

STATEMENT OF PURPOSE

RS21348

This bill will provide a new and more neutral method for state agencies to appoint hearing officers in contested cases in which they are a party. It provides that the Department of Administration will create and maintain a register of hearing officers, that the Department will assign these hearing officers to contested cases, and that they will, as is presently the case, be paid from the funds of the agency in which the contested case originated. Hearing officer appointments will be made from the top of the register and, following appointment, the hearing officer assigned will go to the bottom of the register. The bill contains provisions for replacing hearing officers who are disqualified or who recuse themselves, and provides that hearing officers may appoint technical experts to assist them if the agency and the other parties to the contested case agree. The bill further provides that the Department of Administration will determine hearing officer compensation taking into account budgetary and other characteristics of the state agencies, and create a master hearing officer contract to be signed by each hearing officer on the register. The Department may promulgate rules, and will have until July 1, 2013 to implement the act. The bill does not apply to the appointment of hearing officers by the Department of Labor or the Department of Water Resources.

FISCAL NOTE

The Department of Administration estimates general fund start up costs to create the hearing officer register, prepare the master hearing officer contract and perform other necessary implementation tasks to be approximately \$10,000.00. The Department estimates its on going costs to administer the act to be approximately \$10,000.00 to \$12,000.00 per year. This cost should be offset to some extent because other agencies will no longer need to recruit and assign hearing officers to contested cases, particularly the Department of Health and Welfare which currently does about 1,000 cases per year. As for hearing officer compensation, State agencies already pay it from their budgets and this will not change. Some agencies presently paying hearing officers particularly low compensation rates might see some increases, but others now paying more might end up paying less.

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