SESSION OF 2002

SUPPLEMENTAL NOTE ON SUBSTITUTE FOR HOUSE BILL NO. 2488

As Recommended by House Committee on Judiciary

Brief*

Sub. for HB 2488 would make changes to the Kansas Administrative Procedure Act (KAPA) concerning state agencies and presiding officers, as follows.

Expansion of Responsibilities—Office of Administrative Hearings. The bill creates a new central Office of Administrative Hearings (OAH) within the Department of Administration. The bill also establishes a director of OAH. All powers and duties of the current office of administrative hearing and the Secretary of Administration would be transferred to OAH and the director. The OAH would provide for presiding officers to conduct administrative hearings. Presiding officers under the current setup and all support personnel involved with KAPA hearings will be transferred to OAH. All property and records will also transfer. In addition, all funds under the current system will transfer to OAH. These funds can only be used for the original purpose for which they were appropriated. These provisions are effective on July 1, 2006.

Phase in Provisions. Cabinet level agencies as well as small boards or commissions would be phased in under the new provisions each year. By fiscal year 2006, the OAH will become an independent agency within the executive branch of government.

Agencies Affected—Time Frame. The various agencies will come under the OAH as follows:

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org/cgi-bin/fulltext/bills.cgi

Year 1—Effective July 1, 2002

Department of Social and Rehabilitation Services Juvenile Justice Authority Department on Aging State Board of Pharmacy Board of Nursing Kansas Board of Examiners in Fitting and Dispensing of Hearing Aids Board of Examiners in Optometry Emergency Medical Services Board Kansas Dental Board Emergency Medical Services Council Kansas Human Rights Commission

Year 2—Effective July 1, 2003

Kansas Department of Wildlife and Parks Department of Revenue State Board of Veterinary Examiners Behavioral Sciences Regulatory Board Kansas Real Estate Commission Real Estate Appraisal Board State Board of Mortuary Arts State Board of Mortuary Arts State Board of Cosmetology Kansas Board of Barbering State Board of Technical Professions State Board of Tax Appeals

Year 3—Effective July 1, 2004

Department of Health and Environment State Board of Healing Arts Kansas Lottery Kansas Racing Commission Kansas State Banking Board State Department of Credit Unions Office of the Securities Commissioner of Kansas Kansas Public Employees Retirement System Board of Adult Care Home Administrators State Treasurer Board of Accountancy Pooled Money Investment Board

Year 4—Effective July 1, 2005

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Department of Agriculture, except water transfer hearings Department of Human Rights State Corporation Commission State Conservation Commission Kansas Water Office Agriculture Labor Relations Board Kansas Animal Health Department Citizens' Utility Ratepayer Board

Year 5—Effective July 1, 2006 All other KAPA hearings

Background

Supporters of the bill included a conferee from the Judicial Council, a Washburn University Law School Professor, and an auditor with Legislative Post Audit.

Opposition was expressed on behalf of the Kansas Department of Revenue and the Department of Agriculture. Informational material and concerns were voiced by the conferee from the OAH.

The revised fiscal note indicates that when the office of OAH includes all agencies that conduct KAPA hearings, the OAH would need to hire new staff in addition to those transferred. There is an immediate need to establish a consolidated office involving many new expenses in addition to issues regarding a new system of billing and funding.