individual  
11 under (b)(3) of this section. The hearing shall be conducted by the office of  
12 administrative hearings (AS 44.21.510).

13 \* **Sec. 106.** AS 43.23.072(c) is amended to read:

14 (c) Except as provided in (d) of this section, AS 44.62.330 - 44.62.630 apply  
15 to a hearing requested by an individual under (b) of this section. The hearing shall be  
16 conducted by the office of administrative hearings (AS 44.21.510) and

17 (1) is limited to issues of identity of the individual and whether an  
18 amount is still owing in the claim under AS 23.20; and

19 (2) may be conducted telephonically or in writing.

20 \* **Sec. 107.** AS 43.70.075(m) is amended to read:

21 (m) The department may initiate suspension of a business license endorsement  
22 or the right to obtain a business license endorsement under this section by sending the  
23 person subject to the suspension a notice by certified mail, return receipt requested, or  
24 by delivering the notice to the person. The notice must contain information that  
25 informs the person of the grounds for suspension, the length of any suspension sought,  
26 and the person's right to administrative review [BEFORE THE DEPARTMENT]. A  
27 suspension begins 30 days after receipt of notice described in this subsection unless  
28 the person delivers a timely written request for a hearing to the department in the  
29 manner provided by regulations of the department. If a hearing is requested under this  
30 subsection, a hearing officer of the office of administrative hearings (AS 44.21.510)  
31 [DEPARTMENT] shall determine the issues by using the preponderance of the

1 evidence test and shall, to the extent they do not conflict with regulations adopted  
2 under AS 44.21.560, conduct the hearing in the manner provided by regulations of the  
3 department. A hearing under this subsection is limited to the following questions:

4 (1) was the person holding the business license endorsement, or an  
5 agent or employee of the person while acting within the scope of the agency or  
6 employment of the person, convicted by plea or judicial finding of violating  
7 AS 11.76.100, 11.76.106, or 11.76.107;

8 (2) if the department does not allege a conviction of AS 11.76.100,  
9 11.76.106, or 11.76.107, did the person, or an agent or employee of the person while  
10 acting within the scope of the agency or employment of the person, violate a provision  
11 of (a) or (g) of this section;

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

17 \* Sec. 108. AS 43.70.075(q) is amended to read:

18 (q) The department may adopt regulations that do not conflict with  
19 regulations adopted under AS 44.21.510 to establish an administrative hearing  
20 process for actions taken [BY THE DEPARTMENT] under this section. AS 44.62  
21 (Administrative Procedure Act) does not apply to a hearing under this section.

22 \* Sec. 109. AS 44.62.350(a) is amended to read:

23 (a) The governor shall assign a qualified, unbiased, and impartial hearing  
24 officer, with experience in the general practice of law, to conduct hearings under this  
25 chapter that are not conducted by the office of administrative hearings  
26 (AS 44.21.510). A [. THE] hearing officer may perform other duties in connection  
27 with the administration of this chapter and other laws.

28 \* Sec. 110. AS 44.62.450(a) is amended to read:

29 (a) A hearing in a contested case shall be presided over by a hearing officer.  
30 Unless the hearing is conducted by the office of administrative hearings  
31 (AS 44.21.510), the [THE] agency itself shall determine whether the hearing officer

1 hears the case alone or whether the agency hears the case with the hearing officer.

2 \* **Sec. 111.** AS 44.77.040(a) is amended to read:

3 (a) The Department of Administration, after consulting with the office of  
4 administrative hearings (AS 44.21.510), shall fix a time for hearing the appeal and  
5 shall notify the claimant and the officer who approved the voucher and give them a  
6 reasonable opportunity to be heard. The hearing shall be conducted by the office of  
7 administrative hearings.

8 \* **Sec. 112.** AS 45.30.040(c) is amended to read:

9 (c) Whenever it determines that there may be a violation of the provisions of  
10 this chapter by a manufacturer or dealer of mobile homes, the department may give  
11 notice of hearing, and, within 30 days after giving notice, [HOLD] a hearing shall be  
12 held by the office of administrative hearings (AS 44.21.510) to determine whether  
13 there has been a violation. After notice and hearing,

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

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

23 \* **Sec. 113.** AS 45.55.935 is amended to read:

24 **Sec. 45.55.935. Hearings.** (a) The administrator shall adopt regulations,  
25 consistent with the provisions of this chapter and with regulations adopted under  
26 AS 44.21.560, governing administrative hearings conducted by the office of  
27 administrative hearings (AS 44.21.510) [ADMINISTRATOR OR A DESIGNEE OF  
28 THE ADMINISTRATOR] for the following:

29 (1) orders issued under AS 45.55.120, 45.55.900(d), or 45.55.920; in  
30 these instances, the administrator shall promptly send a notice of opportunity for  
31 hearing to the issuer of the securities and to all persons who have filed with the

1 department a notice of intention to sell the securities; and

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

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

10 \* Sec. 114. AS 45.55.950(e) is amended to read:

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

14 \* Sec. 115. AS 45.57.020(a) is amended to read:

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

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

21 (2) a hearing has been ordered within that time and, after [UPON] the  
22 hearing conducted by the office of administrative hearings (AS 44.21.510), the  
23 department has decided [ADJUDICATED] that the offeror proposed to make fair,  
24 full, and effective disclosure to offerees of all information material to a decision to  
25 accept or reject the offer.

26 \* Sec. 116. AS 45.57.020(b) is amended to read:

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

31 \* Sec. 117. AS 46.03.820(c) is amended to read:

1 (c) In the commissioner's discretion or upon application made by the recipient  
2 of an order within 15 days of receipt of the order, the department, after consulting  
3 with the office of administrative hearings (AS 44.21.510), shall schedule a hearing  
4 at the earliest possible time. The hearing shall be scheduled within five days of the  
5 receipt of the application. The submission of an application or the scheduling of a  
6 hearing does not stay the operation of the department's order issued under (a) of this  
7 section.

8 \* Sec. 118. AS 46.03.850(e) is amended to read:

9 (e) The office of administrative hearings (AS 44.21.510) [DEPARTMENT]  
10 shall hold a hearing within 20 days after the department receives [RECEIPT OF] a  
11 request for one under (d) of this section. After the hearing, the department may  
12 rescind, modify, or affirm the compliance order.

13 \* Sec. 119. AS 46.14.410(a) is amended to read:

14 (a) If a municipality or a local air quality district has an approved local air  
15 quality control program under AS 46.14.400 and the department determines that the  
16 program is being implemented in a manner that fails to meet the terms of the  
17 cooperative agreement or is otherwise being inappropriately administered, the  
18 department shall give written notice setting out its determination to the municipality or  
19 local air quality district. Within 45 days after [GIVING] written notice was given, the  
20 office of administrative hearings (AS 44.21.510) [DEPARTMENT] shall conduct a  
21 public hearing on the matter. The hearing shall be recorded by any means that ensures  
22 an accurate record.

23 \* Sec. 120. AS 46.15.065(c) is amended to read:

24 (c) The commissioner shall make investigations as necessary of rights asserted  
25 by declarations filed under this section and shall determine each existing appropriation  
26 and mail a summary of the determination to each person who has filed a declaration  
27 with respect to the specified area or source. Any person adversely affected by a  
28 determination may file with the commissioner a request for a hearing within 20 days  
29 of the date the notice is mailed. If a hearing is requested, the commissioner shall,  
30 after consulting with the office of administrative hearings (AS 44.21.510), send a  
31 notice of the time and place of the hearing to each person who has filed a declaration.

1 \* Sec. 121. AS 46.35.090(c) is amended to read:

2 (c) A hearing officer appointed by the chief administrative hearing officer  
3 (AS 44.21.510) [UNDER AS 44.62.350] shall preside at hearings under this section,  
4 rule on the admission and exclusion of evidence, advise the deciding officers on  
5 matters of law, and participate in posthearing deliberations.

6 \* Sec. 122. AS 46.35.090(e) is amended to read:

7 (e) The commissioner, after consultation with other state agencies and local  
8 government, shall adopt regulations governing the conduct of adjudicatory hearings  
9 under this section that do not conflict with regulations adopted under  
10 AS 44.21.560. The commissioner may enter into cooperative agreements with local  
11 governments and federal agencies for the joint holding of adjudicatory hearings. To  
12 the extent feasible, regulations adopted under this section must conform to  
13 adjudicatory hearing procedures for the review of permit decisions under AS 46.03  
14 and AS 46.04. Notwithstanding AS 44.62.330(a)(44), adjudicatory hearing procedures  
15 to review permit decisions under AS 46.35.010 - 46.35.210, or under AS 46.03 or  
16 AS 46.04, need not conform to AS 44.62.330 - 44.62.630 (Administrative Procedure  
17 Act).

18 \* Sec. 123. AS 46.40.100(b) is amended to read:

19 (b) A party that is authorized under (g) of this section may file a petition  
20 showing that a district coastal management program is not being implemented. A  
21 petition filed under this subsection may not seek review of a proposed or final  
22 consistency determination regarding a specific project. On receipt of a petition, the  
23 council, after giving public notice in the manner required by (f) of this section, shall  
24 arrange with the office of administrative hearings (AS 44.21.510) to conduct  
25 [CONVENE] a hearing to consider the matter. A hearing called under this subsection  
26 shall be held in accordance with regulations adopted by the council to the extent that  
27 they do not conflict with regulations adopted under AS 44.21.560. After hearing,  
28 the council may order that the coastal resource district or a state resource agency take  
29 any action with respect to future implementation of the district coastal management  
30 program that the council considers necessary, except that the council may not order  
31 that the coastal resource district or a state agency take any action with respect to a

1 proposed or final consistency determination that has been issued.

2 \* **Sec. 124.** AS 46.40.100(f) is amended to read:

3 (f) Upon receipt of a petition under (b) of this section and after consulting  
4 with the office of administrative hearings, the council shall give notice of the  
5 hearing at least 10 days before the scheduled date of the hearing. The notice must

6 (1) contain sufficient information in commonly understood terms to  
7 inform the public of the nature of the petition; and

8 (2) indicate the manner in which the public may comment on the  
9 petition.

10 \* **Sec. 125.** AS 47.30.031(a) is amended to read:

11 (a) The board shall adopt regulations under AS 44.62 (Administrative  
12 Procedure Act) consistent with state law and the fiduciary responsibilities imposed by  
13 law on members of boards of directors of corporations having trust responsibilities  
14 and consistent with regulations adopted under AS 44.21.560.

15 \* **Sec. 126.** AS 47.45.050 is amended to read:

16 **Sec. 47.45.050. Department hearing.** The Department of Administration  
17 may arrange with the office of administrative hearings (AS 44.21.510) to hold a  
18 [DEPARTMENTAL] hearing upon the request of an applicant or recipient who has  
19 been disqualified. Before this hearing the department shall by certified mail notify an  
20 applicant or recipient in plain and comprehensive language the exact reason for the  
21 disqualification. Form letters using only referral to state statutes or department  
22 regulations, or otherwise vague in detail, are not considered compliance by the  
23 department with this section.

24 \* **Sec. 127.** AS 39.25.070(3) is repealed.

25 \* **Sec. 128.** The uncodified law of the State of Alaska is amended by adding a new section  
26 to read:

27 **TRANSITION.** (a) Upon the initial appointment of the chief administrative hearing  
28 officer under AS 44.21.510(c), added by sec. 2 of this Act, the chief administrative hearing  
29 officer and the commissioner of administration, the commissioner of community and  
30 economic development, the commissioner of revenue, and the governor's office shall identify  
31 hearing officers and support staff to be transferred to the office of administrative hearings. A

1 state employee who is transferred under this section from another agency to the office of  
2 administrative hearings shall continue to be compensated at the same range and step of the  
3 salary schedule in AS 39.27.011(a) that the employee was receiving before the transfer, and  
4 qualifies for salary increases authorized under AS 39.27.011 and 39.27.022.

5 (b) Procedural regulations of an agency that refers an administrative hearing to the  
6 office of administrative hearings shall apply to the hearing until regulations adopted under  
7 AS 44.21.560(a), added in sec. 2 of this Act, become effective.

# An Act establishing an Independent Office of Administrative Hearings.

## Section By Section Quick Reference (based on version X, 02/04/04)

- Section 1.** Purpose and intent
- Section 2.** 44.21.510 Establishes location of independent office of administrative hearings and qualifications and compensation of chief hearing officer.
- 44.21.520 Powers and duties of chief hearing officer.
- Section 3.** 44.21.530 Administrative hearing functions to be included in the new independent office. Provisions of service and delegation of decision authority.
- 44.21.540 Hearing officer qualifications and duties. Authority for chief administrative hearing officer to enter into contracts with qualified individuals to serve as hearing officers.
- 44.21.550 Code of conduct for hearing officers.
- 44.21.555 Reimbursement agreements
- 44.21.560 Establishment of procedures for administrative hearings, including time limits, decision authority, and rules for altering a hearing officer decision.
- 44.21.570 Disqualification of hearing officer.
- 44.21.580 Agency cooperation with hearing officers. Selection of hearing officers. Non-interference.
- 44.21.590 Administrative hearing records. Record keeping requirements.
- 44.21.595 Federal requirement resolutions
- 44.21.599 Definitions

<b>Sections 4 – 54</b>	Conforming technical amendments to affected statutes.
<b>Section 55</b>	Prohibits legislative influence in hearings
<b>Sections 56 –65</b>	Conforming technical amendments
<b>Section 66</b>	Prohibits undue agency influence
<b>Sections 67 – 70</b>	Conforming technical amendments
<b>Section 71</b>	Brings certain sections of DEC into Central Panel after 2 years
<b>Sections 72 – 84</b>	Conforming technical amendments to affected statutes.
<b>Sections 85 – 90</b>	Applicability, regulatory authority, transition authority and timing to accommodate changes in administrative process.

23-LS0903AB  
Cook  
2/4/04

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

**IN THE LEGISLATURE OF THE STATE OF ALASKA**

**TWENTY-THIRD LEGISLATURE - SECOND SESSION**

**BY**

**Offered:  
Referred:**

**Sponsor(s): SENATE RULES COMMITTEE BY REQUEST**

**A BILL**

**FOR AN ACT ENTITLED**

1 "An Act relating to administrative hearings and to hearing officers; establishing the  
2 office of administrative hearings and relating to that office; and providing for an  
3 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 AND INTENT.** The purpose of this Act is to increase the separation  
8 between the adjudicatory functions of executive branch agencies and the agencies'  
9 investigatory, prosecutory, and policy-making functions. The legislature intends by this Act  
10 to

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

13 (2) ensure respect for the dignity of the individuals whose cases are being  
14 adjudicated;

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

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

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

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

9 \* **Sec. 2.** AS 44.21 is amended by adding new sections to read:

10 **Article 9. Office of Administrative Hearings.**

11 **Sec. 44.21.510. Office created.** (a) There is created in the Department of  
12 Administration an independent office of administrative hearings under the direction of  
13 the chief administrative hearing officer.

14 (b) The chief administrative hearing officer must

15 (1) be a resident of the state;

16 (2) have experience in administrative law;

17 (3) be licensed to practice law in this state and have been admitted to  
18 practice law in this state for at least five years; and

19 (4) have experience representing clients in administrative or judicial  
20 proceedings.

21 (c) The chief administrative hearing officer is appointed to a five-year term of  
22 office by the governor. An individual may serve not more than three full or partial  
23 terms as chief administrative hearing officer. The governor may remove the chief  
24 administrative hearing officer from office only for good cause and after a hearing  
25 conducted by the attorney general. The basis for removal shall be stated in writing. A  
26 vacancy in the office of chief administrative hearing officer shall be filled by the  
27 governor and the individual appointed serves for the remainder of the term to which  
28 appointed.

29 (d) The chief administrative hearing officer shall receive a monthly salary that  
30 is not less than Step A nor more than Step F, Range 27, of the salary schedule in  
31 AS 39.27.011(a) for Juneau, Alaska. The chief administrative hearing officer is in the

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partially exempt service.

**Sec. 44.21.520. Powers and duties of chief administrative hearing officer.**

The chief administrative hearing officer shall

- (1) supervise the office;
- (2) employ administrative staff, who shall be in the classified service;
- (3) employ hearing officers, who shall be in the partially exempt service;
- (4) preside over administrative hearings handled by the office or, based upon the qualifications and expertise of the hearing officers, assign hearing officers to preside over hearings, and protect, support, and enhance the decisional independence of the hearing officers;
- (5) establish and implement performance standards, including provision for timeliness, and peer review programs for hearing officers employed or retained by the office;
- (6) make available and facilitate training and continuing education programs and services in administrative procedure, administrative adjudication, substantive law, alternate dispute resolution, and technical matters for hearing officers and other administrative adjudicators;
- (7) survey administrative hearing participants and use other methods to monitor the quality of administrative hearings held by the office and other state agencies, and submit to the governor and the legislature on January 31 of each year the results of the survey along with a report that includes a description of the activities of the office and recommendations for statutory changes that may be needed in relation to the administrative hearings held by the office or other state agencies;
- (8) review and comment on regulations proposed by state agencies to govern procedures in administrative hearings;
- (9) enter into contracts as necessary to carry out the functions of the office;
- (10) annually prepare and submit to the commissioner of administration a budget for the office for the next fiscal year that shall include and separately identify funding for training and continuing education; a copy of the budget

1 submitted to the commissioner under this paragraph shall also be submitted to the  
2 Finance Committee of each house of the legislature; and

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

6 \* Sec. 3. AS 44.21 is amended by adding new sections to read:

7 **Sec. 44.21.530. Jurisdiction of the office.** (a) The office shall conduct all  
8 adjudicative administrative hearings required under the following statutes or under  
9 regulations adopted to implement the statutes:

- 10 (1) AS 04.11.510(b)(1) and (c) (alcoholic beverages license);  
11 (2) AS 05.15 (charitable gaming);  
12 (3) AS 05.20 (recreational devices);  
13 (4) AS 05.90.001 (special racing events);  
14 (5) AS 06 (banks and financial institutions);  
15 (6) AS 08 (occupational licensing), other than AS 08.08 and  
16 AS 08.62.046;  
17 (7) AS 10.06 (Alaska Corporations Code);  
18 (8) AS 10.13 (Alaska BIDCO Act);  
19 (9) AS 10.25.375 (Electric and Telephone Cooperative Act);  
20 (10) AS 10.50.408 (limited liability companies);  
21 (11) AS 14.11.016 (education-related facility grants);  
22 (12) AS 14.18 (discrimination in public education);  
23 (13) AS 14.20.030 (teacher certificates);  
24 (14) AS 14.30 (educational programs);  
25 (15) AS 14.48 (postsecondary educational institutions);  
26 (16) AS 17.20 (Alaska Food, Drug, and Cosmetic Act), other than  
27 AS 17.20.060 and 17.20.360;  
28 (17) AS 18.18.030 (hospice licenses);  
29 (18) AS 18.20 (hospitals and nursing facilities), other than  
30 AS 18.20.180;  
31 (19) AS 18.35.040 (tourist accommodations);

- 1 (20) AS 18.60 (safety);
- 2 (21) AS 18.67.040 (Violent Crimes Compensation Board);
- 3 (22) AS 18.80 (State Commission for Human Rights);
- 4 (23) AS 21 (insurance);
- 5 (24) AS 25.27 (child support enforcement);
- 6 (25) AS 32.06 (Uniform Partnership Act);
- 7 (26) AS 34.45 (unclaimed property);
- 8 (27) AS 34.55.024 and 34.55.026 (Uniform Land Sales Practices Act);
- 9 (28) AS 36.30 (State Procurement Code);
- 10 (29) AS 38.05.065 (contracts for sale of state land);
- 11 (30) AS 39.52 (Alaska Executive Branch Ethics Act);
- 12 (31) AS 43.23 (permanent fund dividends);
- 13 (32) AS 43.70 (Alaska Business License Act);
- 14 (33) AS 44.77 (claims against the state);
- 15 (34) AS 45.30.040 (mobile homes);
- 16 (35) AS 45.55 (Alaska Securities Act);
- 17 (36) AS 45.57 (Takeover Bid Disclosure Act);
- 18 (37) AS 47.33 (assisted living homes);
- 19 (38) AS 47.35 (child care);
- 20 (39) AS 47.45 (longevity bonuses).

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

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

31 (d) Nothing in AS 44.21.510 - 44.21.599 may be construed to create a right to

1 a hearing or to require a hearing that is not required under other law.

2 **Sec. 44.21.540. Hearing officers.** (a) A hearing officer must be admitted to  
3 practice law in this state and must have been admitted to practice in this state for at  
4 least two years before being employed or retained with the office. The chief  
5 administrative hearing officer shall establish additional qualifications for hearing  
6 officers employed or retained by the office and for those hearing officers that may be  
7 assigned to particular types of cases.. Notwithstanding AS 39.25.120(b), full-time  
8 hearing officers employed by the office are subject to the personnel rules adopted  
9 under AS 39.25.150(7), (15), and (16).

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

14 (1) engage in alternative dispute resolution under regulations adopted  
15 by the chief administrative hearing officer 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) A hearing officer employed by the office must devote full time to the  
24 duties of the office unless appointed to a position that is less than full-time. A hearing  
25 officer employed by the office may not perform duties inconsistent with the duties and  
26 responsibilities of a hearing officer.

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 a hearing officer in a  
29 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 a hearing officer

1 without notifying or securing the approval of the Department of Law.

2 **Sec. 44.21.550. Code of hearing officer conduct.** (a) The chief  
3 administrative hearing officer shall, subject to AS 39.52.920 and by regulation, adopt  
4 a code of hearing officer conduct. The code shall apply to the chief hearing officer,  
5 hearing officers of the office, and hearing officers of each other agency.

6 (b) Except as provided in (d) of this section, the chief administrative hearing  
7 officer shall receive and consider all complaints against hearing officers employed or  
8 retained by the office or another agency alleging violations of the code. If the chief  
9 administrative hearing officer determines that the conduct alleged, if true, would  
10 constitute a violation of the code, the officer shall deliver the complaint to the attorney  
11 general.

12 (c) If the attorney general determines that a violation has occurred, the  
13 attorney general shall submit written findings to the agency that employed or retained  
14 the hearing officer who is the subject of the complaint together with recommendations  
15 for corrective or disciplinary action. If the hearing officer is employed or retained by  
16 the office, the chief administrative hearing officer shall take appropriate corrective or  
17 disciplinary action.

18 (d) The attorney general shall, by regulation, establish procedures to  
19 implement (c) of this section, including procedures for investigating and holding  
20 hearings on complaints. The attorney general shall receive and consider any  
21 complaint filed against the chief administrative hearing officer under this section, and  
22 may investigate or hold a hearing on the complaint in compliance with the regulations  
23 adopted under this subsection.

24 **Sec. 44.21.555. Reimbursement agreements.** The office may enter into  
25 agreements for reimbursement for services related to an administrative hearing from a  
26 school district, municipality, or other governmental entity if the reimbursement is  
27 authorized by other law.

28 **Sec. 44.21.560. Procedure for hearings.** (a) The chief administrative  
29 hearing officer shall, by regulation, establish procedures for administrative hearings  
30 conducted by the office. Each administrative hearing under the jurisdiction of the  
31 office or that has been transferred to the office by an agency shall be conducted in

1 accordance with statutes that apply to that hearing, including, if applicable, AS 44.62  
2 (Administrative Procedure Act). In case of conflict between this section and another  
3 applicable statute establishing procedures for administrative hearings, the other statute  
4 prevails. However, to the extent regulations adopted by an agency for the conduct of  
5 an administrative hearing conflict with regulations adopted by the chief administrative  
6 hearing officer under this subsection, the regulations adopted by the chief  
7 administrative hearing officer control to the maximum extent possible without  
8 conflicting with applicable statutes.

9 (b) When an agency receives a request for a hearing that will be conducted by  
10 the office under AS 44.21.530, the agency shall immediately notify the office. The  
11 agency shall, within 10 days, compile and transmit to the office a copy of the agency's  
12 decision, the request for a hearing, the agency record relied on to support the decision,  
13 and the names, addresses, and telephone numbers of all parties and their  
14 representatives. Any information provided to the office that is confidential by law  
15 shall be kept confidential by the office.

16 (c) If requested by the agency that will make the final decision, the chief  
17 administrative hearing officer may permit that agency to participate in an  
18 administrative hearing. The chief administrative hearing officer shall determine the  
19 degree of participation by the agency and may terminate that participation at any time.  
20 However, a representative of an agency that participates under this subsection may not  
21 serve as the hearing officer or preside during the hearing.

22 (d) A hearing officer employed or retained by the office shall, within 120 days  
23 after the date the agency received the request for a hearing, prepare a proposed  
24 decision, unless another time period is provided by law or agreed to by the parties and  
25 the chief administrative hearing officer. The hearing officer shall immediately submit  
26 the proposed decision to the agency.

27 (e) A proposed decision in an administrative hearing shall be in a form that  
28 may be adopted as the final decision by the agency with authority to make the final  
29 decision. The proposed decision is a public record. A copy of the proposed decision  
30 shall be served by the office on each party in the case or on the attorneys representing  
31 those parties in the hearing. The agency with authority to make a final decision in the

1 case retains agency discretion in the final disposition of the case and shall, within 30  
2 days after the date the proposed decision is served or at the next regularly scheduled  
3 meeting that occurs at least 30 days after the proposed decision is served, do one or  
4 more of the following:

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

6 (2) return the case to the hearing officer to take additional evidence or  
7 make additional findings or for other specific proceedings, in which case the hearing  
8 officer shall complete the additional work and return the revised proposed decision to  
9 the agency within 30 days after the original decision was returned under this  
10 paragraph;

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

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

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

22 (f) If a final decision is not issued timely in accordance with (e) of this section,  
23 the hearing officer's proposed decision is the final agency decision.

24 **Sec. 44.21.570. Disqualification of hearing officer.** (a) The chief  
25 administrative hearing officer or a hearing officer employed or retained by the office is  
26 disqualified from a case in which the officer cannot accord a fair and impartial hearing  
27 or for other reasons established in the code of hearing officer conduct.

28 (b) A party may request the disqualification of the chief administrative hearing  
29 officer or a hearing officer by filing an affidavit, before the taking of evidence at a  
30 hearing, stating with particularity the grounds upon which it is claimed that a fair and  
31 impartial hearing cannot be accorded by that officer. Notwithstanding

1 AS 44.62.450(c), upon receipt of the affidavit, the hearing officer assigned to the  
2 administrative hearing shall make a determination. If the affiant objects to the  
3 decision, the matter shall be decided by the chief administrative hearing officer, whose  
4 decision is final, or if the hearing is assigned to the chief administrative hearing  
5 officer, by the attorney general, whose decision is final.

6 **Sec. 44.21.580. Agency cooperation.** (a) All agencies shall cooperate with  
7 the chief administrative hearing officer and with other hearing officers of the office in  
8 the matters involving the duties of the office.

9 (b) Except as provided under AS 44.21.570 or by regulation adopted under  
10 this chapter, an agency may not select or reject a particular hearing officer for  
11 assignment to an administrative hearing.

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

16 **Sec. 44.21.590. Administrative hearing records.** (a) The office shall  
17 acquire and organize statistical and other information relating to administrative  
18 hearings of the office and of other agencies. The office shall acquire and organize  
19 copies of proposed and final agency decisions in contested cases and copies of court  
20 decisions resulting from those contested cases. The information and decisions shall be  
21 made available to the public, agencies, and legislature. The office shall make final  
22 agency decisions available online through an electronic data base.

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

24 **Sec. 44.21.595. Federal requirements.** Federal requirements applicable to an  
25 administrative hearing prevail to the extent they conflict with any provision of  
26 AS 44.21.510 - 44.21.599.

27 **Sec. 44.21.599. Definitions.** In AS 44.21.510 - 44.21.599,

28 (1) "administrative hearing" means a quasi-judicial hearing before an  
29 agency;

30 (2) "agency" means an agency of the executive branch of state  
31 government, including an officer, a division, or another subunit of an agency, a board

1 or commission, a public corporation, and the University of Alaska;

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

5 (4) "office" means the office of administrative hearings established in  
6 AS 44.21.510.

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

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

11 (1) if an application is denied, the notice of denial shall be furnished  
12 the applicant immediately in writing stating the reason for the denial in clear and  
13 concise language; the notice of denial must inform the applicant that the applicant is  
14 entitled to an informal conference with either the director or the board, and that, if not  
15 satisfied by the informal conference, the applicant is then entitled to a formal hearing  
16 conducted before a hearing officer from the office of administrative hearings  
17 (AS 44.21.510) [THE BOARD]; if the applicant requests a formal hearing, the office  
18 of administrative hearings [BOARD] shall adhere to AS 44.62.330 - 44.62.630  
19 (Administrative Procedure Act); all interested persons may be heard at the hearing and  
20 unless waived by the applicant and the board, the formal hearing shall be held in the  
21 area for which the application is requested;

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

28 (3) if a petition containing the signatures of 35 percent of the adult  
29 residents having a permanent place of abode outside of but within two miles of an  
30 incorporated city or an established village is filed with the board, the board shall hold  
31 a public hearing on the question of whether the issuance, renewal, or transfer of the

1 license in the city or village would be in the public interest;

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

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

6 **Sec. 05.20.080. Application of Administrative Procedure Act.** The  
7 procedure for review of the orders or actions of the department, its agents or  
8 employees, is the same as that contained in AS 44.62 (Administrative Procedure Act).  
9 **Administrative hearings on contested cases shall be conducted by the office of**  
10 **administrative hearings (AS 44.21.510).**

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

12 (f) Hearings required or authorized under this title are not subject to  
13 AS 44.62.330 - 44.62.630, except as required by AS 44.62.560 and 44.62.570. The  
14 department shall adopt regulations, consistent with the provisions of this title,  
15 establishing procedures for hearings held under this section. **Administrative**  
16 **hearings on contested cases shall be conducted by the office of administrative**  
17 **hearings (AS 44.21.510).**

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

19 (c) A board may summarily suspend a licensee from the practice of the  
20 profession before a final hearing is held or during an appeal if the board finds that the  
21 licensee poses a clear and immediate danger to the public health and safety. A person  
22 is entitled to a hearing **conducted by the office of administrative hearings**  
23 **(AS 44.21.510)** [BEFORE THE BOARD] to appeal the summary suspension within  
24 seven days after the order of suspension is issued. A person may appeal an adverse  
25 decision of the board on an appeal of a summary suspension to a court of competent  
26 jurisdiction.

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

28 (b) If it appears to the commissioner that a person has engaged in or is about  
29 to engage in an act or practice in violation of a provision of this chapter or a regulation  
30 adopted under it, or a provision of AS 43.70, or a provision of this title or regulation  
31 adopted under this title dealing with an occupation or board listed in AS 08.01.010, the

1 commissioner may, if the commissioner considers it in the public interest, and after  
2 notification of a proposed order or action by telephone, telegraph, or facsimile to all  
3 board members, if a board regulates the act or practice involved, unless a majority of  
4 the members of the board object within 10 days,

5 (1) issue an order directing the person to stop the act or practice;  
6 however, reasonable notice of and an opportunity for a hearing must first be given to  
7 the person, except that the commissioner may issue a temporary order before a hearing  
8 is held; a temporary order remains in effect until a final order affirming, modifying, or  
9 reversing the temporary order is issued or until 15 days after the person receives the  
10 notice and has not requested a hearing by that time; a temporary order becomes final if  
11 the person to whom the notice is addressed does not request a hearing within 15 days  
12 after receiving the notice; if the hearing involves AS 08.08, AS 08.62.046, or a  
13 regulation adopted under those statutes, the commissioner or the commissioner's  
14 designee shall be the hearing officer at the hearing and shall issue a final order within  
15 10 days after the hearing; otherwise the hearing shall be conducted by the office of  
16 administrative hearings (AS 44.21.510);

17 (2) bring an action in the superior court to enjoin the acts or practices  
18 and to enforce compliance with this chapter, a regulation adopted under it, an order  
19 issued under it, or with a provision of this title or regulation adopted under this title  
20 dealing with business licenses or an occupation or board listed in AS 08.01.010;

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

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

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

28 (c) The department may summarily suspend a license before final hearing or  
29 during the appeals process if the department finds that the licensee poses a clear and  
30 immediate danger to the public welfare and safety if the licensee continues to practice.  
31 An individual whose license is suspended under this subsection is entitled to a hearing

1 conducted by the office of administrative hearings (AS 44.21.510) not  
2 [DEPARTMENT NO] later than seven days after the effective date of the order. The  
3 individual may appeal the suspension after the hearing to the superior court.

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

5 (c) The board may summarily suspend the license of a licensee who refuses to  
6 submit to a physical or mental examination under AS 08.36.070(b)(1). A person  
7 whose license is suspended under this section is entitled to a hearing conducted by the  
8 office of administrative hearings (AS 44.21.510) [BOARD] within seven days after  
9 the effective date of the order. If, after a hearing, the board upholds the suspension,  
10 the licensee may appeal the suspension to a court of competent jurisdiction.

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

12 (c) The board may summarily suspend the license of a licensee who refuses to  
13 submit to a physical or mental examination under AS 08.36.070(b)(1). A person  
14 whose license is suspended under this section is entitled to a hearing conducted by the  
15 office of administrative hearings (AS 44.21.510) [BOARD] within seven days after  
16 the effective date of the order. If, after a hearing, the board upholds the suspension,  
17 the licensee may appeal the suspension to a court of competent jurisdiction.

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

19 (f) The department may summarily suspend a license before a final hearing is  
20 held or during an appeal if the department finds that the licensee poses a clear and  
21 immediate danger to the public health and safety. A person is entitled to a hearing  
22 conducted by [BEFORE] the office of administrative hearings (AS 44.21.510)  
23 [DEPARTMENT] to appeal the summary suspension within seven days after the order  
24 of suspension is issued. A person may appeal an adverse decision of the department  
25 on an appeal of a summary suspension to a court of competent jurisdiction.

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

27 (f) The department may summarily suspend a license before a final hearing is  
28 held or during an appeal if the department finds that the licensee poses a clear and  
29 immediate danger to the public health and safety. A person is entitled to a hearing  
30 conducted by [BEFORE] the office of administrative hearings (AS 44.21.510)  
31 [DEPARTMENT] to appeal the summary suspension within seven days after the order

1 of suspension is issued. A person may appeal an adverse decision of the department  
2 on an appeal of a summary suspension to a court of competent jurisdiction.

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

4 (c) The division may summarily suspend a license before final hearing or  
5 during the appeals process if the division finds that the licensee poses a clear and  
6 immediate danger to the public health and safety if the licensee continues to practice.  
7 A licensee whose license is suspended under this section is entitled to a hearing  
8 conducted by the office of administrative hearings (AS 44.21.510) not [DIVISION  
9 NO] later than seven days after the effective date of the order. The licensee may  
10 appeal the suspension after a hearing to a court of competent jurisdiction.

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

12 (i) The department may summarily suspend a licensee from practice of the  
13 profession under this chapter, for a period of not more than 30 days, before a final  
14 hearing is held or during an appeal if the department finds that the licensee poses a  
15 clear and immediate danger to the public health and safety. A person is entitled to a  
16 hearing conducted by [BEFORE] the office of administrative hearings  
17 (AS 44.21.510) [DEPARTMENT] to appeal the summary suspension within seven  
18 days after the order of suspension is issued. A person may appeal an adverse decision  
19 of the department on an appeal of summary suspension to a court of competent  
20 jurisdiction.

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

22 (c) The department may summarily suspend a license before final hearing or  
23 during the appeals process if the department finds that the licensee poses a clear and  
24 immediate danger to the public welfare and safety if the licensee continues to practice.  
25 A person whose license is suspended under this subsection is entitled to a hearing  
26 conducted by the office of administrative hearings (AS 44.21.510) not  
27 [DEPARTMENT NO] later than seven days after the effective date of the order. The  
28 person may appeal the suspension after the hearing to the superior court.

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

30 (c) The board may summarily suspend a license before final hearing or during  
31 the appeals process if the board finds that the licensee poses a clear and immediate

1 danger to the public health and safety if the licensee continues to practice. A person  
2 whose license is suspended under this section is entitled to a hearing conducted by the  
3 office of administrative hearings (AS 44.21.510) not [BOARD NO] later than seven  
4 days after the effective date of the order and the person may appeal the suspension  
5 after a hearing to a court of competent jurisdiction.

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

7 (c) The board may summarily suspend a license before final hearing or during  
8 the appeals process if the board finds that the licensee poses a clear and immediate  
9 danger to the public health and safety if the licensee continues to practice. A person  
10 whose license is suspended under this section is entitled to a hearing conducted by the  
11 office of administrative hearings (AS 44.21.510) not [BOARD NO] later than seven  
12 days after the effective date of the order and the person may appeal the suspension  
13 after a hearing to a court of competent jurisdiction.

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

15 (c) The board may summarily suspend a license before final hearing or during  
16 the appeals process if the board finds that the licensee poses a clear and immediate  
17 danger to the public health and safety. A person whose license is suspended under this  
18 section is entitled to a hearing conducted by the office of administrative hearings  
19 (AS 44.21.510) [BOARD] within seven days after the effective date of the order. If,  
20 after a hearing, the board upholds the suspension, the licensee may appeal the  
21 suspension to a court of competent jurisdiction.

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

23 (b) The board may summarily suspend the license of a licensee who refuses to  
24 submit to a physical or mental examination under AS 08.86.075. A person whose  
25 license is suspended under this subsection is entitled to a hearing conducted by the  
26 office of administrative hearings (AS 44.21.510) [BOARD] within seven days after  
27 the effective date of the order. If, after the [A] hearing, the board upholds the  
28 suspension, the licensee may appeal the suspension to a court of competent  
29 jurisdiction.

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

31 (b) A copy of a claim filed with the commission under (a) of this section shall

1 be sent to each real estate licensee alleged to have committed the misconduct resulting  
2 in losses, to the principal real estate broker employing a licensee alleged to have  
3 committed the conduct resulting in losses, and to any other real estate licensee  
4 involved in the transaction at least 20 days before any hearing held on the claim by the  
5 office of administrative hearings (AS 44.21.510) [COMMISSION].

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

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

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

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

12 (3) [THE] claim is withdrawn by the claimant before the office of  
13 administrative hearings (AS 44.21.510) [COMMISSION] holds a hearing on the  
14 claim.

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

16 (c) The commission may contract under AS 36.30 (State Procurement Code)  
17 with a person for the person to perform [HEARING AND] legal services for the  
18 commission with regard to a claim against the real estate surety fund. The contract  
19 may cover one or more claims.

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

21 (c) If the department determines that a person is acting as a promoter in  
22 violation of this chapter, the department may order the person to stop the violation.  
23 Upon receipt of the order, the person affected has the right to be heard and to present  
24 proof to the hearing officer from the office of administrative hearings  
25 (AS 44.21.510) [DEPARTMENT] that the violation has not occurred. Upon [IN THE  
26 DEPARTMENT'S DISCRETION OR UPON] application made by the recipient of the  
27 order, the office of administrative hearings may [DEPARTMENT SHALL]  
28 schedule a hearing at the earliest possible time. After the hearing the department may  
29 affirm, modify, or set aside the order.

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

31 (b) A corporation may not be dissolved under this section unless the

1 commissioner has given the corporation written notice of its delinquency, failure, or  
2 noncompliance by mail as provided by (i) of this section. If the corporation fails,  
3 within 60 days after the requirements of (i) of this section have been satisfied, to  
4 contest the alleged neglect, omission, delinquency, or noncompliance by a written  
5 request for a hearing conducted by [BEFORE] the office of administrative hearings  
6 (AS 44.21.510) [COMMISSIONER] or fails to correct the asserted neglect, omission,  
7 delinquency, or noncompliance, it may be dissolved under (d) of this section.

8 \* Sec. 26. AS 10.06.865 is amended to read:

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

10 The commissioner may, within one year after a filing, and after written notice to the  
11 corporation or individual making the filing, cancel a certificate issued or filing  
12 accepted under this chapter, on any ground existing at the time of issuance or filing for  
13 which the commissioner could have originally refused to issue the certificate or accept  
14 the filing. The notice of cancellation must state the reason for the cancellation. A  
15 corporation or individual may request a hearing conducted by [BEFORE] the office  
16 of administrative hearings (AS 44.21.510) [COMMISSIONER] within 90 days after  
17 receipt of the notice. Cancellation becomes final if the corporation or individual does  
18 not request a hearing within 90 days after receipt of notice. Notice of cancellation  
19 shall be sent by certified mail with return receipt requested. If the return receipt is not  
20 received by the department within a reasonable time and the department has made  
21 diligent inquiry as to the address of the corporation, notice may be made by  
22 publication in a newspaper of general circulation in the vicinity of the registered office  
23 of the corporation or the address of the individual who made the filing, and the  
24 cancellation becomes final 60 days after publication of the notice if the person or  
25 corporation does not request a hearing.

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

27 (b) If the department fails to promptly notify the office of administrative  
28 hearings (AS 44.21.510) of the application and the office fails to begin a hearing  
29 within 15 business days after the application is filed or within a longer period to which  
30 the licensee or subject person consents, the order shall be considered rescinded.

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

1 (b) A district may appeal an adverse decision of the department under (a) of  
2 this section by filing a written notice of appeal with the commissioner within 15 days  
3 after the date of the department's decision. The notice of appeal must state the legal  
4 and factual basis for the appeal and the precise relief sought. The failure of the district  
5 to include an issue in a notice of appeal constitutes a waiver of the right to have the  
6 issue considered. Not later than 10 days after receipt by the commissioner of a notice  
7 of appeal, the chief administrative hearing officer of the office of administrative  
8 hearings (AS 44.21.510) [COMMISSIONER] shall appoint a hearing officer who is  
9 qualified under AS 44.62.350(c) to consider the appeal. If the hearing officer finds  
10 that the notice of appeal does not raise a reasonable issue of fact or law, the hearing  
11 officer shall issue a written decision denying the appeal. Denial of an appeal by a  
12 hearing officer is a final decision that may be appealed under (d) of this section. If the  
13 hearing officer finds that the notice of appeal raises a reasonable issue of fact or law,  
14 the hearing officer shall conduct a hearing on those issues and recommend a decision  
15 to the board. The hearing officer shall issue a decision on the appeal not later than 60  
16 days after being appointed. The board shall consider the recommended decision of the  
17 hearing officer at its next regularly scheduled meeting and may adopt all, part, or none  
18 of the recommended decision or may remand the issue to the hearing officer for  
19 further hearings. The board shall issue its decision in writing within 10 days after  
20 consideration of the hearing officer's decision.

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

22 (a) The board shall enforce compliance by school districts and regional  
23 educational attendance areas with the provisions of this chapter and the regulations  
24 and procedures adopted under it by appropriate order made in accordance with  
25 AS 44.62. After a hearing conducted by the office of administrative hearings  
26 (AS 44.21.510) and a finding by the board that a district or a regional educational  
27 attendance area is not in compliance with this chapter and is not actively working to  
28 come into compliance, the board shall institute appropriate proceedings to abate the  
29 practices found by the board to be a violation of this chapter.

30 \* Sec. 30. AS 14.30.193(b) is amended to read:

31 (b) If a due process hearing is requested by either a school district or a parent,

1 the school district shall contact the office of administrative hearings (AS 44.21.510)  
2 [DEPARTMENT] to request appointment of a hearing officer. The chief  
3 administrative hearing officer [DEPARTMENT] shall select a hearing officer  
4 through a random selection process, from a list maintained by the office  
5 [DEPARTMENT] under (g) of this section. Within five working days after receipt of  
6 the request, the chief administrative hearing officer [DEPARTMENT] shall provide  
7 to the school district and the parent a notice of appointment, including the name and a  
8 statement of qualifications, of the hearing officer that [THE DEPARTMENT  
9 DETERMINES] is available to conduct the hearing.

10 \* Sec. 31. AS 14.30.193(c) is amended to read:

11 (c) The school district and the parent each have the right to reject, without  
12 stating a reason, one hearing officer appointed under this section. The rejecting party  
13 shall notify the office of administrative hearings [DEPARTMENT] of that rejection  
14 in writing within five days after receipt of the [DEPARTMENT'S] notice of  
15 appointment. If a hearing officer is rejected under this subsection, the chief  
16 administrative hearing officer [DEPARTMENT] shall, within five working days  
17 after receipt of the written rejection, provide a notice of appointment, including the  
18 name and a statement of qualifications, of another hearing officer that [THE  
19 DEPARTMENT DETERMINES] is available to conduct the hearing. Each  
20 appointment is subject to a right of rejection under this subsection by a party who has  
21 not previously rejected an appointment.

22 \* Sec. 32. AS 14.30.193(g) is amended to read:

23 (g) The department [SHALL MAINTAIN A LIST OF QUALIFIED  
24 HEARING OFFICERS AND] shall provide for training [QUALIFICATION] of  
25 hearing officers in the office of administrative hearings [THROUGH A TRAINING  
26 PROGRAM THAT IS OPEN TO ALL INDIVIDUALS WHO MEET THE  
27 CRITERIA SET BY THE DEPARTMENT BY REGULATION. THE LIST OF  
28 QUALIFIED HEARING OFFICERS SHALL BE MAINTAINED AS A PUBLIC  
29 RECORD].

30 \* Sec. 33. AS 14.48.130(b) is amended to read:

31 (b) The commission shall investigate the complaint and may attempt to effect

1 a settlement by persuasion and conciliation. A [THE COMMISSION MAY  
2 CONSIDER A] complaint may be considered after 30 days [DAYS] written notice  
3 by registered mail to the institution or agent, or both, giving notice of a time and place  
4 for hearing on the complaint. The hearing shall be conducted in accordance with  
5 AS 44.62 (Administrative Procedure Act) by the office of administrative hearings  
6 (AS 44.21.510).

7 \* Sec. 34. AS 18.18.030(b) is amended to read:

8 (b) The department may, without a hearing, summarily suspend a license of a  
9 hospice program if it finds that the actions or deficiencies of the program have caused,  
10 or present an immediate threat of causing, serious injury to a hospice program client.  
11 A licensee is entitled to a hearing conducted by the office of administrative  
12 hearings (AS 44.21.510) [BEFORE THE DEPARTMENT] to appeal the summary  
13 suspension within seven days after the order of suspension is issued. A licensee may  
14 appeal an adverse decision of the department on an appeal of a summary suspension to  
15 the superior court. A summary suspension remains in effect until the department finds  
16 that the actions or deficiencies are corrected, the license is revoked, or the licensee is  
17 successful in appealing the suspension.

18 \* Sec. 35. AS 18.18.030(c) is amended to read:

19 (c) The department may, without a hearing, reduce a hospice license to a  
20 provisional license for a period of time established by the department if the department  
21 finds that the licensee is temporarily unable to comply with 18.18.005 - 18.18.390 or  
22 is in the process of becoming decertified under the Medicare program but is taking  
23 appropriate steps to bring the program into compliance with 18.18.005 - 18.18.390 or  
24 Medicare certification requirements. A licensee is entitled to a hearing conducted by  
25 the office of administrative hearings [BEFORE THE DEPARTMENT] to appeal a  
26 reduction to a provisional license under this subsection within seven days after the  
27 order to reduce the license is issued. A licensee may appeal an adverse decision of the  
28 department on an appeal of the order reducing the license to a provisional license to  
29 the superior court. A program with a provisional license under this subsection may  
30 not accept new clients. If the program fails to correct its deficiencies and does not  
31 successfully appeal the order reducing the license to provisional status within the

1 period stipulated in the provisional license, the department shall revoke the license.

2 \* Sec. 36. AS 18.60.093(f) is amended to read:

3 (f) If an employer fails without good cause to appear at a hearing held under  
4 this section after receiving proper notice of the hearing, the OSHA Review Board may  
5 order the employer to pay all reasonable expenses incurred by the board or the office  
6 of administrative hearings (AS 44.21.510) for the hearing, including the board's  
7 actual travel expenses and per diem and actual travel expenses and per diem for the  
8 hearing officer.

9 \* Sec. 37. AS 18.67.040(a) is amended to read:

10 (a) Upon application made under the provisions of this chapter, the board shall  
11 consider the application and rule on it. The board may, upon its own motion, order a  
12 hearing, specifying the time and place it is to be held after consulting with the office  
13 of administrative hearings (AS 44.21.510). If [; IF] a hearing is ordered, the board  
14 shall give notice to the applicant. If, after consideration without a hearing, the  
15 decision is unfavorable to the applicant, in whole or in part, the board shall furnish the  
16 applicant a written statement of the reason for the ruling. If, within 30 days after  
17 receipt of this statement, the applicant requests a hearing on the application, the board  
18 shall specify a time and place for a hearing after consulting with the office of  
19 administrative hearings, and shall give notice to the applicant. If a request for a  
20 hearing is not made within the specified time, the decision of the board is final.

21 \* Sec. 38. AS 18.67.040(b) is amended to read:

22 (b) For the purpose of carrying out the provisions of this chapter, the office of  
23 administrative hearings (AS 44.21.510) shall [BOARD OR ITS HEARING  
24 OFFICER MAY] hold the hearings, sit and act at the times and places, and take the  
25 testimony that the [BOARD OR THE] hearing officer considers advisable. The  
26 [BOARD OR ITS] hearing officer may administer oaths or affirmations to witnesses.  
27 The hearing officer [BOARD] has full powers of subpoena and compulsion of  
28 attendance of witnesses and production of documents, but a subpoena may not be  
29 issued except under the signature of a member of the board. Application to a court for  
30 aid in enforcing the subpoena may be made in the name of the board only by a board  
31 member. Subpoenas are served by any person designated by the hearing officer or

1 the board.

2 \* Sec. 39. AS 18.67.040(c) is amended to read:

3 (c) The applicant and any other person having a substantial interest in a  
4 proceeding may appear and be heard, produce evidence, and cross-examine witnesses  
5 in person or by an attorney. The [BOARD OR ITS] hearing officer also may hear  
6 other persons who, in the judgment of the [BOARD OR THE] hearing officer, may  
7 have relevant evidence to submit.

8 \* Sec. 40. AS 18.80.060(c) is amended to read:

9 (c) A commissioner or an employee authorized by the commission may  
10 administer oaths, certify to all official acts, and issue subpoenas, subpoenas duces  
11 tecum, and other process to compel the attendance of witnesses and the production of  
12 testimony, records, papers, accounts, and documents in any inquiry or [,] investigation  
13 [, HEARING, OR PROCEEDING] before the commission in the state. The hearing  
14 officer of the office of administrative hearings (AS 44.21.510) may administer  
15 oaths, certify to all official acts, and issue subpoenas, subpoenas duces tecum, and  
16 other process to compel the attendance of witnesses and the production of  
17 testimony, records, papers, accounts, and documents in any hearing held under  
18 this chapter. The commission, a commissioner, or an employee authorized by the  
19 commission may petition a court of this state to enforce its subpoenas, subpoenas  
20 duces tecum, and other process. The hearing officer may petition a court of this  
21 state to enforce subpoenas, subpoenas duces tecum, and other process issued by  
22 the hearing officer.

23 \* Sec. 41. AS 18.80.120 is amended to read:

24 **Sec. 18.80.120. Hearing.** If the informal efforts to eliminate the alleged  
25 discrimination are unsuccessful, the executive director shall inform the commission of  
26 the failure, and the commission shall provide the respondent and the complainant with  
27 notice of the failure and shall serve written notice, together with a copy of the  
28 complaint, requiring the person, employer, labor organization, or employment agency  
29 charged in the complaint to answer the allegations of the complaint at a hearing  
30 [BEFORE THE COMMISSION]. The hearing shall be held by the office of  
31 administrative hearings (AS 44.21.510) [COMMISSION] at the location of the

1 [COMMISSION] office unless a party requests a change of venue for good cause  
2 shown, and the office [COMMISSION] grants the request. The case in support of the  
3 complaint shall be presented before the office [COMMISSION] by the executive  
4 director of the commission or a designee who shall be a bona fide resident of the  
5 state. The person charged in the complaint may file a written answer to the complaint  
6 and may appear at the hearing in person or otherwise, with or without counsel, and  
7 submit testimony. The executive director has the power reasonably and fairly to  
8 amend the complaint, and the person charged has the power reasonably and fairly to  
9 amend the answer. The office of administrative hearings [COMMISSION] is not  
10 bound by the strict rules of evidence prevailing in courts of law or equity. The  
11 testimony taken at the hearing shall be under oath and shall be recorded.

12 \* Sec. 42. AS 18.80.145(b) is amended to read:

13 (b) If<sub>1</sub> within the period allowed<sub>1</sub> [THE COMMISSION CONDUCTS] a  
14 hearing is conducted and [REACHES] a decision is reached under AS 18.80.120 and  
15 18.80.130, the decision of the commission is binding on the parties to the court action  
16 as to all issues resolved in the hearing but not as to any issues not resolved in the  
17 hearing.

18 \* Sec. 43. AS 18.80.145(c) is amended to read:

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

24 \* Sec. 44. AS 21.06.170(a) is amended to read:

25 (a) With respect to the subject of an examination or [,] investigation [, OR  
26 HEARING] being conducted by the director or an examiner, if general written  
27 authority has been given the examiner by the director, the director or the examiner  
28 may subpoena witnesses and administer oaths or affirmations and examine any person  
29 under oath, and may compel the production of records, books, papers, contracts, and  
30 other documents by attachments, if necessary. If<sub>1</sub> in connection with an examination  
31 of an insurer<sub>1</sub>, the director desires to examine an officer, director, or manager who is

1 then outside this state, the director is authorized to conduct and to enforce by  
2 appropriate and available means an examination under oath in another state or a  
3 territory of the United States in which the officer, director, or manager may then  
4 presently be, to the full extent permitted by the laws of the other state or territory, this  
5 special authorization considered. A hearing officer from the office of  
6 administrative hearings (AS 44.21.510) conducting a hearing under this title may,  
7 in the course of the hearing, exercise the powers granted to the director under  
8 this subsection.

9 \* Sec. 45. AS 21.06.170(d) is amended to read:

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

17 \* Sec. 46. AS 21.06.180(a) is amended to read:

18 (a) The office of administrative hearings (AS 44.21.510) [DIRECTOR] may  
19 hold hearings for any purpose within the scope of this title considered to be necessary  
20 by the director.

21 \* Sec. 47. AS 21.06.180(b) is amended to read:

22 (b) The office of administrative hearings (AS 44.21.510) [DIRECTOR] shall  
23 hold a hearing if required by a provision of this title, or upon written demand to the  
24 director by a person aggrieved by an act, threatened act, or failure of the director to  
25 act, or by a report, regulation, or order of the director (other than an order for the  
26 holding of a hearing, or an order on hearing or under it). A demand must specify the  
27 grounds to be relied upon at the hearing as a basis for the relief. Unless postponed by  
28 mutual consent or for good cause shown, the hearing shall be held within 30 days after  
29 receipt by the director of the written demand.

30 \* Sec. 48. AS 21.06.200 is amended to read:

31 Sec. 21.06.200. Notice of hearing. Not less than 20 days in advance, the

1        hearing officer [DIRECTOR] shall give notice of the time and place of the hearing,  
2        stating the matters to be considered at the hearing. If the persons to be given notice are  
3        not specified in the provision under which the hearing is held, the hearing officer,  
4        with assistance from the director, shall give notice to all persons whose pecuniary  
5        interests are to be directly and immediately affected by the hearing.

6        \* **Sec. 49.** AS 21.06.210(a) is amended to read:

7                (a) The hearing officer [DIRECTOR] shall allow a party to the hearing to  
8                appear in person and by counsel, to be present during the giving of all evidence, to  
9                have a reasonable opportunity to inspect all documentary evidence and to examine  
10                witnesses, to present evidence in support of the party's interest, and to have subpoenas  
11                issued by the hearing officer [DIRECTOR] to compel attendance of witnesses and  
12                production of evidence in the party's behalf.

13        \* **Sec. 50.** AS 21.06.210(b) is amended to read:

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

18        \* **Sec. 51.** AS 21.06.210(d) is amended to read:

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

28        \* **Sec. 52.** AS 21.06.210(f) is amended to read:

29                (f) If the parties agree, the hearing officer [DIRECTOR] may conduct a  
30                hearing under this section by teleconference.

31        \* **Sec. 53.** AS 21.06.210(h) is amended to read:

1 (h) The hearing officer [DIRECTOR] may close a hearing to the public when  
2 the hearing officer [DIRECTOR] finds the closure is necessary to protect a person  
3 against unwarranted injury or is in the public interest.

4 \* **Sec. 54.** AS 21.06.220(a) is amended to read:

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

10 \* **Sec. 55.** AS 24.60.030 is amended by adding a new subsection to read:

11 (i) Except for supplying information requested by the hearing officer or  
12 responding to contacts initiated by the hearing officer, a legislator or legislative  
13 employee may not attempt to influence the outcome of an administrative hearing  
14 conducted by the office of administrative hearings (AS 44.21.510) by directly or  
15 indirectly contacting or attempting to contact the hearing officer assigned to the  
16 hearing unless the

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

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

22 \* **Sec. 56.** AS 25.27.160(b) is amended to read:

23 (b) Except as provided in (c) of this section, the notice and finding of financial  
24 responsibility served under (a) of this section must state

25 (1) the sum or periodic payments for which the alleged obligor is  
26 found to be responsible under this chapter;

27 (2) the name of the alleged obligee and the obligee's custodian;

28 (3) that the alleged obligor may appear and show cause in a hearing  
29 held by the office of administrative hearings (AS 44.21.510) [AGENCY] why the  
30 finding is incorrect, should not be finally ordered, and should be modified or  
31 rescinded, because

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(A) no duty of support is owed; or

(B) the amount of support found to be owed is incorrect;

(4) that, if the person served with the notice and finding of financial responsibility does not request a hearing within 30 days, the property and income of the person will be subject to execution under AS 25.27.062 and 25.27.230 - 25.27.270 in the amounts stated in the finding without further notice or hearing.

\* Sec. 57. AS 25.27.160(c) is amended to read:

(c) If the agency is establishing only a medical support order, the notice and finding of financial responsibility must state

(1) that health care insurance shall be provided for the child to whom the duty of support is owed if health care insurance is available to the alleged obligor at a reasonable cost and that the alleged obligor and the other parent shall share equally the cost of the health care insurance and the costs of reasonable health care expenses not covered by insurance;

(2) the name of the alleged obligee and the obligee's custodian;

(3) that the alleged obligor may appear and show cause in a hearing held by the office of administrative hearings [AGENCY] why the finding is incorrect, should not be finally ordered, and should be modified or rescinded, because

(A) no duty of support is owed;

(B) health care insurance for the child is not available to the alleged obligor at a reasonable cost;

(C) adequate health care is available to the child through the Indian Health Service or other insurance coverage; or

(D) there is good cause to allocate the costs of health insurance or uninsured health care expenses unequally between the parents;

(4) that, if the person served with the notice under this subsection does not request a hearing within 30 days, a copy of the medical support order will be sent to the person's employer under AS 25.27.063(b) without further notice or hearing for inclusion of the child in family health coverage if it is available through the person's employer.

\* Sec. 58. AS 34.45.400(c) is amended to read:

1 (c) At the formal hearing, the hearing officer from the office of  
2 administrative hearings (AS 44.21.510) [DEPARTMENT] may subpoena witnesses  
3 and may administer oaths and make inquiries necessary to determine the validity of  
4 the claim. The person aggrieved may present arguments and evidence relevant to the  
5 decision or action of the department. If, after the hearing, the department determines  
6 that a correction is warranted, the department shall make the correction.

7 \* Sec. 59. AS 36.30.015(d) is amended to read:

8 (d) An agency may not contract for the services of legal counsel without the  
9 approval of the attorney general. An agency may not contract for the services of a  
10 hearing officer for a administrative, quasi-judicial hearing without the approval  
11 of the attorney general and the chief hearing officer of the office of administrative  
12 hearings (AS 44.21.510).

13 \* Sec. 60. AS 36.30.615 is amended to read:

14 Sec. 36.30.615. **Hearing on protest appeal.** A hearing on a protest appeal  
15 shall be conducted in accordance with AS 36.30.670 and regulations adopted by the  
16 commissioner to the extent the regulations do not conflict with regulations  
17 adopted under AS 44.21.560.

18 \* Sec. 61. AS 36.30.630(a) is amended to read:

19 (a) Except as provided in (b) of this section, a hearing shall be conducted  
20 according to AS 36.30.670 and, to the extent they do not conflict with regulations  
21 adopted under AS 44.21.560, regulations adopted by the commissioner of  
22 administration on a contract claim appealed to the commissioner of administration or  
23 the commissioner of transportation and public facilities or referred to either  
24 commissioner under AS 36.30.620(f).

25 \* Sec. 62. AS 36.30.635(a) is amended to read:

26 (a) After consultation with the using agency and the attorney general and after  
27 a hearing conducted according to AS 36.30.670 and, to the extent they do not  
28 conflict with regulations adopted under AS 44.21.560, regulations adopted by the  
29 commissioner of administration, the commissioner of administration or the  
30 commissioner of transportation and public facilities may debar a person for cause from  
31 consideration for award of contracts. Notice of a debarment hearing shall be provided

1 in writing at least seven days before the hearing. The debarment may not be for a  
2 period of more than three years.

3 \* **Sec. 63.** AS 36.30.650 is amended to read:

4 **Sec. 36.30.650. Hearing on a suspension.** (a) A person suspended under  
5 AS 36.30.635 is entitled to a hearing conducted according to AS 36.30.670 and, to the  
6 extent that they do not conflict with regulations adopted under AS 44.21.560,  
7 regulations adopted by the commissioner of administration if the person files a written  
8 request for a hearing with the commissioner of administration or the commissioner of  
9 transportation and public facilities, as appropriate, within seven days after receipt of  
10 the notice of suspension under AS 36.30.645.

11 (b) If a suspended person requests a hearing, the commissioner of  
12 administration or the commissioner of transportation and public facilities, as  
13 appropriate, after consulting with the office of administrative hearings  
14 (AS 44.21.510), shall schedule a prompt hearing unless the attorney general  
15 determines that a hearing at the proposed time is likely to jeopardize an investigation.  
16 A hearing may not be delayed longer than six months after notice of the suspension is  
17 provided under AS 36.30.645.

18 \* **Sec. 64.** AS 36.30.670(a) is amended to read:

19 (a) The chief administrative hearing officer (AS 44.21.510)  
20 [COMMISSIONER OF ADMINISTRATION OR THE COMMISSIONER OF  
21 TRANSPORTATION AND PUBLIC FACILITIES] shall assign [ACT AS] a hearing  
22 officer [OR APPOINT A HEARING OFFICER] for a hearing conducted under this  
23 chapter. The hearing officer shall arrange for a prompt hearing and notify the parties  
24 in writing of the time and place of the hearing. The hearing shall be conducted in an  
25 informal manner. The provisions of AS 44.62 (Administrative Procedure Act) do not  
26 apply to a hearing conducted under this chapter.

27 \* **Sec. 65.** AS 36.30.675(a) is amended to read:

28 (a) The [IF THE COMMISSIONER OF ADMINISTRATION OR THE  
29 COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES IS NOT  
30 ACTING AS HEARING OFFICER, THE] hearing officer shall recommend a decision  
31 to the commissioner of administration or the commissioner of transportation and

1 public facilities, as appropriate, based on the evidence presented. The  
2 recommendation must include findings of fact and conclusions of law.

3 \* Sec. 66. AS 39.52.120 is amended by adding a new subsection to read:

4 (e) Except for supplying information requested by the hearing officer or  
5 responding to contacts initiated by the hearing officer, a public officer may not attempt  
6 to influence the outcome of an administrative hearing conducted by the office of  
7 administrative hearings (AS 44.21.510) by directly or indirectly contacting or  
8 attempting to contact the hearing officer assigned to the hearing unless 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. 67. 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 hearing officer (AS 44.21.510), who shall  
17 appoint a hearing officer to conduct a hearing.

18 \* Sec. 68. AS 43.23.015(g) is amended to read:

19 (g) If an individual is aggrieved by a decision of the department determining  
20 the individual's eligibility for a permanent fund dividend or the individual's authority  
21 to claim a permanent fund dividend on behalf of another, the individual may, upon  
22 payment of a \$25 appeal fee, request the department to review its decision. Within 12  
23 months after the administrative appeal is filed and after a hearing conducted by the  
24 office of administrative hearings (AS 44.21.510), the department shall provide the  
25 individual with a final written decision. If the individual is aggrieved by the decision  
26 of the department after all administrative proceedings, the individual may appeal that  
27 decision to the superior court in accordance with AS 44.62.560. An appeal to the court  
28 under this section does not entitle the aggrieved individual to a trial de novo. The  
29 appeal shall be based on the record of the administrative proceeding from which  
30 appeal is taken and the scope of appeal is limited to matters contained in the record of  
31 the administrative proceeding. If, as a result of an administrative proceeding or a court

1 appeal, the individual prevails, the \$25 appeal fee shall be returned to the individual  
2 by the department.

3 \* Sec. 69. AS 43.70.075(m) is amended to read:

4 (m) The department may initiate suspension of a business license endorsement  
5 or the right to obtain a business license endorsement under this section by sending the  
6 person subject to the suspension a notice by certified mail, return receipt requested, or  
7 by delivering the notice to the person. The notice must contain information that  
8 informs the person of the grounds for suspension, the length of any suspension sought,  
9 and the person's right to administrative review [BEFORE THE DEPARTMENT]. A  
10 suspension begins 30 days after receipt of notice described in this subsection unless  
11 the person delivers a timely written request for a hearing to the department in the  
12 manner provided by regulations of the department. If a hearing is requested under this  
13 subsection, a hearing officer of the office of administrative hearings (AS 44.21.510)  
14 [DEPARTMENT] shall determine the issues by using the preponderance of the  
15 evidence test and shall, to the extent they do not conflict with regulations adopted  
16 under AS 44.21.560. conduct the hearing in the manner provided by regulations of the  
17 department. A hearing under this subsection is limited to the following questions:

18 (1) was the person holding the business license endorsement, or an  
19 agent or employee of the person while acting within the scope of the agency or  
20 employment of the person, convicted by plea or judicial finding of violating  
21 AS 11.76.100, 11.76.106, or 11.76.107;

22 (2) if the department does not allege a conviction of AS 11.76.100,  
23 11.76.106, or 11.76.107, did the person, or an agent or employee of the person while  
24 acting within the scope of the agency or employment of the person, violate a provision  
25 of (a) or (g) of this section;

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

31 \* Sec. 70. AS 43.70.075(q) is amended to read:

1 (q) The department may adopt regulations that do not conflict with  
2 regulations adopted under AS 44.21.510 to establish an administrative hearing  
3 process for actions taken [BY THE DEPARTMENT] under this section. AS 44.62  
4 (Administrative Procedure Act) does not apply to a hearing under this section.

5 \* Sec. 71. AS 44.21.530(a) is amended to read:

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

- 8 (1) AS 04.11.510(b)(1) and (c) (alcoholic beverages license);
- 9 (2) AS 05.15 (charitable gaming);
- 10 (3) AS 05.20 (recreational devices);
- 11 (4) AS 05.90.001 (special racing events);
- 12 (5) AS 06 (banks and financial institutions);
- 13 (6) AS 08 (occupational licensing), other than AS 08.08 and  
14 AS 08.62.046;
- 15 (7) AS 10.06 (Alaska Corporations Code);
- 16 (8) AS 10.13 (Alaska BIDCO Act);
- 17 (9) AS 10.25.375 (Electric and Telephone Cooperative Act);
- 18 (10) AS 10.50.408 (limited liability companies);
- 19 (11) AS 14.11.016 (education-related facility grants);
- 20 (12) AS 14.18 (discrimination in public education);
- 21 (13) AS 14.20.030 (teacher certificates);
- 22 (14) AS 14.30 (educational programs);
- 23 (15) AS 14.48 (postsecondary educational institutions);
- 24 (16) AS 17.20 (Alaska Food, Drug, and Cosmetic Act), other than  
25 AS 17.20.060 and 17.20.360;
- 26 (17) AS 18.18.030 (hospice licenses);
- 27 (18) AS 18.20 (hospitals and nursing facilities), other than  
28 AS 18.20.180;
- 29 (19) AS 18.35.040 (tourist accommodations);
- 30 (20) AS 18.60 (safety);
- 31 (21) AS 18.67.040 (Violent Crimes Compensation Board);

- 1 (22) AS 18.80 (State Commission for Human Rights);  
2 (23) AS 21 (insurance);  
3 (24) AS 25.27 (child support enforcement);  
4 (25) AS 32.06 (Uniform Partnership Act);  
5 (26) AS 34.45 (unclaimed property);  
6 (27) AS 34.55.024 and 34.55.026 (Uniform Land Sales Practices Act);  
7 (28) AS 36.30 (State Procurement Code), other than  
8 AS 36.30.627(a)(2);  
9 (29) AS 38.05.065 (contracts for sale of state land);  
10 (30) AS 39.52 (Alaska Executive Branch Ethics Act);  
11 (31) AS 43.23 (permanent fund dividends);  
12 (32) AS 43.70 (Alaska Business License Act);  
13 (33) AS 44.77 (claims against the state);  
14 (34) AS 45.30.040 (mobile homes);  
15 (35) AS 45.55 (Alaska Securities Act);  
16 (36) AS 45.57 (Takeover Bid Disclosure Act);  
17 (37) AS 46 (water, air, energy, and environmental conservation),  
18 other than AS 46.03.820, 46.03.850, AS 46.39, and AS 46.40;  
19 (38) AS 47.33 (assisted living homes);  
20 (39) [(38)] AS 47.35 (child care);  
21 (40) [(39)] AS 47.45 (longevity bonuses).

22 \* Sec. 72. AS 44.62.350(a) is amended to read:

23 (a) The governor shall assign a qualified, unbiased, and impartial hearing  
24 officer, with experience in the general practice of law, to conduct hearings under this  
25 chapter that are not conducted by the office of administrative hearings  
26 (AS 44.21.510). A [ THE] hearing officer may perform other duties in connection  
27 with the administration of this chapter and other laws.

28 \* Sec. 73. AS 44.62.450(a) is amended to read:

29 (a) A hearing in a contested case shall be presided over by a hearing officer.  
30 Unless the hearing is conducted by the office of administrative hearings  
31 (AS 44.21.510), the [THE] agency itself shall determine whether the hearing officer

1 hears the case alone or whether the agency hears the case with the hearing officer.

2 \* Sec. 7. AS 44.62.500(b) is amended to read:

3 (b) If a contested case is heard by a hearing officer alone, the hearing officer  
4 shall prepare a proposed decision in a form that may be adopted as the decision in the  
5 case. A copy of the proposed decision shall be filed by the agency as a public record  
6 with the lieutenant governor, and a copy of the proposed decision shall be served by  
7 the agency on each party in the case and the party's attorney. Except as otherwise  
8 provided in AS 44.21.560(e), for a hearing conducted by the office of  
9 administrative hearings, the [THE] agency itself may adopt the proposed decision in  
10 its entirety, or may reduce the proposed penalty and adopt the balance of the proposed  
11 decision.

12 \* Sec. 75. AS 44.62.500(c) is amended to read:

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

26 \* Sec. 76. AS 44.77.040(a) is amended to read:

27 (a) The Department of Administration, after consulting with the office of  
28 administrative hearings (AS 44.21.510), shall fix a time for hearing the appeal and  
29 shall notify the claimant and the officer who approved the voucher and give them a  
30 reasonable opportunity to be heard. The hearing shall be conducted by the office of  
31 administrative hearings.

1 \* Sec. 77. AS 45.30.040(c) is amended to read:

2 (c) Whenever it determines that there may be a violation of the provisions of  
3 this chapter by a manufacturer or dealer of mobile homes, the department may give  
4 notice of hearing, and, within 30 days after giving notice, [HOLD] a hearing shall be  
5 held by the office of administrative hearings (AS 44.21.510) to determine whether  
6 there has been a violation. After notice and hearing,

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

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

16 \* Sec. 78. AS 45.55.935 is amended to read:

17 **Sec. 45.55.935. Hearings.** (a) The administrator shall adopt regulations,  
18 consistent with the provisions of this chapter and with regulations adopted under  
19 AS 44.21.560, governing administrative hearings conducted by the office of  
20 administrative hearings (AS 44.21.510) [ADMINISTRATOR OR A DESIGNEE OF  
21 THE ADMINISTRATOR] for the following:

22 (1) orders issued under AS 45.55.120, 45.55.900(d), or 45.55.920; in  
23 these instances, the administrator shall promptly send a notice of opportunity for  
24 hearing to the issuer of the securities and to all persons who have filed with the  
25 department a notice of intention to sell the securities; and

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

31 (b) In conducting a hearing in accordance with (a) of this section, the hearing

1           officer [ADMINISTRATOR] may issue a subpoena to compel the attendance of any  
2           witness or party and to compel production of evidence.

3           \* **Sec. 79.** AS 45.55.950(e) is amended to read:

4                   (e) Every hearing in an administrative proceeding shall be public unless the  
5           hearing officer, [ADMINISTRATOR] in the exercise of discretion, grants a request  
6           joined in by all the respondents that the hearing be conducted privately.

7           \* **Sec. 80.** AS 45.57.020(a) is amended to read:

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

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

14                          (2) a hearing has been ordered within that time and, after [UPON] the  
15          hearing conducted by the office of administrative hearings (AS 44.21.510), the  
16          department has decided [ADJUDICATED] that the offeror proposed to make fair,  
17          full, and effective disclosure to offerees of all information material to a decision to  
18          accept or reject the offer.

19          \* **Sec. 81.** AS 45.57.020(b) is amended to read:

20                   (b) A hearing shall begin within 20 days of the date of filing of the statement,  
21          and adjudication shall be made within 30 days of the filing unless extended by the  
22          hearing officer [DEPARTMENT] for the convenience of the parties or protection of  
23          the offerees.

24          \* **Sec. 82.** AS 46.14.410(a) is amended to read:

25                   (a) If a municipality or a local air quality district has an approved local air  
26          quality control program under AS 46.14.400 and the department determines that the  
27          program is being implemented in a manner that fails to meet the terms of the  
28          cooperative agreement or is otherwise being inappropriately administered, the  
29          department shall give written notice setting out its determination to the municipality or  
30          local air quality district. Within 45 days after [GIVING] written notice was given, the  
31          office of administrative hearings (AS 44.21.510) [DEPARTMENT] shall conduct a

1 public hearing on the matter. The hearing shall be recorded by any means that ensures  
2 an accurate record.

3 \* **Sec. 83.** AS 46.15.065(c) is amended to read:

4 (c) The commissioner shall make investigations as necessary of rights asserted  
5 by declarations filed under this section and shall determine each existing appropriation  
6 and mail a summary of the determination to each person who has filed a declaration  
7 with respect to the specified area or source. Any person adversely affected by a  
8 determination may file with the commissioner a request for a hearing within 20 days  
9 of the date the notice is mailed. If a hearing is requested, the commissioner shall,  
10 after consulting with the office of administrative hearings (AS 44.21.510), send a  
11 notice of the time and place of the hearing to each person who has filed a declaration.

12 \* **Sec. 84.** AS 47.45.050 is amended to read:

13 **Sec. 47.45.050. Department hearing.** The Department of Health and Social  
14 Services may arrange with the office of administrative hearings (AS 44.21.510) to  
15 hold a [DEPARTMENTAL] hearing upon the request of an applicant or recipient who  
16 has been disqualified. Before this hearing the department shall by certified mail notify  
17 an applicant or recipient in plain and comprehensive language the exact reason for the  
18 disqualification. Form letters using only referral to state statutes or department  
19 regulations, or otherwise vague in detail, are not considered compliance by the  
20 department with this section.

21 \* **Sec. 85.** The uncodified law of the State of Alaska is amended by adding a new section to  
22 read:

23 **APPLICABILITY.** (a) Sections 1 - 70, 72 - 81, and 84 of this Act apply to  
24 administrative proceedings that begin on or after July 1, 2005.

25 (b) Sections 71, 82, and 83 of this Act apply to administrative proceedings that begin  
26 on or after July 1, 2007.

27 \* **Sec. 86.** The uncodified law of the State of Alaska is amended by adding a new section to  
28 read:

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

1 the effective date of the law implemented by the regulation.

2 \* **Sec. 87.** The uncodified law of the State of Alaska is amended by adding a new section to  
3 read:

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

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

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

15 (d) Upon the initial appointment of the chief administrative hearing officer under  
16 AS 44.21.510(c), added by sec. 2 of this Act, the chief administrative hearing officer and the  
17 commissioner of administration, the commissioner of community and economic development,  
18 the commissioner of revenue, and the governor's office shall identify hearing officers and  
19 support staff to be transferred to the office of administrative hearings on or after January 1,  
20 2005. A state employee who is transferred under this section from another agency to the  
21 office of administrative hearings shall continue to be compensated at the same range and step  
22 of the salary schedule in AS 39.27.011(a) that the employee was receiving before the transfer,  
23 and qualifies for salary increases authorized under AS 39.27.011 and 39.27.022.

24 (e) Procedural regulations of an agency that refers an administrative hearing to the  
25 office of administrative hearings shall apply to the hearing until regulations adopted under  
26 AS 44.21.560(a), added by sec. 3 of this Act, become effective.

27 \* **Sec. 88.** Sections 1, 2, 86, and 87 of this Act take effect immediately under  
28 AS 01.10.070(c).

29 \* **Sec. 89.** Sections 71, 82, and 83 of this Act take effect July 1, 2007.

30 \* **Sec. 90.** Except as provided in secs. 88 and 89 of this Act, this Act takes effect July 1,  
31 2005.

# ALASKA STATE LEGISLATURE

SENATOR

**Gene Therriault**

119 N. Cushman Suite 101  
Fairbanks, Alaska 99701  
(907) 488-0857  
FAX (907) 483-4271



While in Juneau

State Capitol  
Juneau, Alaska  
99801-1182  
(907) 465-4797  
FAX (907) 465-3884

Senate  
Senate District F

## Memorandum

**To:** Senator Ralph Seekins / Chairman Senate Judiciary Committee

**From:** Senator Gene Therriault *JTS la GB*

**Date:** May 8, 2003

**Re:** Independent Administrative Hearings / SB 203

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As you may know we have been doing extensive work with the administration to formulate a workable piece of legislation to separate the adjudicatory functions of the administration from the prosecutorial (agency) duties. That work is now complete and represents a combination of reforms to be established in the legislation just introduced in the Senate.

I respectfully request a Judiciary Committee hearing on that legislation as we move forward to bring about fairer, more efficient, and higher quality administrative hearings for our constituents.



# PERFORMANCE AUDIT REPORT

## Centralized Administrative Hearings: Reviewing the Advantages and Disadvantages

A Report to the Legislative Post Audit Committee  
By the Legislative Division of Post Audit  
State of Kansas  
March 2001

## APPENDIX C

### Survey of 8 States' Centralized Administrative Hearing Offices

The following table shows the results of a phone and e-mail survey of 8 states' centralized administrative hearing offices. This data is entirely self-reported and we didn't seek to verify the accuracy of any of the data.

## Summary of Interviews with Other States with Centralized Administrative Hearings Offices

Agency Name	Independent <sup>1</sup> Agency or Part of Another Agency	Unique Features of Agency Structure or Operations	Year Established	How Many Agencies Conduct Hearings For?	How Is the Agency Funded?	Who has Final Decision: Hearing Officer or Agency?	Are Hearing Officers Cross-Trained or Do They Specialize?	Negative Experiences	Positive Experiences
Arizona Office of Administrative Hearings	Independent	Not applicable	1996	about 30	Combination of billing agencies for services provided, general appropriations, and federal funds.	Agency, except for Dept. of Revenue cases	Assigned to subject area "cadres," but will handle other types of cases when needed.	None	<ul style="list-style-type: none"> <li>• Appearance of independence is important to citizens, and it increases the integrity of the hearing process.</li> <li>• Cross-training hearing officers increases objectivity &amp; efficiency.</li> <li>• Office is able to attract higher quality employees.</li> <li>• According to the 2000 Annual Report, 91% of the Office's decisions were accepted by the agencies in question.</li> </ul>
Iowa Division of Administrative Hearings	Part of another agency	<ul style="list-style-type: none"> <li>• The Division got most of the original staff from the Dept. of Transportation. Other agency staff were added later.</li> <li>• Agencies that had FTE staff who were transferred to the Division aren't billed by the Division for services.</li> <li>• If an agency thinks the hearing officer doesn't have enough expertise, the agency can provide training to the hearing officer at the agency's expense.</li> </ul>	1986	55	Combination of use tax appropriation, general appropriations, and billing agencies for services provided.	Agency	Specialized by subject matter, but also cross-trained to handle other cases as needed.	None	<ul style="list-style-type: none"> <li>• Citizens of the state now have independent hearings.</li> <li>• The Division can do more with fewer people because staff are cross-trained.</li> </ul>

<sup>1</sup> "Independent" is defined as completely autonomous agency—not in any way a part of another agency.

Agency Name	Independent Agency or Part of Another Agency	Unique Features of Agency Structure or Operations	Year Established	How Many Agencies Conduct Hearings For?	How Is the Agency Funded?	Who has Final Decision: Hearing Officer or Agency?	Are Hearing Officers Cross-Trained or Do They Specialize?	Negative Experiences	Positive Experiences
Maryland Office of Administrative Hearings	Independent	Not applicable	1990	20	Agencies pay a prorated amount of the Office's budget, based on services provided.	90% hearing officer 10% agency	Cross-trained	None	<ul style="list-style-type: none"> <li>Professional hearing officers who know the process are more efficient.</li> <li>Cross-training staff has reduced employee burnout.</li> <li>The Office is doing the same work with fewer employees than it had 10 years ago.</li> </ul>
Michigan Bureau of Hearings	Part of another agency	Not applicable	1999	9	Agencies pay a prorated amount of the Office's budget, based on services provided.	80% agency 20% hearing officer	Cross-trained central pool, with some specialization.	No systematic problems, just internal growing pains.	Cross-trained hearing officers allow for more fluid scheduling.
Minnesota Office of Administrative Hearings	Independent	Cases heard by the Office include Workers' Compensation cases.	1976	about 45 state agencies & local govt. entities	Combination of general appropriations and billing agencies for services provided.	Most hearing officer	Specialized into 3 groups—one for Workers Compensation, one for environmental & natural resources cases, & another for everything else; moving towards cross-training.	None	The state has gained independence & fairness in decision-making.

Agency Name	Independent Agency or Part of Another Agency	Unique Features of Agency Structure or Operations	Year Established	How Many Agencies Conduct Hearings For?	How Is the Agency Funded?	Who has Final Decision: Hearing Officer or Agency?	Are Hearing Officers Cross-Trained or Do They Specialize?	Negative Experiences	Positive Experiences
Missouri Office of Administrative Hearings Commission	Part of another agency	<ul style="list-style-type: none"> <li>There are only 3 commissioners, appointed by the Governor for 6-year terms, who handle all the cases.</li> <li>In order for a licensing agency to revoke a person's license, the agency has to file its case with the Commission who makes a decision the agency must abide by or take to court.</li> <li>About 85% of the caseload is from the Dept. of Revenue.</li> </ul>	1965	102	General appropriations. Licensing agencies pay billed hourly fees into the general fund for services provided.	The Commission's decision is final.	Not applicable	None	Licensees are getting a fair, unbiased hearing.
Oregon Hearing Officer Panel	Part of another agency	Staff have physically remained in the agencies where they were, but now are employed by the Central Panel.	1999	75	60% federal funds, 35% billing agencies for services provided, 5% general appropriations.	97% hearing officer 3% agency	Specialized, with some cross-training.	Hard to create new culture and communicate effectively, given hearing officers' physical locations.	<ul style="list-style-type: none"> <li>Neutrality of hearing officers is gained.</li> <li>Because hearing officers now work for one agency they can be allocated to where the demand for hearings services is.</li> </ul>
Texas State Office of Administrative Hearings	Independent	The centralized office first included all agencies that didn't have hearing officers in-house. Other agencies were transferred later.	1992	60	Combination of general appropriations and billing agencies on an hourly or annual basis for services provided.	Most agency; hearing officer in some cases	Both—hearing officers are assigned to subject area teams, but hear a variety of cases.	Have had difficulties identifying appropriate method & level of funding.	<ul style="list-style-type: none"> <li>There's been an increased public perception of fairness in the process.</li> <li>All agencies have access to high quality judicial services, delivered promptly &amp; efficiently.</li> <li>The state has saved money overall.</li> </ul>

# LEGISLATIVE RESEARCH REPORT

MARCH 26, 2003



REPORT NUMBER 03.117

## ADMINISTRATIVE ADJUDICATION IN ALASKA

PREPARED FOR SENATOR GENE THERRIAULT

BY PATRICIA YOUNG, MANAGER

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**SUMMARY**

You asked for an update of information presented in previous Legislative Research reports on the administrative adjudication process in the various executive branch agencies in Alaska. Specifically, you wished to know the number, the workloads, and the salary ranges of hearing officers, hearing examiners, and all other persons serving in that or a similar capacity, whether classified or exempt, on a fulltime, part time, or contractual basis. You wished to know the qualifications for the hearing officer positions and the other responsibilities and duties of the individuals who hold those positions. You also asked for information on the amount of time required for the administrative hearing process, the percentage of cases in which the State prevails, the percentage of hearings conducted by "in-house" staff, and the percentage of cases heard by contract hearing officers.

As in previous reports, we contacted the various state departments for this information. According to the responses, the following eight departments employ hearing officers on a regular basis: Administration, Community and Economic Development, Fish and Game, Health and Social Services, Labor and Workforce Development, Natural Resources, Revenue, Transportation and Public Facilities.

The Office of the Governor, other departments, and the Alaska Court and University Systems do not employ hearing officers although they may access hearing officers from the Department of Administration (DOA) for procurement or contract matters, or the Department of Labor and Workforce Development (DOLWD) for labor relations issues. Some departments note that they contract for hearing officer services for various agency-related purposes. For example, the Violent Crimes Compensation Board (Department of Public Safety) contracts with experienced outside attorneys when claimants disagree with the board's decisions; and the University contracts for procurement related claims and employment grievances. Although the Alaska State Commission on Human Rights (ASCHR) in the Office of the Governor investigates civil rights violations (which are not, technically, administrative hearings or appeals), the commission contracts with outside examiners for all such investigations.<sup>1</sup>

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<sup>1</sup> Until FY 2001, the Commission employed a full time hearing officer. According to Steve Koteff, chief of enforcement, ASCHR, contract costs during FY 02 were \$24,302 for work on 16 active cases, 3 of which went to a full hearing—a 62 percent savings over the cost of employing an in-house hearing officer for a comparable workload.

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## GOVERNING STATUTES AND THE ADMINISTRATIVE PROCEDURE ACT

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We note that most administrative hearings—with the exception of occupational licensing, Medicaid, and unfair labor practice appeals—are conducted under statutes and regulations specific to the issue.

Adjudicative procedures under the Administrative Procedure Act (APA) are formal, adversarial, and expensive—much more so than in most administrative disputes. Generally, appeals governed by the APA involve complex issues surrounding an agency's decision to take away an important vested right such as an individual's livelihood—for example, a doctor's right to practice medicine. Because the process is akin to a criminal prosecution in court, it is designed to ensure the maximum procedural protections for all parties. As such, parties are usually represented by attorneys; parties who are not represented are at a much greater disadvantage in an APA proceeding than they would be in most non-APA adjudications.<sup>2</sup>

Table 1 lists the department and division or program, the positions responsible for agency hearings, the types and number of hearings conducted, the percent of hearings conducted by outside hearing officers, and the average length of time for the hearing process for each of these departments. Tables with additional detail on the various positions and on the hearings conducted by each department follow. We note that direct comparisons among positions are problematic because of the disparate nature of cases and the varying levels of hearing officer responsibility. Some hearing officers address very specific and limited topics while others must address a broad spectrum of issues and legal procedure. It should be noted, however, that limited focus does not necessarily reflect a lack of complexity in cases or an absence of the need for deep knowledge of a subject area, including relevant case law. In addition to differences in the complexity among types of cases, agencies account for decisions in different ways; for example, the Regulatory Commission of Alaska categorizes decisions as substantive or procedural, while others address only final case dispositions, and some may account for all decisions equally.

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<sup>2</sup> Mark Handley, Senior Revenue Hearing Examiner. Mr. Handley can be reached at (907) 465-3752. We include as Attachment A, a memorandum from Mr. Handley regarding the APA and its relation to Department of Revenue appeals.

**Table I: Hearings Conducted by State Agencies**

Division/ Program	Positions Responsible for Hearings	Types of Hearings	Number of Hearings per Year	Percent Handled by Contract Hearing Officers	Average Length of Time Required
<b>Department of Administration</b>					
Office of Tax Appeals	Administrative Law Judge	Tax appeals from Dept. of Revenue; appeals referred from other agencies.	7 tax appeals and 30 non-tax appeals	All hearings are handled by OTA staff.	Tax appeals, no hearing—4 months; with hearing—12-18 months. Procurement & other DOA appeals—3 months. Other appeals vary widely by type, with the most complex averaging about 1 year.
	Hearing Officer	Procurement & contract appeals for all departments except DOT; longevity bonus, ethics & personnel board appeals; appeals referred by other agencies.			
Division of Motor Vehicles	Driver Improvement Specialists	Licensing & registration disputes, blood alcohol content, minor consuming or in possession, mandatory insurance, ownership disputes, & vehicle impoundment (for State Troopers).	Approximately 90 hearings per week	All hearings are handled by DMV staff.	45 to 60 days.
<b>Department of Community &amp; Economic Development</b>					
Regulatory Commission of Alaska	Hearing Examiners	Licensing appeals, rate appeals, consumer appeals, management investigations, service expansions, telecommunications agreement arbitrations	518 substantive & 28 procedural orders in 2002	10%	Tariff filings: within 45 days. Consumer or other complaints: up to a year. Rate modifications: a year or more.
Division of Occupational Licensing	Administrative Hearing Officer	Licensing appeals, professional practice & enforcement complaints.	61 cases opened in 2002	All hearings are handled by division staff.	Approximately 10 months.
<b>Department of Fish &amp; Game</b>					
Commercial Fisheries Entry Commission	Commissioners, Hearing Officers, Paralegals	Limited entry permit applications, transfers, and revocations; temporary transfers and one-year use permits.	Approximately 100 hearings per year	All hearings are handled by CFEC staff.	Approximately 19 months.

Table 1, continued

Division/ Program	Positions Responsible for Hearings	Types of Hearings	Number of Hearings per Year	Percent Handled by Contract Hearing Officers	Average Length of Time Required
<b>Department of Health &amp; Social Services</b>					
Division of Medical Assistance	Hearing Examiner	Medicaid rate appeals, Medicaid provider sanction appeals	4-8 hearings & 50 scheduling or status conferences per year	All hearings are handled by division staff.	Approximately one year, providing the appellant has no appeals pending from prior rate years.
	Public Assistance Program Officers	Public assistance benefits appeals, fraud appeals.	Approximately 150 hearings per year		Decisions must be issued within 90 days of appeal.
<b>Department of Labor &amp; Workforce Development</b>					
Alaska Labor Relations Agency	Hearing Examiner, Hearing Officer	Unfair labor practice, union certification, bargaining unit clarifications, strike classification, religious exemptions, contract enforcement, labor relations for Alaska Railroad Corp.	70-80 hearings per year.	All hearings are handled by division staff.	11 days in 2000; 33 days in 2001; 40 days in 2002.
Employment Security Division	Appeals Referees	Unemployment compensation claims & unemployment insurance tax appeals.	2,700-3,000 per year	All hearings are handled by division staff.	Within 30 days of the appeal filing date.
Workers' Compensa- tion Division	Chief of Arjudications; Hearing Officers	Workers' compensation appeals.	Approximately 600 cases/year settle before hearing; 250-350 orders per year	All hearings are handled by division staff.	211 days.
Labor Standards & Safety Division	Hearing Officer	Appeals of OSH citations; Wage & Hour dispute of fact or law, debarment, and employment preference hearings.	13 OSH hearings per year, 2-3 dispute of fact cases per year.	All hearings are conducted by contract hearing officer	13 months for OSH appeals; 1+ years for wage and hour appeals.
Vocational Rehabilitation Division	Disability Hearing Officer	Disability review with cessation of benefits.	42 in FFY 2002	All hearings are conducted by part-time hearing officer.	10 hours per review.

**Table 1, continued**

Division/ Program	Positions Responsible for Hearings	Types of Hearings	Number of Hearings per Year	Percent Handled by Contract Hearing Officers	Average Length of Time Required
<b>Department of Natural Resources</b>					
Division of Mining, Land & Water	Appeals Officer (Natural Resources Specialist III)	Land disposal or land use appeals	56 appeals per year	Hearings are handled by division staff.	6 months.
Forestry Division	Regional Foresters	Private, municipal, & trust land disposal & use appeals.	1 case in last 3 years.	Hearings are handled by division staff.	63 hours.
<b>Department of Revenue</b>					
Office of the Commissioner	Revenue Hearing Examiners	Oil & gas property tax, child support, PFD, unclaimed property, & gaming appeals.	887 cases in 2002	Division staff handle all but a very few cases: the OTA in Administration has taken a few oil & gas tax appeals.	PFD: 90 days; Child support: 60 days; tax/gaming/ unclaimed property: 120 days; State Assessment Review Board: within 10 days.
<b>Department of Transportation &amp; Public Facilities</b>					
Office of the Commissioner	Chief Contracts Officer	Bid procedures and procurement & contract appeals.	Approximately 6 per year.	About 60%.	300 days.

Notes: Table does not include Administrative Law Judges on contract with DCED for pipeline issues, wage and hour investigators (DOLWD), paralegals (other than CFEC) or paralegal assistants, or employees of the Department of Law. The table also does not include the activity of technical experts with DNR's Division of Oil and Gas who serve as hearing officers in the various types of oil and gas appeals.

Sources: Departments of Administration, Community & Economic Development, Fish & Game, Health & Social Services, Labor & Workforce Development, Natural Resources, Revenue, and Transportation & Public Facilities..

## Table 2: Department of Administration, Office of Tax Appeals

- ◆ **Positions:** Administrative Law Judge, range 26, fulltime, partially exempt; Hearing Officer, range 21, fulltime, classified.
- ◆ **Qualifications—Law Degree and Experience:** Both are attorneys licensed to practice in Alaska, although this is not a requirement for the hearing officer position. Incumbents have 6 and 5 years' experience respectively in these positions, plus prior experience in practicing law. The administrative law judge is appointed through the same process as other judges in Alaska, and is bound by the Code of Judicial Conduct.
- ◆ **Types of Cases:** Tax appeals from the Department of Revenue (this is the formal hearing step for tax appeals), procurement and contract appeals (for all departments except the Department of Transportation & Public Facilities), Longevity Bonus appeals, ethics and personnel board appeals that by statute go to the DOA commissioner, and a variety of appeals by contract with other departments, including environmental permit appeals and insurance and occupational licensing appeals.
- ◆ **Number of Hearings:** An average of 7 tax appeals and 30 non-tax appeals per year.
- ◆ **Average Length of Time Required:** The average time for a *tax appeal* from filing to final order for the first six months of FY2003 was about four months for cases that were resolved by summary judgment or settlement. Generally, about 60 percent of cases are resolved without an evidentiary hearing. Tax cases that require an evidentiary hearing generally take 12 to 18 months. *Procurement and other DOA appeals* take an average of three months. About 50 percent of procurement appeals are resolved based on the hearing officer's review of the file, and take about two months. About 20 percent require an evidentiary hearing, and take approximately six months. Finally, about 20 percent of the procurement cases settle, averaging five months. Average time for the *other appeals* varies widely depending on the type of case with the most complex appeals, like multi-party environmental permit cases, averaging about a year.
- ◆ **Prevailing Party:** There is no prevailing party in cases that settle, which is the outcome in about one-third of cases. The State prevails in approximately 90 percent of procurement appeals that are resolved without a hearing, and in about 65 percent of cases that require an evidentiary hearing. In other instances, the State generally prevails in roughly 60 percent of the cases.
- ◆ **Contract or "In-house" Hearing Officers:** The administrative law judge and hearing officer in OTA handle all cases.
- ◆ **Other Duties:** Administrative law judge—10-15 percent of time is spent on supervisory responsibilities (position is equivalent to a division director). Hearing officer—about 15 percent of time is spent assisting the commissioner's office or other divisions in tracking and addressing legislation and helping with procurement training.

*Table 2, continued*

- ◆ **Agency Representation:** The administrative law judge does not represent any agency but is independent. The hearing officer represents the commissioner of Administration in most appeals. Agencies are represented by appropriate division staff and/or assistant attorneys general.
- ◆ **Decisions and Review:** The administrative law judge's decision on tax appeals is final. The hearing officer's decision is final only on contract claims. On most other administrative appeals, a recommendation is made to the commissioner. All decisions may be appealed to the Superior Court.
- ◆ **Written Decisions & Public Information:** The administrative law judge is required to issue written decisions on tax appeals (AS 43.05.400-499). The record on tax appeals is confidential until the judge's decision becomes final—parties have 60 days to appeal to have a protective order applied to any of the case record. Once the decision is final, it is posted on the office's web site and copies are sent to libraries. The hearing officer issues written decisions on all appeals. Hearing officer decisions are public information, and are posted to the office's web site. Hard copies of decisions may be obtained by contacting the office.
- ◆ **Governing Statutes and/or Regulations:** Tax appeals are governed by AS 43.05.400-499. Contract claims are covered by AS 44.77. The State Procurement Code and Longevity Bonus statutes govern procurement and Longevity Bonus appeals.

Sources: Shelley Higgins, Administrative Law Judge, (907) 465-5641; Andrew Hemenway, Hearing Officer, (907) 465-2252.

**Table 3: Department of Administration, Division of Motor Vehicles (DMV)**

- ◆ **Positions:** Three Driver Improvement Specialists, range 16. All are fulltime, classified employees.
- ◆ **Qualifications—Law Degree and Experience:** Law degrees are not required, and incumbents are not attorneys. On the job training includes courses on fair hearings, appeals, and managing high volume caseloads at the National Judicial College in Reno, Nevada, as well as six months' training on DWI case law prior to conducting hearings. One incumbent has approximately 13 years' experience; the other two each have 1 year's experience.
- ◆ **Types of Cases** Appeals concern suspensions, revocations, cancellations, limitations, restrictions, or denial of licenses, registrations, titles, permits, or privileges; also, vehicle impoundment (for State Troopers).
- ◆ **Number of Hearings:** Each hearing officer conducts almost 30 hearings per week.
- ◆ **Average Length of Time Required:** 45-60 days (approximately 70 percent of hearings take 45 days; approximately 30 percent take 60-90 days).
- ◆ **Prevailing Party:** The state prevails in approximately 75 percent of the cases.
- ◆ **Contract or "In-house" Hearing Officers:** All hearings are conducted by DMV staff.
- ◆ **Other Duties:** Certify driving instructors; approve curriculum, license, and oversee driver education programs; approve limited licenses for work purposes; conduct driver improvement interviews with habitual offenders of traffic laws; conduct youth outreach in schools, as time allows.
- ◆ **Agency Representation at Hearings:** The agency is not represented at hearings.
- ◆ **Decisions and Review:** The Manager of Driver Licensing supervises the hearing officers. Decisions are final and may be appealed directly to Superior Court.
- ◆ **Written Decisions and Public Information:** Hearings may be conducted telephonically or in person and are recorded; decisions are verbal unless the case is particularly complicated; taped recordings are available to the driver and their representative from the division, for a fee.
- ◆ **Governing Statutes and/or Regulations:** Administrative review of DMV issues are covered generally at AS 28.05.141 (hearings and appeals) and more specifically at various sections of the title; e.g., AS 28.15.165--166 (license revocations resulting from chemical sobriety tests) and AS 28.15.183-184 (revocations of minors' licenses).

Source: Kerry Hennings, Manager, Driver Licensing, (907) 269-3770.

**Table 4: Department of Community and Economic Development,  
Regulatory Commission of Alaska (RCA)**

- ◆ **Positions:** Two Hearing Examiners, range 24, fulltime, partially exempt employees. Two Administrative Law Judges, on contract for pipeline issues. Contract ALJs serve 20-100 hours a month depending on caseload.
- ◆ **Qualifications—Law Degree and Experience:** *Hearing Examiner positions:* a law degree is required and both Hearing Examiners are licensed attorneys. One has approximately 20 years' experience in this and similar positions, and more than 15 years' experience teaching administrative law at the National Judicial College in Reno, Nevada. The other served as a district court judge for over 3 years and in private and public practice for over 10 years. *Administrative Law Judge positions:* The contracts for both pipeline ALJs require experience in pipeline ratemaking litigation.
- ◆ **Types of Cases:** Acquisition or transfer of certification, tariff and rate modifications, investigation into rate design, investigation into management practices, applications for service expansion, consumer appeals, arbitration of telecommunications interconnection agreements.
- ◆ **Number of Hearings:** In FY01, the commission issued 741 substantive orders and 33 procedural orders, for a total of 774. In FY02, the commission issued 518 substantive and 28 procedural orders, for a total of 546.
- ◆ **Average Length of Time Required:** Tariff filings must be approved, rejected, or suspended within 45 days. Under 3 AAC 48.105, decisions on petitions for reconsideration must be issued within 30 days. Other deadlines are governed by AS 42.05.175.
- ◆ **Prevailing Party:** Generally, the State is not a party to utility proceedings. The State sometimes appears in pipeline cases to represent its interests as a shipper.
- ◆ **Contract or "In-house" Hearing Officers:** Almost all Commission hearings are handled "in house." The only exception is that arbitration proceedings between telecommunications carriers are referred out if the Commission does not have the resources to complete them within statutory timelines.
- ◆ **Other Duties:** Conduct research for the commissioners. Preside over informal conferences, prehearing conferences, and discovery conferences. Draft decisions for commissioners. Attend adjudicatory meetings and other meetings, as requested.
- ◆ **Agency Representation at Hearings:** A representative of the agency's Public Advocacy Section attends hearings if designated as a party by the chair.

*Table 4, continued*

- ◆ **Decisions and Review:** The Commission, or a panel of three Commissioners, issues written decisions that are served on all parties of record. A party may file a petition for reconsideration that will be reviewed by all five commissioners. A party may file an appeal directly with the Superior Court or may file an appeal from an order on reconsideration.
- ◆ **Written Decisions and Public Information:** The Commission issues written decisions. All proceedings are subject to the Open Meetings Act. The Commission's records are subject to the Public Records Act.
- ◆ **Governing Statutes and/or Regulations:** AS 42.04—Regulatory Commission of Alaska. AS 4.05—Alaska Public Utilities Regulatory Act. AS 2.06—Pipeline Act. The RCA is not subject to the APA (AS 42.05.151). According to AS 42.05.151(b), the legislature required the Commission to adopt regulations governing practice and procedure. The Commission adopted those regulations in 3 AAC 48.010 to 3 AAC 48 188.

Source: Patricia Clark, Hearing Examiner, (907) 276-6222.

**Table 5: Department of Community and Economic Development,  
Division of Occupational Licensing**

- ◆ **Position:** Administrative Hearing Officer, range 24, fulltime, partially exempt employee.
- ◆ **Qualifications—Law Degree and Experience:** The position requires a law degree, and incumbent is a licensed attorney with approximately 6 years' experience in the position.
- ◆ **Types of Cases:** All professional licensing in AS 08 except for attorneys. Also, tobacco enforcement cases since 2001 (18 current tobacco cases).
- ◆ **Number of Hearings:** Cases may be complex and take several months overall; hearings generally last from 1-2 days, but they may take 2-3 weeks. Cases may be very detailed, often requiring written orders on numerous motions, and resulting in 20-40 page decisions particularly for revocations of health care providers and real estate surety funds. During 2002, 61 cases were opened. Over the course of the last year, the hearing officer has averaged about 70 cases open at any given time; the majority of those are active, and the remainder are active cases on appeal to the court system, cases that are temporarily inactive due to stays (e.g., for bankruptcy proceedings), and cases on remand to the originating board or commission.
- ◆ **Average Length of Time Required:** Approximately 10 months.
- ◆ **Prevailing Party:** The State prevails in approximately 80 percent of disciplinary cases, and about 90 percent of licensing cases. (In cases such as real estate surety fund complaints, the state is not a party—these are essentially a small claims action between private parties, i.e., claimants v. realtors. Recovery for the claimant is recommended approximately 70 percent of the time.)
- ◆ **Contract or "In-house" Hearing Officers:** The division's hearing officer handles all cases.
- ◆ **Other Duties:** Hearings for other agencies as assigned (for example, discipline of Certified Nurse Aides by the Division of Medical Assistance). Hearing Officer provides orientation and training to new board and commission members on matters such as the appeal procedure, due process, and their role in the proceedings. In approximately 50 percent of cases, boards and commissions call the hearing officer into executive session at their next regularly scheduled meeting in order to discuss the decision that has been proposed and get advice as to their options in relation to it. Summary suspensions often have expedited consideration by the board. Hearing Officer Unit is responsible for preparing the official record on appeal to the Superior Court.
- ◆ **Agency Representation at Hearings:** Although an assistant attorney general provides advice on general matters to boards and commissions, once a complaint has been filed the attorney becomes strictly an advocate for the Division of Occupational Licensing and represents the Division at hearings.

*Table 5, continued*

- ◆ ***Decisions and Review:*** The Hearing Officer drafts and signs a proposed decision. The commissioner and the appropriate board or commission receive a copy of the signed draft for review. The individual board or commission accepts, rejects, or modifies the proposed decision in accordance with the APA. Final decisions are written and include findings of fact and conclusions of law. A party may petition for reconsideration and/or appeal to the Superior Court.
- ◆ ***Written Decisions and Public Information:*** Copies of proposed decisions are sent by certified mail to parties, attorneys, and other individuals as required by the APA.
- ◆ ***Governing Statutes and/or Regulations:*** Administrative Procedures Act, AS 44.62.330-630.

Source: David Stebing, Administrative Hearing Officer, (907) 269-8170.

**Table 6: Department of Fish & Game, Commercial Fisheries Entry Commission**

The CFEC is under the Department of Fish & Game for administrative purposes. All positions in the CFEC are exempt. Hearing Officers report directly to the Commission regarding adjudicatory matters.

- ◆ **Positions:** Three Commissioners, range 26C; Adjudications Project Leader, range 23; Hearing Officer III, range 23; two Hearing Officer IIs, range 22; Managing Paralegal, range 18; Paralegal, range 15. Commissioners are appointed by the Governor, and the salary is set in statute.
- ◆ **Qualifications—Law Degree and Experience:** All hearing officers are required to have a law degree and two years of hearing officer or advocacy experience. Although not required, all current hearing officers are licensed to practice law in Alaska. The years of experience for the incumbents in the hearing officer positions range from 10 years to 22 years.
- ◆ **Types of Cases:** Hearing Officers handle permit transfers, limited entry permit appeals (often based on hardship and illness claims), and permit revocations. Paralegals handle temporary transfers, and one-year use permit appeals—often these hearings are conducted by telephone.
- ◆ **Number of Hearings:** Approximately 100 cases per year—several hundred cases per year in years when a fishery is limited.
- ◆ **Average Length of Time Required:** Approximately 19 months. A final decision takes approximately two weeks to write, from the time an applicant has fully presented the individual's claims. Cases are factually and legally complex. When cases are appealed to the courts, the process takes at least three years. Reversals of CFEC decisions by the court may be applied retroactively, requiring the commission to reopen previously closed fisheries, review previous applications, and accept new applications. Therefore, the CFEC must exercise extraordinary care in crafting decisions.
- ◆ **Prevailing Party:** The State does not really "win" or "lose" these cases. In most cases, appellants already have the benefits they are seeking to retain—applicants are either given permanent rights to fish, or denied permanent rights. Over the past ten years, the commission has decided for applicants in approximately 50 percent of the cases.
- ◆ **Contract or "In-house" Hearing Officers:** Commission hearing officers handle all cases.
- ◆ **Other Duties:** The Adjudications Project Leader has administrative responsibilities, tracks cases, and recalculates permit rankings within a particular fishery as cases are decided—requires approximately 20-30 percent of time.

*Table 6, continued*

- ◆ **Agency Representation:** Generally the agency is not represented, unless a case is particularly complex, or involves charges of fraud. Then one of the other hearing officers is assigned to represent the agency.
- ◆ **Decisions and Review:** Commissioners are required to review all hearing officer decisions. Commission decisions may be appealed to the Superior Court.
- ◆ **Written Decisions and Public Information:** Written decisions are issued on all cases, even for denials of hearings. Decisions are public information, and are sent to law libraries and to Westlaw. Summaries of decisions are posted on the CFEC website. Copies may also be obtained from the CFEC office.
- ◆ **Governing Statutes and/or Regulations:** The Commercial Fisheries Entry Commission and its procedures are governed by AS 16.43 and 20 AAC 05.1800. The CFEC is exempt from the Administrative Procedures Act.

Source: Frank Glass, Adjudications Project Leader, (907) 790-6926.

**Table 7: Department of Health & Social Services,  
Division of Medical Assistance**

The hearings unit in the Division of Medical Assistance reports directly to the Deputy Commissioner of the Department of Health & Social Services.

- ◆ **Positions:** One Hearing Examiner, classified, range 24; two Public Assistance Program Officers, fulltime, classified, range 21.
- ◆ **Qualifications - Law Degree and Experience:** *Hearing examiners* must be attorneys licensed to practice in Alaska. The fulltime hearing examiner has held this position for less than a year but has over 10 years' legal experience. *Public Assistance Program Officers* are not required to have legal training; incumbents each had over 15 years' experience with the Division of Public Assistance before assuming these positions.
- ◆ **Types of Cases:** *Hearing Examiner*—Medicaid rate appeals; occasional appeals of sanctions for program violations by Medicaid providers. *Public Assistance Program Officers*—appeals from recipients who are denied welfare benefits or have had benefits reduced or modified; welfare fraud hearings. These hearings are appeals from either the Division of Public Assistance or the Division of Medical Assistance.
- ◆ **Number of Hearings:** *Hearing Examiner* holds approximately 4-8 Medicaid rate hearings and 50 scheduling or status conferences per year. These are extremely complex hearings, with thousands of pages of evidence, perhaps as many as 20 different issues involved, a variety of expert witnesses, and requiring substantial preparation. Decisions alone run 50-75 pages. *The Public Assistance Program Officers* hear over 100 cases a year from the Division of Public Assistance and over 50 from the Division of Medical Assistance.
- ◆ **Average Length of Time Required:** *Medicaid rate hearings:* Approximately one year, providing the appellant has no other pending appeals. Earlier appeals must be resolved first, so similar issues can be decided and applied to later appeals. *Public Assistance and Medical Assistance appeals:* Regulations require that the division notify appellants of the hearing date within 10 days of receiving an appeal. A decision must be issued within 90 days of the appeal.
- ◆ **Prevailing Party:** *Medicaid rate cases* usually do not have a clear prevailing party—the State prevails on some issues, and the facility on others. Some issues may be split between the parties' positions. *Public Assistance and Medical Assistance appeals* clearly have a prevailing party with either the State or the claimant prevailing.
- ◆ **Contract or "In-house" Hearing Officers:** Division hearing officers handle all hearings.

*Table 7, continued*

- ◆ **Other Duties:** The full time hearing examiner supervises the hearings unit, is sometimes asked to assist with special projects or hearings, or is consulted on the development of regulations—approximately 10-20 percent of time.
- ◆ **Agency Representation: Medicaid rate appeals:** The agency is represented by a Division of Medical Assistance hearing representative (Medical Assistance Administrator) or attorney. **Public Assistance and Medical Assistance appeals:** The Division of Public Assistance assigns a fair hearing representative.
- ◆ **Decisions and Review: Medicaid rate appeals:** The hearing examiner makes a recommendation to the commissioner, who issues the final decision. **Public Assistance and Medical Assistance appeals:** Decisions are final, but may be appealed to the division director. All final decisions may be appealed to the Superior Court.
- ◆ **Written Decisions and Public Information:** Written decisions are prepared on all cases. Medicaid decisions are public information—copies may be obtained by calling the office. Portions of the public assistance and medical assistance decisions are confidential.
- ◆ **Governing Statutes and/or Regulations: Medicaid rate appeals:** Administrative Procedure Act. **Public Assistance and Medical Assistance appeals:** "fair hearing regulations" in 7 AAC 49.010.

Source: Martha Beckwith, Administrator/Hearing Examiner, (907) 562-0631.

**Table 8: Department of Labor, Alaska Labor Relations Agency**

- ◆ **Positions:** One Hearing Examiner/Administrator, range 24, and one Hearing Officer/Investigator, range 21. Both are fulltime, classified, excluded employees. These positions are excluded because the incumbents conduct investigations and hearings of public employees who belong to labor organizations. Union membership by the positions would create the appearance of a conflict.
- ◆ **Qualifications—Law Degree and Experience:** The hearing examiner must have a law degree and be admitted to practice law. The incumbent is a licensed attorney with approximately 13 years' experience as a hearing officer/examiner, 5 of them in the present position. A law degree is not required for the hearing officer position, and the incumbent is not a lawyer but has approximately 12 years' experience in the position.
- ◆ **Types of Cases:** Unfair labor practice charges, bargaining unit clarifications, religious exemption claims, bargaining representative certification and decertifications, strike classification determinations, contract enforcement, labor relations issues for the Alaska Railroad Corporation.
- ◆ **Number of Hearings:** Because the agency emphasizes informal resolution of disputes, most cases are resolved informally or settled prior to final hearings. The effort expended to reach such resolution is reflected, but not explained, in the numbers of final decisions and orders issued. The agency does not count orders written on pre-hearing issues, such as motions for discovery, contempt, or continuances among the number of final decisions. During 2000, of 78 cases, the agency issued 5 final decisions; during 2001, of 70 cases, the agency issued 5 final decisions; and during 2002, of 79 cases, the agency issued 2 decisions.
- ◆ **Average Length of Time Required:** In 2000, the average case was 11 days; in 2001, 33 days; in 2002, the average case was 40 days.
- ◆ **Prevailing Party:** The State is not always a party in these cases. In 2000, there were no cases in which the State was a party. In 2001 and 2002, the State prevailed in every case in which it was a party.
- ◆ **Contract or "In-house" Hearing Officers:** Division staff conduct all hearings unless there is a conflict of interest with a hearing officer. The division would then use contract hearing officer services.
- ◆ **Other Duties:** The hearing examiner/administrator has administrative and supervisory duties, oversees the budget, and presides over most hearings. The hearing officer conducts investigations, supervises the elections process, presides over some hearings, and provides mediation services and primary public information services. Both oversee contract disputes, certification and decertification of unions, and strike votes, and conduct voting on certification. They produce a periodic newsletter, prepare the annual report for the governor and legislature, give public speeches and conduct outreach. The percentage of time spent on such activities is difficult to quantify since their duties are not narrowly prescribed, and caseload activity is difficult to predict.

*Table 8, continued*

- ◆ **Agency Representation at Hearings:** Hearings are held before a panel of three board members, one representative of labor, one of management, and one from the general public. The hearing examiner or hearing officer presides over the hearings, makes evidentiary rulings, and advises the panel on the law. The Public Employment Relations Act authorizes the board (not the hearing officer) to make the final decision. Attorneys usually represent parties.
- ◆ **Decisions and Review:** The hearing examiner and hearing officer may preside over hearings before the panel, or the board may, on a case-by-case basis, delegate to the hearing examiner or officer the authority to conduct a hearing alone. The hearing examiner presides over unfair labor practice disputes because they are conducted under the Administrative Procedures Act. The hearing officer does not investigate cases and also preside over them. The hearing examiner or officer drafts proposed decisions for the panel's review. Parties may appeal directly to the Superior Court.
- ◆ **Written Decisions and Public Information:** Decisions are public information and are mailed to parties. Copies of proceeding tapes can be obtained at the agency, and copies of decisions are available on the agency website.
- ◆ **Governing Statutes and/or Regulations:** Alaska Labor Relations Agency, AS 23.05.360-390; Public Employment Relations Act, AS 23.40.070-260; Alaska Railroad Corporation, Labor Relations, AS 42.40.705-890; Collective Bargaining Among Public Employees, 8 AAC 97.010-990. Unfair labor practices disputes are governed by the Administrative Procedures Act, AS 23.40.110-130. Under AS 23.05.370(a)(2), the board exercises general supervision and directs activities of staff.

Source: Mark Torgerson, Administrator/Hearing Examiner, (907) 269-4895.

**Table 9: Department of Labor, Division of Employment Security**

- ◆ **Positions:** One Appeals Referee III, range 21; four Appeals Referee IIs, range 19; and one Appeals Referee I (new hire), range 17. All positions are full-time, classified employees.
- ◆ **Qualifications—Law Degree and Experience:** Law degrees are not required for appeals referee positions, and only one of the incumbents is a lawyer. The Appeals Referee III has approximately 28 years' experience; the others have between 0 and 24 years of experience.
- ◆ **Types of Cases:** Unemployment insurance compensation appeals (UI and TRA/TAA benefits) and unemployment insurance tax appeals (e.g., employee/independent contractor disputes and contribution rate appeals).
- ◆ **Number of Hearings:** Approximately 2,700 to 3,000 annually (2,873 appeals filed in calendar year 2002). Appeals referees are each scheduled for approximately 20 hearings per week.
- ◆ **Average Length of Time Required:** Federal standard—Conduct hearings and issue 60 percent of first level written appeal decisions within 30 days after the appeal filing date; 80 percent within 45 days. (For calendar year 2002, the entire appeals tribunal unit issued 76 percent of first level decisions within 30 days; 95 percent within 45 days.)
- ◆ **Prevailing Party:** The appellant prevailed in approximately 30 percent of tribunal hearings conducted in calendar year 2002.
- ◆ **Contract or "In-house" Hearing Officers:** AS 23.20.410. One or more persons are appointed to be an appeal tribunal to hear and issue decisions.
- ◆ **Other Duties:** The Appeals Referee III supervises the other appeals referees.
- ◆ **Agency Representation at Hearings:** A representative of the Employment Security Division attends some of the first level hearings.
- ◆ **Decisions and Review:** There are two levels of appeal. First level decisions written by tribunal appeals referees become final if further appeal is not filed within 30 days after the decision date. First level decisions may be appealed to a second level, which is to the commissioner of Labor & Workforce Development. The appeals referee III presides at the second level and drafts proposed decisions for the commissioner's approval, modification, or reversal. A party may appeal the commissioner's decision to the Superior Court.
- ◆ **Written Decisions and Public Information:** Decisions are written and mailed to all interested parties as well as posted for public review on the Internet. Employment Security Tax appeal decisions from 1993 to the present are available on the Department's website or through the division. All first level tribunal decisions since 1998 are available on the website. All commissioner decisions since 1994 are also available. Archived decisions in all categories are gradually being loaded to the Internet.

*Table 9, continued*

- ♦ *Governing Statutes and/or Regulations:* Alaska Employment Security Act, Appeals, AS 23.20.410-470; and 8 AAC 85.150-157. The Alaska Administrative Procedure Act (APA) (AS 44.62) specifically excludes hearings arising under the Alaska Employment Security Act (AESA) (AS 23.20) from APA coverage.

Source: Stephen Long, Appeals Referee III, (907) 269-4886.

**Table 10: Department of Labor, Division of Workers' Compensation**

- ◆ **Positions:** One Chief of Adjudications, range 23, and six Hearing Officers, range 21. All are full time, classified positions.
- ◆ **Qualifications—Law Degree and Experience:** A law degree is not a requirement for either level of position, but all the current incumbents are attorneys licensed to practice law in Alaska or elsewhere. The chief of adjudications has held this position for 3.5 years. One hearing officer has approximately 18.5 years with the division; one has approximately 8.5 years' experience; one has 3.5 years' experience with the division; one has one year's experience with the division; and two have less than a year with the division.
- ◆ **Types of Cases:** Workers' Compensation Claims Adjudications.
- ◆ **Number of Hearings:** There are roughly 30,000 workers' compensation injuries reported each year. Hearing officers with the Workers' Compensation Board issue between 250 and 350 written decisions and orders per year. Approximately 600 cases per year settle prior to hearings. Hearing officers review settlement terms and provide details to the Board for a "best interest" review.
- ◆ **Average Length of Time Required:** An average of 211 days (approximately 197 days between the filing of an Affidavit of Readiness for Hearing and the date the case is heard, and 22 days between the closing of the hearing record and the issuance of the Decision and Order [D&O]).
- ◆ **Prevailing Party:** In the vast majority of workers' compensation cases, the State is not a party and has no independent interest. The dispute is normally between the employer/insurer and the injured worker.
- ◆ **Contract or "In-house" Hearing Officers:** All hearings are conducted by division staff, sitting with members of the Alaska Workers' Compensation Board. On occasion contract hearing officers are used when a conflict of interest exists or there is a need to fill in because of an excess caseload.
- ◆ **Other Duties:** The Chief of Adjudications supervises other hearing officers and compensation officers, in addition to chairing some hearings and writing decisions. Hearing officers may work on regulations needing clarification.
- ◆ **Agency Representation at Hearings:** All hearings are before a Workers' Compensation Board panel, which consists of a hearing officer acting as the commissioner of Labor and Workforce Development's designated representative, a representative of labor, and a representative of industry. The commissioner's designee serves as chair of the panel.
- ◆ **Decisions and Review:** The hearing officer conducts any necessary research and drafts a proposed decision for the panel, which makes the final decision. Parties may ask for reconsideration by the panel and/or appeal to Superior Court.

*Table 10, continued*

- ◆ **Written Decisions and Public Information:** Decisions are public information. Copies are available in the office, at the law library, on Westlaw, and on the department's website (decisions from 1988 to the present).
- ◆ **Governing Statutes and/or Regulations:** Hearings under the Alaska Workers' Compensation Act are found at AS 23.30.110 et seq. Regulations concerning proceedings before the Alaska Workers' Compensation Board are found at 8 AAC 45 and 8 AAC 46.

Source: Paul Grossi, Director, Division of Workers' Compensation, (907) 465-6046.

**Table 11: Department of Labor, Division of Labor Standards and Safety**

- ◆ **Positions:** There are no division staff positions for Hearing Officers; however, the department contracts for hearing officer services for Occupational Safety and Health (OSH) appeals. In OSH Review Board cases in which a state agency is the employer, an AK-OSH investigator will act as hearing officer. Wage & Hour investigators are trained as hearing officers and can act as such when required; however, the division contracts for W&H hearing officer services.
- ◆ **Qualifications—Law Degree and Experience:** Law degrees are not required for hearing officers; however, contractors for the OSH Review Board must have at least two years' experience with specialized Alaska and federal occupational safety and health law, as well as at least two years' experience as a hearing officer. Incumbent has 14 years' experience as the OSH Review Board hearing officer, and is an attorney with 23 years' experience prosecuting OSH and other employment-related cases. Wage and Hour cases require a specialized knowledge of Alaska Wage and Hour law.
- ◆ **Types of Cases:** OSH—appeals of citations and penalties assessed for violations of the Occupational Safety and Health Act. Wage & Hour—Cases include dispute of fact or law (Public Sector—Little Davis Bacon Prevailing Wage), debarment hearings (contractors having disregarded obligations to employees may be "debarred" from future public construction contracts for up to 3 years), and employment preference hearings.
- ◆ **Number of Hearings:** OSH—Hearings are often settled; however, the average for the past five years is 13 cases per year. Wage & Hour—The average number of dispute of fact hearings is 2-3 per year. Employment preference and debarment hearings are very infrequent with years elapsing between cases.
- ◆ **Average Length of Time Required:** OSH—Hearings from beginning to end can be one month to two or more years, with the average for the last five years being 13 months. W&H—Every effort is made to settle W&H cases; some are lengthy and take years to resolve, others are resolved in a year or so.
- ◆ **Prevailing party:** OSH review board cases—In 12 of the last 15 decisions, the State prevailed; however, some cases are dismissed, some are modified or partially dismissed, and in some cases, violations are reduced. W&H cases—The department prevailed 50 percent of the time in W&H cases for the past years.
- ◆ **Contract or "In-house" Hearing Officers:** The same contractor provides hearing officer services for the Occupational Safety and Health Board and for the Wage and Hours Section.
- ◆ **Agency Representation at Hearings:** OSH—An assistant attorney general routinely represents the department except when a state agency is the employer; in those cases, AK-OSH staff must represent the department. W&H—A representative of the division will normally attend a hearing. An investigator will be the advocate for the department presenting the case or assisting the advocate.

*Table 11, continued*

- ◆ **Decisions and Review:** *OSH cases*—The OSH Review Board makes decisions after hearings and on dispositive motions. The hearing officer is the delegated authority to decide non-dispositive and procedural motions. *W&H Cases*—The hearing officer prepares a recommended decision for review by the division director. From the date of the final agency decision, a party has 30 days to appeal to the Superior Court.
- ◆ **Written Decisions and Public Information:** Decisions are written and mailed to all interested parties. They are also available through the division.
- ◆ **Governing Statutes and/or Regulations:** *OSH*—AS 18.60.010 through AS 18.60.105, and 8 AAC 61.160-61.220. *Wage & Hour*—Employment Preference, AS 36.10.210; Title 36 Little Davis Bacon—AS 23.05.060, AS 36.10.075, AS 36.10.120, AS 36.05.030; Hearings, 8 AAC 30.100 and 8 AAC 30.110; Debarment, AS 23.050-060; 36.05.030; AS 36.05.090, and 8 AAC 30.200-.240.

Source: Robert Landau, Hearing Officer (907) 272-2266.

**Table 12: Department of Labor, Division of Vocational Rehabilitation**

- ◆ **Positions:** *Disability Determination Services:* One part-time Disability Hearing Officer, range 19, for Disability Determination Services (DDS), at 420 hours per year in FFY 02. *Vocational Rehabilitation Client Services:* By state and federal law, Vocational Rehabilitation Client Services must randomly select from a list of qualified attorneys maintained by the division to contract for impartial hearing officer services. The division and the State Rehabilitation Council (the governor's committee on employment and rehabilitation of individuals with disabilities) must identify hearing officers included on the list.
- ◆ **Qualifications:** *Disability Determination Services:* Three years of professional experience in reviewing and adjudicating Social Security and Supplemental Income disability insurance claims.
- ◆ **Types of Cases:** *Disability Determination Services:* Continuing disability review with cessation of benefits. Under Social Security Act, DDS must provide pre-hearing review prior to Administrative Law Judge appeal by Social Security Administration. *Vocational Rehabilitation Client Services:* Individuals served by the Division of Vocational Rehabilitation who are dissatisfied with any determination made by personnel of the division that effects the provision of vocational rehabilitation services.
- ◆ **Number of Hearings:** *Disability Determination Services:* 42 in FFY 02. *Vocational Rehabilitation Client Services:* The division emphasizes informal resolution of complaints. An informal review is conducted by an administrator of the division who nearly always resolves the matter. Mediation is also an option under the federal regulations. Full hearings are rare: there has been only one such hearing since FY 00.
- ◆ **Average Length of Time Required:** *Disability Determination Services:* 10 hours per review—includes reviewing the file, conducting the hearing, and writing the decision. *Vocational Rehabilitation Client Services:* Federal Regulation requires the hearing to be held within 60 days of the request; findings and the written decision must be provided to the individual within 30 days of the completion of the hearing.
- ◆ **Prevailing Party:** *Disability Determination Services:* The State is not a party in these cases. The dispute is between the claimant for disability benefits and the Social Security Administration. *Vocational Rehabilitation Client Services:* The State prevailed in the one case heard in the last three years.
- ◆ **Contract or "In-house" Hearing Officers:** *Disability Determination Services:* Currently, all hearings are conducted by the part-time hearing officer employed by the division; however, consideration is being given to contracting the hearings due to the expertise required and the minimum amount of time required. Retired, experienced, trained DDS hearing officer/adjudicators are available. *Vocational Rehabilitation Client Services:* All hearings are conducted by contracted hearing officers trained by the division with the help of national Rehabilitation Continuing Education Programs.

Table 12, continued

- ◆ **Other Duties: Disability Determination Services:** As hearings are only part time duties, the experienced adjudicator also performs duties as a disability adjudicator.
- ◆ **Agency Representation at Hearings: Disability Determination Services:** The part time DDS hearing officer is the agency representative. Attorneys or family members frequently represent claimants. **Vocational Rehabilitation Client Services:** The chief of Rehabilitation Services represents the division with help from an attorney from the Department of Law. A representative from the client assistance program may represent the individual.
- ◆ **Decisions and Review: Disability Determination Services:** The hearing officer conducts a file review, meets with the claimant, and writes a decision. Appeals are to the to an administrative law judge with the Social Security Administration. **Vocational Rehabilitation Client Services:** The contracted impartial hearing officer presides over the hearing with evidentiary rules applicable. A written decision is provided to the individual. Decisions are final; appeals are to the Superior Court.
- ◆ **Written Decisions and Public Information: Disability Determination Services:** All information is confidential under the Social Security Act. **Vocational Rehabilitation Client Services:** All information is confidential under the Rehabilitation Act of 1973 as amended.
- ◆ **Governing Statutes and/or Regulations: Disability Determination Services:** Social Security Act, section 205(b); 20 CFR 404.900-404.922, 404.992, 404.993, 404.1546, 416.946, 416.1400-416.1422, 416.1492, and 422.140. **Vocational Rehabilitation Client Services:** AS 23.15.010-23. The Rehabilitation Act of 1973 as amended in 1998—Title IV(I), P.L. 105-220, "The Workforce Investment Act." 34 CFR 361.57, and 8 AAC 98.510-550.

Sources: Sandra Kelley, chief, Disability Determination Service, (907) 777-8109; and David Quisenberry, acting director, Division of Vocational Rehabilitation, (907) 465-6931.

**Table 13: Department of Natural Resources,  
Division of Mining, Land & Water**

An appeal to DNR is typically a request that the commissioner review the work of subordinates to determine whether the commissioner's judgment applied to the facts would revise the answer. This question is almost never suited to a hearing officer, and so, it is no surprise that DNR holds very few hearings. What the department terms a "hearing officer" or "appeals officer" does very different work than in other agencies. It is usually someone skilled in working through the case to identify the issues involved for review by the commissioner.

This description of appeals within the Division of Mining, Land and Water is based on new reporting techniques implemented in the past seven months.

- ◆ **Positions:** Appeals Officer (Natural Resource Specialist III), range 18, classified. However, the first draft of almost every appeal decision is assigned to other division staff members, based on area of expertise. In addition, the division director, deputy commissioner, and commissioner have acted as hearing officers in a few cases.
- ◆ **Qualifications—Law Degree and Experience:** A law degree is not required. The minimum qualifications for a Natural Resource Specialist III are at least two years of journey level professional experience in natural resource management or a master's degree from an accredited institution in a natural resource field, law, public administration, planning, or economics. The incumbent has over 20 years' experience with the department.
- ◆ **Types of Cases:** State's best interest findings resulting in disposition of interest in State lands, or decision permitting the use of State lands—grazing leases, tideland leases, land conveyances, forest lands, surface mining, etc.
- ◆ **Number of Hearings and Appeals:** Approximately one oral hearing per year. Approximately 56 appeals per year.
- ◆ **Average Length of Time Required:** Median time to complete appeals is 51 days; mean (average) time to complete appeals is 6 months. Oral hearings are rarely held—they are discretionary. Because oral hearings are expensive and can cause long delays, they are only held when they are the best way to resolve a factual controversy, which is hardly ever the case. Approximately 11 hearings have been held in the last 11 years. In three cases, a contract hearing officer was hired; a division staff person handled one case; a staff person from another division handled one case; the division director acted as a hearing officer in two cases; the deputy commissioner handled one case; and the commissioner acted as the hearing officer for three cases.
- ◆ **Prevailing Party:** The State prevails in approximately 67 percent of the cases. The remaining appeals are granted, granted-in-part, or remanded back to the office that issued the original decision.

Table 13, continued

- ◆ **Contract or "In-house" Hearing Officers:** All appeals are handled by division staff. In the case of the approximately one oral hearing per year, a contract hearing officer handled the hearings on three occasions for 30 percent of the cases over the last 11 years.
- ◆ **Other Duties:** The appeals officer has other natural resource duties but mostly administers the division's appeal process in addition to finalizing draft appeal decisions (track incoming appeals, notify the appellant that the appeal has been received, assign the first draft of a decision to an appropriate staff person, draft some decisions). Other division staff members who draft appeal decisions all have other natural resource duties as their primary responsibility: land management, mineral management, water management, surveying, property appraisal, land planning, and land title tasks.
- ◆ **Agency Representation at Hearings:** In the approximately one oral hearing held per year, staff represents the division. The hearing officer does not serve as an advocate, but as a neutral party.
- ◆ **Decision and Review:** Appeals are only to the commissioner. Division staff members draft decisions for the approval of the commissioner; the commissioner makes the decision. Appellants may appeal the commissioner's decision to the Superior Court.
- ◆ **Written Decisions and Public Information:** All decisions are written and are public information as part of the State's public land records (unless they qualify for confidentiality under AS 38.05.035(a)(9), which is rarely the case). Any member of the public may inspect these records during normal business hours at the department's offices, or purchase a copy for 25 cents per page.
- ◆ **Governing Statutes and/or Regulations:** 11 AAC 02; AS 27.21.150, AS 27.21.240 (coal surface mining reclamation program); AS 41.17.082, AS 41.17.136-143 (Forest Practices Act); AS 38.05.065(d).

Source: Greg Curney, Natural Resource Specialist III, (907) 269-8510.

**Table 14: Department of Natural Resources,  
Division of Forestry**

- ◆ **Positions:** The two Division of Forestry Regional Foresters act as hearing officers for Forest Resources and Practices Act (FRPA) appeals. The Northern Region forester handles appeals on decisions made within the Coastal Region; the Coastal Region forester handles appeals on decisions made within the Northern Region. Both are full-time, classified, Forester IV positions, range 22. Hearing officer duties are only a small part of their responsibilities.
- ◆ **Qualifications—Law Degree and Experience:** The incumbents in these positions have 3.5 years' (Northern Region) and 4 years' (Coastal Region) experience. Both incumbents have many years of experience in forest management in Alaska prior to holding their current position. These positions require a degree in forestry, but not a law degree. Both are trained as foresters, and neither has formal law training. The Department of Law has provided some training to the hearing officers in a formal session as well as through ongoing consultation on individual appeals and hearings. Hearing officers are expected to have a thorough knowledge of the FRPA and of forestry practices appropriate to the area under appeal.
- ◆ **Types of Cases:** FRPA appeals address implementation and enforcement actions on private, municipal, and trust land rather than state land.
- ◆ **Numbers of Hearings and Appeals:** Most forest practices issues are resolved without the need for a formal hearing process. As such, hearings are relatively rare. During 2000, there was 1 FRPA hearing and the decision was appealed. Since that time, there have been no hearings. The 2000 case required 62.5 hours of work by the hearing officer.
- ◆ **Average Length of Time Required:** Under pertinent statutory provisions, the state forester must immediately refer a matter to a hearing officer for determination of the validity of a stop work order. The hearing officer must consider any arguments and evidence presented by the respondent within 5 workdays after receipt of the stop work order and must make an immediate decision sustaining or reversing the order. The respondent can request the commissioner to reconsider the hearing officer's decision. This process must be completed within 30 days. Most cases—95 percent—are completed within this 5 day plus 30 day timeline. If the commissioner orders additional administrative review, such as additional fieldwork to gather information, the process could take up to twelve months to complete.
- ◆ **Prevailing Party:** The state prevailed in the last case.
- ◆ **Contract or "In-house" Hearing Officers:** All hearings are conducted by in-house personnel.
- ◆ **Other Duties:** Hearing officer duties constitute only a very small part of the responsibilities for FRPA hearing officers. The regional foresters are responsible for implementation of the forest management, fire management, and forest practices programs in their regions.

*Table 14, continued*

- ◆ ***Agency Representation at Hearings:*** An attorney from the Office of the Attorney General represents the Division of Forestry and works closely with a prosecution coordinator, and various Regional and Central Office staff members. The hearing officer is not acting as the division's representative and must "fully and impartially represent the interests of the state and the respondent." The hearing officer does not participate in preparation of the division's case.
- ◆ ***Decisions and Review :*** A decision by a hearing officer or by the commissioner under constitutes final agency action. A party may ask the commissioner to reconsider a hearing officer's decision, or appeal directly to Superior Court.
- ◆ ***Written Decisions and Public Information:*** Hearing officer decisions are written, and final decisions are public information. A member of the public may obtain a copy by submitting a request to the Division of Forestry.
- ◆ ***Governing Statutes and/or Regulations:*** Enforcement decisions under the Forest Resources and Practices Act (FRPA) are subject to the appeal and hearing process established by the Act in AS 41.17.131-.143 and 11 AAC 95.250. This process is specifically separate from the process under the Administrative Procedure Act (AS 41.17.139[a]).

Source: Martha Welbourn Freeman Natural Resource Manager IV/Forest Resources Program Manager, (907) 269-8473.

**Table 15: Department of Natural Resources, Division of Oil and Gas**

- ◆ **Positions:** The Division of Oil and Gas manages the state's oil and gas resources with a permanent staff of 55, consisting of highly specialized technical experts schooled as petroleum geologists, petroleum geophysicists, petroleum engineers, petroleum land managers, attorneys, petroleum economists, accountants, and natural resource specialists, who are assigned to five sections: resource evaluation, leasing and licensing, commercial, royalty accounting, and lease, permit and unit administration. All of these sections are involved with drafting some type of agency decision.
- ◆ **Qualifications—Law Degree and Experience:** A law degree is not required. Division staff members who handle oil and gas appeals have a variety of specialized experience. Most have advanced degrees and experience in petroleum geology, geophysics, engineering, and/or economics. Two staff members have law degrees with specializations and/or experience in natural resources law (the deputy director, who is also a lawyer with almost 15 years' experience in oil and gas issues, does not typically work on appeal decisions). The Department of Law provides assistance with all appeals and reconsideration decisions.
- ◆ **Types of Cases:** Permitting, reconsiderations of competitive oil and gas best interest findings, licensing, Alaska Coastal Management Plan consistency determinations, unitization decisions (expansions, contractions, formations, terminations), discovery royalty, royalty reduction, and termination of leases.
- ◆ **Contract or "In-house" Hearing Officers:** Most appeals have been handled "in-house" by a hearing officer who is qualified to understand the technical aspects of the facts or law involved but who did not take part in the original decision. In some cases, the commissioner may decide to sit as the hearing officer.
- ◆ **Other Duties:** All individuals that serve as decision makers on appeals have other duties as their primary responsibility: petroleum geologists, petroleum geophysicists, petroleum engineers, petroleum economists, lease sales manager, permitting manager, petroleum land manager, natural resource specialists.
- ◆ **Agency Representation at Hearings:** In an oral hearing, division staff represents the agency. The hearing officer or decision maker is a neutral party and does not serve as an advocate. If requested by the hearing officer, an attorney from the Department of Law attends the hearing and provides any procedural advice.
- ◆ **Decision and Review:** Professional staff from the appropriate section will draft a decision for either the director to sign or for the director and commissioner to cosign. Those decisions which only the director signs may be appealed to the commissioner. Once the commissioner makes a decision on the appeal, it is a final decision for purposes of appeal to the Superior Court. For division decisions that are co-signed by the director and the commissioner, the appropriate review is a request for reconsideration made to the commissioner. A decision on reconsideration is a final decision for purposes of appeal to the Superior Court. Some oil and gas decisions such as best interest findings on royalty-in-kind sales are made by the commissioner and ratified by the Legislature.

*Table 15, continued*

- ♦ ***Written Decision and Public Information:*** All Division of Oil and Gas decisions are written. In accordance with AS 38.05.035(9)(C) and (D), geological, geophysical, and engineering data, as well as cost and financial data, are confidential. Many written decisions made by the division contain confidential information. Decisions regarding administration of oil and gas leases and licenses, permitting decisions, and best interest findings for competitive oil and gas lease sales are examples of decisions that do not contain confidential information and are open to the public.
- ♦ ***Governing Statutes and Regulations:*** AS 38.05.035 and 11 AAC 02.

Source: Marie Crosley, Natural Resource Specialist V, (907) 269-8802.

**Table 16: Department of Revenue, Office of the Commissioner**

- ◆ **Positions:** One Revenue Hearing Examiner II, range 24, and two Revenue Hearing Examiner Is, range 22. All three are fulltime, partially exempt positions.
- ◆ **Qualifications—Law Degree and Experience:** Law degrees are not required by statute, but the Department policy has always been to hire lawyers for hearing officer positions. All three incumbents are licensed attorneys with several years' experience practicing law. Incumbents have been in their current positions from approximately two and a half to seven years.
- ◆ **Types of Cases:** Oil & gas taxes, child support, permanent fund dividend, gaming, unclaimed property, State Assessment Review Board (oil and gas property assessment appeals—see AS 43.56.210 [7]).
- ◆ **Number of Hearings:** During 2002, hearing examiners received approximately 887 cases and issued approximately 725 substantive decisions (less substantive decisions occur when parties withdraw, settle, or cases are remanded to a lower level).
- ◆ **Average Length of Time Required:** *Permanent Fund Dividend* appeals: approximately 90 days. *Child Support* appeals: approximately 60 days. *Tax, gaming, and unclaimed property* appeals: about 120 days. These time frames include the time before the actual hearing, used for scheduling, sending notice to the parties, pre-hearing conferences and orders relating to matters such as discovery and dispositive motions. *State Assessment Review Board* appeals (oil & gas property assessment appeals) are scheduled for the board's annual meeting, a few weeks after the deadline for filing appeals. The hearings are completed in a few days, and decisions are issued within 10 days after the hearing.
- ◆ **Prevailing Party:** The *Permanent Fund Dividend Division* prevails in about 60 percent of its cases. (A large percentage of these cases are disposed of by motions because the applicant is disqualified as a matter of law, based on the undisputed facts of the case.) In *child support* cases, the division's administrative order is upheld only about 40 percent of the time. This is because new income information usually becomes available after the parties appeal. *Tax, gaming, and unclaimed property* cases usually settle under the hearing officer's supervision, so both parties prevail in most cases. In cases that actually go to hearing, the State prevails over 90 percent of the time. *State Assessment Review Board* cases are more complex—the State may be only one of three potential parties (the State, the taxpayer, and any affected municipality)—but the State prevails about 70 percent of the time. In 2001, for example, the board heard only one appeal, but it was an appeal of the assessed valuation of the entire Trans Alaska Pipeline System. Values argued by the parties ranged from \$2.1 billion to \$5.8 billion. The Board rejected the state's assessed valuation of \$2.75 billion, and ordered that the property be assessed at \$3.1 billion. None of the parties prevailed on all their litigation positions.
- ◆ **Contract or "In-house" Hearing Officers:** *Hearing section* staff handle about 95 percent of the cases; contract hearing officers do about 5 percent of the work. The Office of Tax Appeals in the Department of Administration has been contracted with in the past to take some oil & gas tax appeals.

**Table 16, continued**

- ◆ **Other Duties:** The senior hearing examiner supervises the other hearing examiners and support staff and also serves as the legal counsel for the State Assessment Review Board, which hears appeals of oil and gas property tax assessments. In this capacity, the hearing examiner advises the board and drafts the board's decision for the chair's signature. The hearing section also provides paralegal and clerical support for the board. The senior hearing examiner also serves as the ethics supervisor for the Department of Revenue. Hearing examiners provide comments on language in draft regulations and may provide recommendations to clarify ambiguous language. Hearing examiners meet regularly with agency staff to try to improve the administrative appeals process by making it more efficient and easier for members of the public to understand and to participate.
- ◆ **Agency Representation at Hearings:** The agency is generally represented at child support and permanent fund dividend hearings, but not by attorneys. An auditor or an attorney with the Tax Division generally represents the state in gaming appeals. Two assistant attorneys general usually represent the state at State Assessment Review Board appeals.
- ◆ **Decisions and Review:** The hearing officers write proposed decisions for review by the commissioner or his/her designated representative. The senior hearing examiner has, in cases other than gaming and unclaimed property, the delegated authority to adopt decisions for the commissioner. Parties may appeal final decisions to the Superior Court.
- ◆ **Written Decisions and Public Information:** Parties are sent copies of decisions, but child support, permanent fund dividend, and oil and gas property tax decisions are confidential. Decisions by the State Assessment Review Board and gaming and unclaimed property decisions are public. Copies may be obtained at the division.
- ◆ **Governing Statutes and/or Regulations:** Department of Revenue hearing procedures are codified at 15 AAC 5.010-050; child support matters are governed by AS 25.27 and 15 AAC 125; permanent fund dividend matters are under AS 43.23.005-095 and 15 AAC 23; oil and gas exploration, production and pipeline transportation property tax is at AS 43.56 and 15 AAC 56.015-040. Gaming is at AS 5.15 and 15 AAC 160.

Source: Mark Handley, Revenue Hearing Examiner II, (907) 465-3752.

**Table 17: Department of Transportation & Public Facilities,  
Office of the Commissioner**

- ◆ **Position:** Chief Contracts Officer, Range 23, classified position; approximately 20 percent of the position's duties involve protest and claim appeals, including administering hearing officer services contracts.
- ◆ **Qualifications—Law Degree and Experience:** A law degree is not required for the position, and the incumbent does not have one. But, he does have 20 plus years' experience in government procurement, contracting, and contract dispute resolution.
- ◆ **Types of Cases:** Disputes relating to bid procedures, bid/contract language, contract awards, contract performance, etc.
- ◆ **Number of Hearings:** Approximately six appeals per year go to hearing. In addition, an additional 6 appeals per year are adjudicated via an appeals officer directed decision (AOD).
- ◆ **Average Length of Time Required:** Complex hearings typically average 300 days to adjudicate.
- ◆ **Prevailing Party:** For the 10-year period of 1992 through September 12, 2002, 63 construction-related (claim & protest) appeals were directed to hearing. (This does not include those appeals receiving a directed decision). Of the 63 appeals, 33 were claims, 26 were protests, and 4 were in the lease category. In regard to resolution, 15 were settled by mutual agreement before a hearing was started; 43 were adjudicated through the hearing process or, in some instances, partially heard (i.e., settlement was reached during the hearing process); as of Sept. 11, 2002, 5 appeals were still before hearing officers. Of the 43 appeals adjudicated through the formal hearing process, 11 were resolved in appellate court as follows: 1 was remanded for settlement; the State prevailed on 10 (i.e., the original administrative decision of the department, after the hearing, was upheld).
- ◆ **Contract or "In-house" Hearing Officers:** The chief contracts officer does not act as the hearing officer in the administrative hearing. An attorney or other qualified professional with experience in construction-related protest or claim adjudication, as determined by the chief contracts officer, typically serves as the hearing officer. The chief contracts officer solicits for the hearing officer and administers all of the department's construction-related hearing officer services contracts.
- ◆ **Other Duties:** The chief contracts officer also administers certain construction related contracts and special procurement requests; provides various assistance and training; supervises subordinate staff members; prepares fiscal notes and position papers; and ensures compliance with department policies and procedures and state and federal laws and regulations.
- ◆ **Agency Representation at Hearings:** As an assist to the appeals officer, the chief contracts officer is instrumental in reviewing and applying case law to appeals adjudicated without the hearing process. He is also responsible for establishing and maintaining the guidelines under which the hearing is held.

*Table 17, continued*

- ◆ **Decisions and Review:** A hearing officer's decision is a recommendation for consideration. After review and recommendation by the chief contracts officer of the hearing officer's decision, the appeals officer can adopt, modify, remand for further consideration, or reject the decision for good cause. Either party to the appeal may then elevate their appeal to the Superior Court.
- ◆ **Written Decisions and Public Information:** All administratively adjudicated decisions are written. Parties are sent copies of final decisions, which are public documents.
- ◆ **Governing Statutes and/or Regulations:** The administrative adjudication of construction-related hearings is governed by the State Procurement Code (AS 36.30). Under AS 36.30.670(b), the provisions of the Administrative Procedure Act do not apply to hearings conducted under this chapter.

Source: Mark O'Brien, Chief Contracts Officer, (907) 465-6990.

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We hope you find this information to be useful. Please contact us if you have questions or need additional information.

**Attachment A**

Memorandum from Mark Handley regarding the APA

# MEMORANDUM

## STATE OF ALASKA DEPARTMENT OF REVENUE

OFFICE OF THE COMMISSIONER

TO: Patricia Young  
Legislative Research Services

DATE: February 27, 2003

TELEPHONE: 465-3752

FROM: Mark T. Handley  
Senior Revenue Hearing Examiner

SUBJECT: Request for Information

You have asked for a brief explanation or history of why Department of Revenue administrative appeals are not governed by the Administrative Procedures Act (APA).

Appeals within the Department of Revenue are exempted from the administrative procedure act under AS 44.62.330(a).

### The Administrative Procedures Act (APA).

The APA adjudicative procedures are tailored for the types of appeal that are governed by the APA. These appeals can be characterized as appeals that are likely to be rare and involve complex issues surrounding an agency's decision to take away an important vested right such as an individual's livelihood, a doctor's license to practice, for example. These appeals are the equivalent of capital crime trials in the world of administrative adjudications. The APA process is very formal, expensive and complicated. Both the state and the appellant are usually represented by attorneys. The APA process is designed to ensure the maximum procedural protections for all parties, much more than is required for the resolution of most administrative disputes. This process is relatively difficult for members of the public and lay agency staff to understand. Parties who are un-represented will be at much more of a disadvantage in one of these proceedings than they would be in most non-APA adjudications.

The APA only applies to a few types of cases. These tend to be low volume complex cases that require little special subject matter expertise, but a high level of legal expertise, to hear and litigate. The procedures are designed for attorneys, who litigate and sit as hearing officers in APA Hearings. APA procedure is more similar to court procedure, the procedure that attorneys are familiar with and are comfortable using, than the less formal procedure used in administrative adjudications where the parties are un-represented and the hearing officers are not

process to be followed in each case. This is true for tax and non-tax cases. These rules allow the hearing officer to tailor the process to the individual case to ensure that it is both fair and efficient.

### **Evolution of the Department of Revenue Hearing Procedures**

Over the years, Revenue's administrative appeals caseload has shifted away from tax cases to a greater emphasis on permanent fund dividend, child support, and gaming appeals. The flexibility provided to the hearing officer at the formal hearing level, however, has allowed for the procedure in each of these types of cases to be tailored to the type of appeal without many changes in the regulations. Over the years the process has been steadily tweaked and fine-tuned by the hearing section with feedback from agencies and members of the public who participate in the process. The goal has been to make the process more efficient, less complicated, fairer and more accessible and understandable for the members of the public and agencies it serves. These parties are usually un-represented.

In CSED and PFD cases the informal conference has evolved into a quick internal agency review of the disputed agency action. This process ensures that someone other than the individual who made the original agency determination looks at the complaint, reviews the agency action and changes the determination if necessary. An agency review does not guarantee that a "conference" in the sense of a meeting between the parties takes place. With PFD and CSED, this step resolves a significant portion of the appeals. This is because either the agency corrects its determination or the member of the public decides not to appeal the agency determination after it has been explained in the administrative review decision.

Making this process more streamlined has helped to reduce both backlogs and the repetitive effort required by appellants. The current system is quicker and does not require the appellant to appear for two hearings to get a final order. This reduces the "wearing down effect" on appellants of the two-tiered appeals process, while maintaining its positive aspects.

These administrative reviews and informal conferences do not meet the due process requirements for a formal hearing, let alone an APA hearing, but this step reduces overall costs to both the agencies and the appellants. It is a simple review conducted by less expensive employees with very high caseloads. They succeed in significantly reducing the number of appeals that would otherwise require a formal hearing. Members of the public are well served by this system because many have their disputes resolved and their questions answered without having to take time off work to attend a formal hearing.

Appellants who do choose to go on to a full formal hearing still find the procedure to be fast, understandable, and user-friendly. The majority of PFD hearings, for example, seldom take more than 30 minutes, and a hearing officer might hear 8-10 cases in a day. In cases with limited issues, it is not uncommon for the hearing officer to explain the procedure, swear in the appellant, hear the testimony and cross-examination, and conclude the hearing in less than 15 minutes, with a written decision mailed at a later time. This level of efficiency could never be accomplished under the APA.

For example, in 2001 the State Assessment Review Board heard the appeal of the state's assessed valuation of the Trans-Alaska Pipeline System using non-APA procedures. The board was able to establish a procedure in the TAPS appeal that allowed the hearing to be scheduled less than 50 days after the notice of assessment and limited the hearing to three days. A final decision was issued less than ten days after the hearing. Tens of millions of dollars in annual tax liability were in dispute. There were eight attorneys representing the parties, thousands of pages of exhibits and at least six expert witnesses. In addition to establishing the procedure for the hearing, the board had to make several procedural rulings before and during the hearing. None of the parties appealed the board's decision, an indication that they were satisfied with the procedure. This case would not have been resolved as efficiently if the APA procedure had applied. The discovery issues alone would probably have taken several months to resolve.

#### Revenue's High Volume Caseload

CSED and PFD cases are the biggest part of the Hearing Section's workload. These cases tend to be much less complex than the type of appeals that follow APA procedures, although there are CSED and PFD cases that are very complex. Revenue procedures can be tailored to deal with these cases as efficiently as possible.

The PFD Division, for example, has developed a very strong motion practice, which is fairly unique in administrative appeals. In a large percentage of the cases the PFD Division files Motions to Dismiss or Motions for Summary Adjudication. This means that most cases that do not have merit can be decided without a hearing. In many other cases PFD applicants chose to conduct the hearing by correspondence. This allows the hearing officer to make factual determinations without an in-person or telephonic hearing.

Child support can be established or modified either in court or administratively. When child support is established or modified administratively, the hearing officer is filling a function served by Superior Court judges in divorce cases. The law that governs these cases is a court rule, Alaska Civil Rule of Procedure 90.3. This rule is the subject of a great deal of appellate case law. The rule places a great deal of responsibility on the judge or hearing officer applying the rule to balance conflicting equitable and legal principles to prevent injustice. The hearing officer really needs to be an attorney with expertise in family law.

In high-volume non-APA administrative hearings in departments other than the Department of Revenue, the hearing officer is often given much less discretion in establishing the procedure. This is often done so that non-attorney hearing officers with limited training can conduct hearings on a high volume basis, where there is not much at stake in the dispute, the issues are relatively simple, the hearing officer's authority to make substantive and procedural rulings is limited, and time is of the essence. Examples these would be DMV, public assistance, and unemployment cases.

This approach would not work as well with PFD or CSED cases. Alaskans view PFDs as an important right. It is one of the biggest benefits they receive as Alaskans. Because everyone