As Amended by Senate Committee

Session of 2015

SENATE BILL No. 19

By Committee on Judiciary

1-13

 AN ACT concerning administrative procedure; relating to the Kansas administrative procedure act; Kansas judicial review act; amending K.S.A. 77-502, 77-545, 77-546, 77-548 and 77-613 and K.S.A.-2014
 2015 Supp. 77-519, 77-521 and 77-531 and repealing the existing sections.

7 Be it enacted by the Legislature of the State of Kansas:

8 Section 1. K.S.A. 77-502 is hereby amended to read as follows: 77-9 502. As used in this act:

(a) "State agency" means any officer, department, bureau, division,
board, authority, agency, commission or institution of this state, except the
judicial and legislative branches of state government and political
subdivisions of the state, which is authorized by law to administer, enforce
or interpret any law of this state.

(b) "Agency head" means an individual or body of individuals in
whom the ultimate legal authority of the state agency is vested by any
provision of law.

(c) "License" means a franchise, permit, certification, approval,
 registration, charter or similar form of authorization required by law for a
 person to engage in a profession or occupation.

(d) "Order" means a state agency action of particular applicability
 that determines the legal rights, duties, privileges, immunities or other
 legal interest of one or more specific persons.

24 (e) "Party to state agency proceedings," or "party" in context so 25 indicating, means:

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(1) A person to whom an order is specifically directed; or

(2) a person named as a party to a state agency proceeding or allowedto intervene as a party in the proceeding.

(f) "Person" means an individual, partnership, corporation,
association, political subdivision or unit thereof or public or private
organization or entity of any character, and includes another state agency.

(g) "Political subdivision" means political or taxing subdivisions of
 the state, including boards, commissions, authorities, councils,
 committees, subcommittees and other subordinate groups or administrative

units thereof, receiving or expending and supported in whole or in part by
 public funds;

3 (h) "Writing," "written," or "in writing" means any worded or 4 numbered expression that can be read, reproduced and later 5 communicated, and includes electronically transmitted and stored 6 information.

Sec. 2. K.S.A.-2014 2015 Supp. 77-519 is hereby amended to read as
follows: 77-519. (a) The presiding officer, at appropriate stages of the
proceedings, shall give all parties full opportunity to file pleadings,
objections and motions, including, but not limited to, motions to dismiss
and motions for summary judgment.

(b) The presiding officer, at appropriate stages of the proceedings,
 may give all parties full opportunity to file briefs, proposed findings of fact
 and conclusions of law and proposed initial or final orders.

15 (c) A party shall serve copies of any filed item on all parties, by mail 16 or any other means, *including electronic means, if the party to be served* 17 *has consented to service by electronic means,* prescribed by state agency 18 rule and regulation or by the presiding officer.

Sec. 3. K.S.A.-2014 2015 Supp. 77-521 is hereby amended to read as
follows: 77-521. (a) The presiding officer shall grant a petition for
intervention if:

(1) The petition is submitted in writing to the presiding officer, with
 copies-mailed to served upon all parties named in the presiding officer's
 notice of the hearing, at least three business days before the hearing;

(2) the petition states facts demonstrating that the petitioner's legal
rights, duties, privileges, immunities or other legal interests may be
substantially affected by the proceeding or that the petitioner qualifies as
an intervener under any provision of law; and

(3) the presiding officer determines that the interests of justice and
the orderly and prompt conduct of the proceedings will not be impaired by
allowing the intervention.

(b) The presiding officer may grant a petition for intervention at any time upon determining that the intervention sought is in the interests of justice and will not impair the orderly and prompt conduct of the proceedings.

(c) If a petitioner qualifies for intervention, the presiding officer may
impose conditions upon the intervener's participation in the proceedings,
either at the time that intervention is granted or at any subsequent time.
Conditions may include:

40 (1) Limiting the intervener's participation to designated issues in 41 which the intervener has a particular interest demonstrated by the petition;

42 (2) limiting the intervener's use of discovery, cross-examination and 43 other procedures so as to promote the orderly and prompt conduct of the 1 proceedings; and

(3) requiring two or more interveners to combine their presentations
 of evidence and argument, cross-examination, discovery and other
 participation in the proceedings.

5 (d) The presiding officer, at least one business day before the hearing, 6 shall issue an order granting or denying each pending petition for 7 intervention, specifying any conditions and briefly stating the reasons for 8 the order. The presiding officer may modify the order at any time, stating 9 the reasons for the modification. The presiding officer shall promptly give 10 notice of an order granting, denying or modifying intervention to the 11 petitioner for intervention and to all parties.

Sec. 4. K.S.A. 2014 2015 Supp. 77-531 is hereby amended to read as follows: 77-531. (*a*) Service of an order or notice shall be made upon the party and the party's attorney of record, if any, by:

15 (1) Delivering a copy of the order or notice to the person to be served 16 or by;

(2) mailing a copy of the order or notice to the person at the person'slast known address; or

(3) <u>sending</u> transmitting a copy of the order or notice to the person
 by electronic means, if such person has consented to service by electronic
 means.

22 (b) Service shall be presumed if the presiding officer, or a person 23 directed to make service by the presiding officer, makes a written certificate of service. Delivery of a copy of an order or notice means 24 25 handing the order or notice to the person or leaving the order or notice at the person's principal place of business or residence with a person of 26 27 suitable age and discretion who works or resides therein. Service by mail 28 is complete upon mailing. Service by electronic means is complete upon 29 transmission or as otherwise specified in the consent. Any consent to 30 electronic service shall specify when such service is complete. Whenever a 31 party has the right or is required to do some act or take some proceedings 32 within a prescribed period after service of a notice or order and the notice 33 or order is served by mail or *electronic means*, three days shall be added to 34 the prescribed period.

Sec. 5. K.S.A. 77-545 is hereby amended to read as follows: 77-545.
(a) This section applies to adjudicative proceedings before the state corporation commission.

(b) (1) After the commission has determined and announced that a hearing should be held, and prior to the issuance of a final order, no parties to the proceeding, or their counsel, shall discuss the merits of the matter or proceeding with the presiding officer unless reasonable notice is given to all parties who have appeared to enable the parties to be present at the conference.

1 (2) After the commission has determined and announced that a 2 hearing should be held, prior to the issuance of a final order, copies of any 3 written communications from any party regarding the proceeding that are 4 directed to the presiding officer shall be mailed to served upon all parties 5 of record and proof of service shall be furnished to the commission. 6 Communications requested by members of the commission staff from any 7 party and any written communications received by members of the 8 commission staff from any party shall be made a part of the file and the 9 docket and shall be made available to all persons who desire to use them, 10 provided that all commission requests for information from a party shall be mailed to served upon all parties of record. 11

(3) The person or persons to whom any ex parte communication has
been made shall promptly and fully inform the full commission of the
substance of the communication, and the circumstances thereof, to enable
the commission to take appropriate action.

16 (c) For purposes of this section, no member of the technical staff shall 17 be considered a party to any proceeding before the commission, regardless 18 of participation in staff investigations with respect to the proceeding or of participation in the proceeding as a witness. Since the purpose of the staff 19 20 is to aid the commission in the proper discharge of commission duties, the 21 presiding officers shall be free at all times to confer with any staff member 22 with respect to any proceeding. However, no facts that are outside the 23 record, and that reasonably could be expected to influence the decision in 24 any matter pending before the commission, shall be furnished to any 25 presiding officer unless all parties to the proceeding are likewise informed and afforded a reasonable opportunity to respond. Subsection (b) shall 26 27 apply to staff counsel in regard to any adjudicatory proceeding before the 28 commission.

(d) All letters and written communications that are received by the
presiding officer from members of the general public, and that are in the
nature of ex parte communications, shall be made a part of the file in the
docket and shall be made available to all persons who desire to see them.
The deposit of such written communications and letters in the file shall not
make them a part of the official record of the case.

Sec. 6. K.S.A. 77-546 is hereby amended to read as follows: 77-546. (a) This section applies to adjudicative proceedings before the commissioner of insurance concerning any rate, or any rule, regulation or practice pertaining to the rates over which the commissioner has jurisdiction and adjudicative proceedings held pursuant to the Kansas insurance holding companies act.

(b) (1) After the commissioner has determined and announced that a
hearing should be held, and prior to the issuance of a final order, no parties
to the proceeding, or their counsel, shall discuss the merits of the matter or

1 proceeding with the presiding officer unless reasonable notice is given to 2 all parties who have appeared to enable the parties to be present at the 3 conference.

4 (2) After the commissioner has determined and announced that a 5 hearing should be held, prior to the issuance of a final order, copies of any 6 written communications from any party regarding the proceeding that are 7 directed to the presiding officer shall be mailed to served upon all parties 8 of record and proof of service shall be furnished to the commissioner. 9 Communications requested by the commissioner's staff from any party and 10 any written communication received by the commissioner's staff from any party shall be made a part of the file and the docket and shall be made 11 12 available to all persons who desire to use them, provided that the 13 commissioner's requests for information from a party shall be mailed to all 14 parties of record.

(3) The person or persons to whom any ex parte communication has
been made shall promptly and fully inform the commissioner of the
substance of the communication, and the circumstances thereof, to enable
the commissioner to take appropriate action.

19 (c) For purposes of this section, no member of the commissioner's 20 technical staff shall be considered a party to any proceeding before the 21 commissioner, regardless of participation in staff investigations with 22 respect to the proceeding or of participation in the proceeding as a witness. 23 Since the purpose of the staff is to aid the commissioner in the proper 24 discharge of the commissioner's duties, the presiding officer shall be free 25 at all times to confer with any staff member with respect to any proceeding. However, no facts that are outside the record, and that 26 27 reasonably could be expected to influence the decision in any matter 28 pending before the commissioner, shall be furnished to any presiding 29 officer unless all parties to the proceeding are likewise informed and 30 afforded a reasonable opportunity to respond. Subsection (b) shall apply to 31 staff counsel who have participated in the proceeding in regard to any 32 adjudicatory proceeding before the commissioner.

(d) All letters and written communications that are received by the
presiding officer from members of the general public, and that are in the
nature of ex parte communications, shall be made a part of the file in the
docket and shall be made available to all persons who desire to see them.
The deposit of such written communications and letters in the file shall not
make them a part of the official record of the case.

Sec. 7. K.S.A. 77-548 is hereby amended to read as follows: 77-548. (a) This section applies to adjudicative proceedings before the director of taxation. Informal conferences held pursuant to K.S.A. 79-3226, and amendments thereto, shall not be deemed to be adjudicative proceedings for the purposes of this act. 1 (b) (1) After the director has determined and announced that a 2 hearing should be held, and prior to the issuance of a final order, no parties 3 to the proceeding, or their counsel, shall discuss the merits of the matter or 4 proceeding with the presiding officer unless reasonable notice is given to 5 all parties who have appeared to enable the parties to be present at the 6 conference.

7 (2) After the director has determined and announced that a hearing 8 should be held, prior to the issuance of a final order, copies of any written 9 communications from any party regarding the proceeding that are directed 10 to the presiding officer shall be-mailed to served upon all parties of record and proof of service shall be furnished to the director. Communications 11 12 requested by the director's staff from any party and any written 13 communication received by the director's staff from any party shall be 14 made a part of the file and the docket and shall be made available to all 15 persons who desire to use them, provided that the director's requests for 16 information from a party shall be-mailed to served upon all parties of 17 record

(3) The person or persons to whom any ex parte communication has
been made shall promptly and fully inform the director of the substance of
the communication, and the circumstances thereof, to enable the director
of any division within the department to take appropriate action.

22 (c) For purposes of this section, no member of the director's technical 23 staff shall be considered a party to any proceeding before the director, 24 regardless of participation in staff investigations with respect to the 25 proceeding or of participation in the proceeding as a witness. Since the 26 purpose of the staff is to aid the director in the proper discharge of the 27 director's duties, the presiding officer shall be free at all times to confer 28 with any staff member with respect to any proceeding. However, no facts 29 that are outside the record, and that reasonably could be expected to 30 influence the decision in any matter pending before the director, shall be 31 furnished to any presiding officer unless all parties to the proceeding are 32 likewise informed and afforded a reasonable opportunity to respond. 33 Subsection (b) shall apply to staff counsel who have participated in the 34 proceeding in regard to any adjudicatory proceeding before the director.

(d) All letters and written communications that are received by the
presiding officer from members of the general public, and that are in the
nature of ex parte communications, shall be made a part of the file in the
docket and shall be made available to all persons who desire to see them.
The deposit of such written communications and letters in the file shall not
make them a part of the official record of the case.

Sec. 8. K.S.A. 77-613 is hereby amended to read as follows: 77-613.
Subject to other requirements of this act or of another statute:

43 (a) A petition for judicial review of a rule and regulation may be filed

1 at any time, except as otherwise provided by law.

2 (b) If reconsideration has not been requested and is not a prerequisite 3 for seeking judicial review, a petition for judicial review of a final order 4 shall be filed within 30 days after service of the order.

5 (c) Except as provided in K.S.A. 77-631, and amendments thereto, if 6 reconsideration has been requested or is a prerequisite for seeking judicial 7 review, a petition for judicial review of a final order shall be filed: (1) 8 Within 30 days after service of the order rendered upon reconsideration, 9 unless a further petition for reconsideration is required under K.S.A. 66-10 118b, and amendments thereto; (2) within 30 days after service of an order denying the request for reconsideration; or (3) in proceedings before the 11 12 Kansas corporation commission, within 30 days of the date the request for 13 reconsideration is deemed to have been denied.

(d) A petition for judicial review of agency action other than a rule
and regulation or final order shall be filed within 30 days after the agency
action, but the time is extended:

17 (1) During the pendency of the petitioner's timely attempts to exhaust18 administrative remedies; and

(2) during any period that the petitioner did not know and was under
no duty to discover, or did not know and was under a duty to discover but
could not reasonably have discovered, that the agency had taken the action
or that the agency action had a sufficient effect to confer standing upon the
petitioner to obtain judicial review under this act.

(e) Service of an order, pleading or other matter shall be made upon
the parties to the agency proceeding and their attorneys of record, if any,
by:

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(1) Delivering a copy of it to them or by;

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(2) mailing a copy of it to them at their last known addresses; or

*sending*_transmitting a copy of it to them by electronic means
when authorized by supreme court rule or a local rule.

31 Delivery of a copy of an order, pleading or other matter means handing 32 it to the person being served or leaving it at that person's principal place of 33 business or residence with a person of suitable age and discretion who 34 works or resides therein. Service shall be presumed if the presiding officer, 35 or a person directed to make service by the presiding officer, makes a 36 written certificate of service. Service by mail is complete upon mailing. 37 Whenever a party has the right or is required to do some act or take some 38 proceedings within a prescribed period after service of an order, pleading 39 or other matter and it is served by mail or electronic means, three days 40 shall be added to the prescribed period. Unless reconsideration is a 41 prerequisite for seeking judicial review, a final order shall state the agency 42 officer to receive service of a petition for judicial review on behalf of the 43 agency.

SB 19—Am. by HC

1 Sec. 9. K.S.A. 77-502, 77-545, 77-546, 77-548 and 77-613 and 2 K.S.A.-2014 2015 Supp. 77-519, 77-521 and 77-531 are hereby repealed.

- 3 Sec. 10. This act shall take effect and be in force from and after its
- 4 publication in the statute book.