
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 413 Session of
2015

INTRODUCED BY ALLOWAY, FEBRUARY 12, 2015

REFERRED TO STATE GOVERNMENT, FEBRUARY 12, 2015

AN ACT

1 Amending Titles 2 (Administrative Law and Procedure), 4
2 (Amusements) and 13 (Commercial Code) of the Pennsylvania
3 Consolidated Statutes, extensively revising provisions on
4 practice and procedure of Commonwealth agencies; establishing
5 the Office of Administrative Hearings; extensively revising
6 provisions on judicial review of Commonwealth agency action;
7 making editorial changes; and making an appropriation.

8 The General Assembly of the Commonwealth of Pennsylvania
9 hereby enacts as follows:

10 Section 1. Sections 101 and 103 heading and subsection (a)
11 of Title 2 of the Pennsylvania Consolidated Statutes are amended
12 to read:

13 § 101. Definitions.

14 Subject to additional definitions contained in subsequent
15 provisions of this title which are applicable to specific
16 provisions of this title, the following words and phrases when
17 used in this title shall have, unless the context clearly
18 indicates otherwise, the meanings given to them in this section:

19 "Adjudication." Any final order, decree, decision,
20 determination or ruling by an agency affecting personal or
21 property rights, privileges, immunities, duties, liabilities or

1 obligations of any or all of the parties to the proceeding in
2 which the adjudication is made. The term does not include any
3 order [based upon a proceeding before a court or] which involves
4 the seizure or forfeiture of property, paroles, pardons or
5 releases from mental institutions.

6 "Adjudicative body." A Commonwealth agency comprised of a
7 board or commission which is authorized by law to conduct a
8 hearing and to issue an adjudication.

9 "Administrative appeal." An appeal from a subordinate
10 officer to an agency head or adjudicative board or commission.

11 "Administrative law judge." An individual appointed under
12 section 603(a) (relating to administrative law judges).

13 "Administrative proceeding." Any proceeding other than a
14 judicial proceeding, the outcome of which is required to be
15 based on a record or documentation prescribed by law or in which
16 law or regulation is [particularized in application to
17 individuals] applied to a party in a contested case. The term
18 includes an administrative appeal.

19 "Agency." A government agency.

20 "Agency action." Any of the following:

21 (1) An order.

22 (2) The failure to issue an order within a time required
23 by a statute other than this title or within a reasonable
24 time.

25 "Agency head." The individual in whom, or one or more
26 members of the body of individuals in which, the ultimate legal
27 authority of an agency is vested.

28 "Appeal." Includes proceedings on petition for review.

29 "Certified interpreter." A person who:

30 (1) is readily able to interpret; and

1 (2) either:

2 (i) is certified by the Department of Labor and
3 Industry in accordance with Subchapter C of Chapter 5
4 (relating to administrative proceeding interpreters for
5 persons with limited English proficiency); or

6 (ii) is certified by the Department of Labor and
7 Industry in accordance with Subchapter D of Chapter 5
8 (relating to administrative proceeding interpreters for
9 persons who are deaf) or is registered with the
10 department pursuant to the act of July 2, 2004 (P.L.492,
11 No.57), known as the Sign Language Interpreter and
12 Transliterator State Registration Act.

13 "Commonwealth agency." Any executive agency or independent
14 agency.

15 "Commonwealth government." The government of the
16 Commonwealth, including the courts and other officers or
17 agencies of the unified judicial system, the General Assembly,
18 and its officers and agencies, the Governor, and the
19 departments, boards, commissions, authorities and officers and
20 agencies of the Commonwealth, but the term does not include any
21 political subdivision, municipal or other local authority, or
22 any officer or agency of any such political subdivision or local
23 authority.

24 "Contested case." An administrative proceeding in which an
25 opportunity to be heard is required by law.

26 "Court Administrator of Pennsylvania." The court
27 administrator appointed by the Supreme Court under section 10(b)
28 of Article V of the Constitution of Pennsylvania and 42 Pa.C.S.
29 § 1901 (relating to Court Administrator of Pennsylvania).

30 "Deaf." An impairment of hearing or speech which creates an

1 inability to understand or communicate the spoken English
2 language.

3 "Department." The Department of Labor and Industry of the
4 Commonwealth.

5 "Executive agency." The Governor and the departments,
6 boards, commissions, authorities and other officers and agencies
7 of the Commonwealth government, but the term does not include
8 any court or other officer or agency of the unified judicial
9 system, the General Assembly and its officers and agencies, or
10 any independent agency.

11 "Final decision maker." The person with the power to issue
12 an adjudication.

13 "Final order." The order issued:

14 (1) by the agency head sitting as the presiding officer
15 in a contested case;

16 (2) following the agency head review of a recommended
17 order; or

18 (3) by the presiding officer when the presiding officer
19 has been delegated final decisional authority with no
20 subsequent agency head review.

21 "General rule." As defined in 42 Pa.C.S. § 102 (relating to
22 definitions).

23 "Government agency." Any Commonwealth agency or any
24 political subdivision or municipal or other local authority, or
25 any officer or agency of any such political subdivision or local
26 authority.

27 "Government unit." The General Assembly and its officers and
28 agencies, any government agency or any court or other officer or
29 agency of the unified judicial system.

30 "Hearing." An administrative proceeding on issues in which a

1 decision of the presiding officer may be made in a contested
2 case.

3 "Independent agency." Boards, commissions, authorities and
4 other agencies and officers of the Commonwealth government which
5 are not subject to the policy supervision and control of the
6 Governor, but the term does not include any court or other
7 officer or agency of the unified judicial system or the General
8 Assembly and its officers and agencies.

9 "Index." A searchable list of adjudications maintained by an
10 agency of the office under section 606 (relating to index of
11 adjudications).

12 "Interpret." Either one of the following:

13 (1) For purposes of Subchapter C of Chapter 5 (relating
14 to administrative proceeding interpreters for persons with
15 limited English proficiency), to convey spoken and written
16 English into the language of the person with limited English
17 proficiency and to convey oral and written statements by the
18 person into spoken English.

19 (2) For purposes of Subchapter D of Chapter 5 (relating
20 to administrative proceeding interpreters for persons who are
21 deaf), to convey spoken English in a manner understood by the
22 person who is deaf and to convey statements made by the
23 person who is deaf into English through, but not limited to,
24 American Sign Language and transliteration or the use of
25 computer-aided real-time captioning (CART) or similar
26 procedure.

27 "Interpreter." Includes both a certified interpreter and an
28 otherwise qualified interpreter.

29 "Judicial proceeding." An "action," "appeal" or "proceeding"
30 in any "court" of this Commonwealth as those terms are defined

1 in 42 Pa.C.S. § 102 (relating to definitions).

2 "Limited ability to speak or understand English." The
3 ability to speak exclusively or primarily a language other than
4 English and the inability to sufficiently speak or understand
5 English.

6 "Local agency." A government agency other than a
7 Commonwealth agency.

8 "Matter." Action, proceeding or appeal.

9 "Office." The Office of Administrative Hearings established
10 in section 601 (relating to establishment and function).

11 "Otherwise qualified interpreter." A person who:

12 (1) For purposes of Subchapter C of Chapter 5 (relating
13 to administrative proceeding interpreters for persons with
14 limited English proficiency):

15 (i) is readily able to interpret; and

16 (ii) has read, understands and agrees to abide by
17 the code of professional conduct for administrative
18 proceeding interpreters for persons with limited English
19 proficiency as established by the Department of Labor and
20 Industry in accordance with Subchapter C of Chapter 5.

21 (2) For purposes of Subchapter D of Chapter 5 (relating
22 to administrative proceeding interpreters for persons who are
23 deaf):

24 (i) is readily able to interpret;

25 (ii) is certified by the National Association of the
26 Deaf, the Registry of Interpreters for the Deaf or
27 similar registry; and

28 (iii) has read, understands and agrees to abide by
29 the code of professional conduct for administrative
30 proceeding interpreters for persons who are deaf as

1 established by the Department of Labor and Industry in
2 accordance with Subchapter D of Chapter 5.

3 "Party." Any person [who] that appears in a proceeding
4 [before an agency who] and has a direct interest in the subject
5 matter of [such proceeding] an agency action.

6 "Person." Includes a government unit [or an agency of the
7 Federal Government].

8 "Person who is deaf." A party or witness who is deaf.

9 "Person with limited English proficiency." A party or a
10 witness who has limited ability to speak or understand English.

11 "Presiding officer." An individual [appointed by an agency
12 to preside] who presides at an administrative proceeding.

13 "Proceeding." A formal or informal agency process commenced
14 or conducted by an agency.

15 "Recommended order." An order which:

16 (1) is issued by a presiding officer without final
17 decisional authority; and

18 (2) is subject to review by the agency head.

19 "Transliteration." To convey spoken or written English in an
20 English-based sign system and the process of conveying an
21 English-based sign system in spoken or written English.

22 "Witness." A person who testifies in a proceeding before an
23 agency.

24 § 103. [Administrative Agency Law.] Administrative Procedure
25 Act.

26 (a) General rule.--The provisions of Subchapter A of Chapter
27 5 (relating to practice and procedure of Commonwealth agencies)
28 and Subchapter A of Chapter 7 (relating to judicial review of
29 Commonwealth agency action) shall be known and may be cited as
30 the ["Administrative Agency Law."] Administrative Procedure Act.

1 * * *

2 Section 2. Subchapter A of Chapter 5 of Title 2 is amended
3 to read:

4 SUBCHAPTER A
5 PRACTICE AND PROCEDURE OF
6 COMMONWEALTH AGENCIES

7 [Sec.

8 501. Scope of subchapter.

9 502. Representation.

10 503. Discipline.

11 504. Hearing and record.

12 505. Evidence and cross-examination.

13 505.1. Interpreters for the deaf (Deleted by amendment).

14 506. Briefs and oral argument.

15 507. Contents and service of adjudications.

16 508. Notice to Department of Justice.

17 § 501. Scope of subchapter.

18 (a) General rule.--Except as provided in subsection (b),
19 this subchapter shall apply to all Commonwealth agencies.

20 (b) Exception.--None of the provisions of this subchapter
21 shall apply to:

22 (1) Proceedings before the Department of Revenue,
23 Auditor General or Board of Finance and Revenue, involving
24 the original settlement, assessment or determination or
25 resettlement, reassessment or redetermination, review or
26 refund of taxes, interest or payments made into the
27 Commonwealth treasury.

28 (2) Proceedings before the Secretary of the Commonwealth
29 under the act of June 3, 1937 (P.L.1333, No.320), known as
30 the Pennsylvania Election Code.

1 (3) Proceedings before the Department of Transportation
2 involving matters reviewable under 42 Pa.C.S. § 933 (relating
3 to appeals from government agencies).

4 (4) Proceedings before the State System of Higher
5 Education involving student discipline.

6 § 502. Representation.

7 Any party may be represented before a Commonwealth agency.

8 § 503. Discipline.

9 Any Commonwealth agency may, upon hearing and good cause
10 shown, preclude any person from practice before it.

11 § 504. Hearing and record.

12 No adjudication of a Commonwealth agency shall be valid as to
13 any party unless he shall have been afforded reasonable notice
14 of a hearing and an opportunity to be heard. All testimony shall
15 be stenographically recorded and a full and complete record
16 shall be kept of the proceedings.

17 § 505. Evidence and cross-examination.

18 Commonwealth agencies shall not be bound by technical rules
19 of evidence at agency hearings, and all relevant evidence of
20 reasonably probative value may be received. Reasonable
21 examination and cross-examination shall be permitted.

22 § 506. Briefs and oral argument.

23 All parties shall be afforded opportunity to submit briefs
24 prior to adjudication by a Commonwealth agency. Oral argument
25 upon substantial issues may be heard by the agency.

26 § 507. Contents and service of adjudications.

27 All adjudications of a Commonwealth agency shall be in
28 writing, shall contain findings and the reasons for the
29 adjudication, and shall be served upon all parties or their
30 counsel personally, or by mail.

1 § 508. Notice to Department of Justice.

2 Before notice of any hearing leading to an adjudication is
3 given by a Commonwealth agency (except the Pennsylvania Public
4 Utility Commission), the agency shall submit the matter to its
5 representative in the Department of Justice who shall pass upon
6 the legality of the proposed action or defense. Failure of the
7 agency to submit the matter to the department shall not
8 invalidate any adjudication.]

9 Sec.

10 501. Scope of subchapter.

11 502. Presiding officer.

12 503. Procedure.

13 504. Evidence.

14 505. Notice.

15 506. Emergency adjudication procedure.

16 507. Ex parte communications.

17 508. Absent parties.

18 509. Decisions and orders.

19 510. Reconsideration.

20 511. Stays pending appeal.

21 § 501. Scope of subchapter.

22 (a) Eligibility.--This subchapter applies to an
23 administrative proceeding by a Commonwealth agency.

24 (b) Notice and hearing.--No adjudication of a Commonwealth
25 agency shall be valid as to any person unless the person has
26 been afforded reasonable notice of a hearing and an opportunity
27 to be heard under this subchapter.

28 (c) Exceptions.--This subchapter does not apply to any of
29 the following:

30 (1) Proceedings before the Department of Transportation

1 involving matters reviewable under 42 Pa.C.S. § 933 (relating
2 to appeals from government agencies).

3 (2) Proceedings before the State System of Higher
4 Education involving student discipline.

5 § 502. Presiding officer.

6 (a) Eligibility.--A presiding officer must be one of the
7 following:

8 (1) An administrative law judge.

9 (2) An agency head.

10 (3) One or more members of an adjudicative body.

11 (b) Prior involvement.--

12 (1) This subsection applies to an individual who:

13 (i) at any stage in a matter subject to an
14 adjudication, has served as investigator, prosecutor or
15 advocate; or

16 (ii) is subject to the authority, direction or
17 discretion of an individual identified in subparagraph
18 (i).

19 (2) Except as set forth in paragraph (3), an individual
20 under paragraph (1) may not serve as the presiding officer in
21 an administrative proceeding related to the matter.

22 (3) An agency head who has participated in a
23 determination of probable cause or other preliminary
24 determination in an administrative proceeding may serve as
25 presiding officer or final decision maker in the
26 administrative proceeding unless a party demonstrates grounds
27 for disqualification under subsection (c).

28 (c) Disqualification.--

29 (1) Except as set forth in subsection (g), a presiding
30 officer or agency head is subject to disqualification for:

- 1 (i) bias;
2 (ii) prejudice;
3 (iii) financial interest;
4 (iv) violation of section 507 (relating to ex parte
5 communications); or
6 (v) any other factor which would cause a reasonable
7 person to question the impartiality of the presiding
8 officer or agency head.

9 (2) A presiding officer or agency head, after making a
10 reasonable inquiry, shall disclose to the parties any known
11 facts related to grounds for disqualification which are
12 material to the impartiality of the presiding officer or
13 agency head in the proceeding.

14 (d) Petition for disqualification.--

15 (1) A party must petition for disqualification of a
16 presiding officer or an agency head upon:

- 17 (i) notice that the individual will preside; or
18 (ii) discovering facts establishing a ground for
19 disqualification.

20 (2) The petition must state with particularity the
21 grounds on which it is claimed that a fair and impartial
22 hearing cannot be accorded or the applicable rule or canon of
23 practice or ethics that requires disqualification.

24 (3) The petition may be denied if the party fails to
25 exercise due diligence in requesting disqualification after
26 discovering a ground for disqualification.

27 (e) Decision on disqualification.--A presiding officer or an
28 agency head whose disqualification is requested shall decide
29 whether to grant the petition and state in a record facts and
30 reasons for the decision. The decision to deny disqualification

1 is not subject to interlocutory judicial review.

2 (f) Substitute presiding officer.--If a presiding officer is
3 disqualified or becomes unavailable, a substitute presiding
4 officer shall be appointed as required by law or, if no law
5 governs, by:

6 (1) the Governor if the original presiding officer is an
7 elected official; or

8 (2) the appointing authority if the original presiding
9 officer is an appointed official.

10 (g) Participation of agency head.--If participation of the
11 agency head is necessary to enable the agency to take action,
12 the agency head may continue to participate notwithstanding a
13 ground for disqualification or exclusion.

14 (h) Powers.--A presiding officer may do all of the
15 following:

16 (1) Regulate the course of hearings, including:

17 (i) the scheduling of hearings;

18 (ii) the recessing, reconvening and adjournment of
19 hearings; and

20 (iii) the conduct of parties, attorneys, witnesses
21 and others in attendance at a hearing.

22 (2) Administer oaths and affirmations.

23 (3) Issue subpoenas for witnesses and documents at
24 hearings or in discovery.

25 (4) Rule upon offers of proof and to receive evidence.

26 (5) Take or cause depositions to be taken.

27 (6) Hold appropriate conferences before or during
28 hearings.

29 (7) Dispose of procedural matters and motions.

30 (8) If the presiding officer is not the agency head:

1 (i) certify a question to the agency head for
2 consideration and disposition; and

3 (ii) submit final or recommended decisions under
4 section 509(a) (relating to decisions and orders).

5 (9) Impose sanctions for:

6 (i) misconduct at the hearing; or

7 (ii) a violation of procedural orders, including
8 subpoenas and orders for depositions and discovery.

9 (10) Take other action necessary or appropriate to the
10 discharge of the duties vested in a presiding officer,
11 consistent with the law under which the agency functions.

12 (i) Delegation.--

13 (1) An agency head or adjudicative body may delegate the
14 function of a presiding officer to an administrative law
15 judge.

16 (2) The delegation shall specify whether the
17 administrative law judge is authorized to issue a recommended
18 or a final order.

19 (3) The administrative law judge may not exercise any
20 authority required by law to be performed by the agency head
21 or adjudicative body.

22 § 503. Procedure.

23 (a) Scope of section.--This section does not apply to an
24 administrative proceeding under section 506 (relating to
25 emergency adjudication procedure).

26 (b) Notice.--

27 (1) An agency shall give notice to a person of any
28 agency action as to which the person has a right to a
29 hearing.

30 (2) The notice must:

1 (i) be in writing;

2 (ii) set forth the agency action; and

3 (iii) inform the person of the right, procedure and
4 time limit to file a pleading.

5 (c) Authority of presiding officer.--

6 (1) The presiding officer shall give all parties a
7 timely opportunity to present pleadings, motions and
8 objections.

9 (2) The presiding officer may give all parties the
10 opportunity to file:

11 (i) briefs;

12 (ii) proposed findings of fact and conclusions of
13 law; and

14 (iii) proposed recommended orders and final orders.

15 (3) The presiding officer, with the consent of all
16 parties, may refer the parties in an adjudication to
17 mediation or other dispute resolution procedure.

18 (d) Duty of presiding officer.--To the extent necessary for
19 full disclosure of all relevant facts and issues, the presiding
20 officer shall give all parties the opportunity to present the
21 party's case, including all of the following:

22 (1) Filing documents.

23 (2) Presenting evidence and argument.

24 (3) Examining and cross-examining witnesses.

25 (e) Conduct of hearing.--Except as otherwise provided by law
26 other than this title:

27 (1) Subject to paragraph (2), the presiding officer may
28 conduct all or part of an evidentiary hearing or a prehearing
29 conference by telephone, television, video conference or
30 other electronic means.

1 (2) The hearing may be conducted by telephone or other
2 method by which witnesses may not be seen only if:

3 (i) all parties consent; or

4 (ii) if directed by the presiding officer. The
5 presiding officer must consider whether the method will
6 impair the reliability of the determinations of the
7 credibility.

8 (3) Each party shall be given an opportunity to attend,
9 hear and be heard at the proceeding as it occurs.

10 (f) Open to public.--Except as otherwise provided in
11 subsection (g), a hearing shall be open to the public. A hearing
12 conducted by telephone, television, video conference or other
13 electronic means is open to the public if members of the public
14 have an opportunity to attend the hearing at the place where the
15 presiding officer is located or to hear the proceeding as it
16 occurs.

17 (g) Closed to public.--The presiding officer may close a
18 hearing to the public:

19 (1) on a ground on which a court could close a judicial
20 proceeding to the public; or

21 (2) under a statute other than this title.

22 (h) Representation.--

23 (1) A party may be represented by an attorney at law at
24 the party's expense.

25 (2) A party may be advised or accompanied by an
26 individual who is not an attorney at law.

27 (i) Hearing record.--

28 (1) The presiding officer shall ensure that a hearing
29 record is established. The hearing record must contain all of
30 the following:

1 (i) A recording of the administrative proceeding.

2 (ii) Notice of the administrative proceeding.

3 (iii) A prehearing order.

4 (iv) Any motion, pleading, brief, petition, request
5 and intermediate ruling.

6 (v) Evidence admitted.

7 (vi) A statement of matters officially noticed under
8 section 504(b) (9) (relating to evidence).

9 (vii) An offer of proof under section 504(b) (4).

10 (viii) Any proposed finding, requested order and
11 exception.

12 (ix) A transcript under paragraph (2).

13 (x) Any recommended order, final order and order on
14 reconsideration.

15 (xi) A matter under section 507(g) or (h) (relating
16 to ex parte communications).

17 (2) An agency may prepare a transcript of the
18 administrative proceeding.

19 (3) The agency must maintain the hearing record as part
20 of the agency's record.

21 (j) Basis of decision.--

22 (1) An adjudication must be based on the hearing record
23 and contain a statement of the factual and legal bases of the
24 decision. This paragraph requires:

25 (i) Separately enumerated findings of fact, with
26 citations to the hearing record, and the factors
27 considered in evaluating evidence as set forth in section
28 504(b) (10). If a finding of fact is set forth in language
29 of a statute other than this title, it must be
30 accompanied by an explicit statement of the underlying

1 facts supporting the finding of fact.

2 (ii) Legal analysis, with citation to applicable
3 legal authority.

4 (iii) Separately enumerated conclusions of law.

5 (iv) An order.

6 (2) The adjudication:

7 (i) shall be issued in writing; and

8 (ii) if a party consents, may be issued
9 electronically to the party.

10 (k) Protection of party rights.--Regulations promulgated by
11 a Commonwealth agency or the chief administrative law judge to
12 implement this subchapter may include provisions more protective
13 than the requirements of this section of the rights of parties
14 other than the agency.

15 (l) Case disposition.--Unless prohibited by statute other
16 than this title, a presiding officer may dispose of an
17 administrative proceeding without a hearing by:

18 (1) stipulation;

19 (2) agreed settlement or consent order;

20 (3) default;

21 (4) withdrawal; or

22 (5) dismissal or summary relief.

23 § 504. Evidence.

24 (a) Rules.--In an administrative proceeding:

25 (1) the Pennsylvania Rules of Evidence do not apply; and

26 (2) all relevant evidence of reasonably probative value
27 may be received.

28 (b) Admissibility.--

29 (1) Except as set forth in paragraph (2), all relevant
30 evidence is admissible, including hearsay evidence, if it is

1 of a type commonly relied on by a reasonably prudent
2 individual in the conduct of the affairs of the individual.

3 (2) Evidence may be ruled inadmissible if the evidence:

4 (i) Is irrelevant, immaterial or unduly repetitious.

5 (ii) Is excludable on:

6 (A) constitutional grounds;

7 (B) statutory grounds; or

8 (C) the basis of a judicially recognized
9 evidentiary privilege.

10 (3) The presiding officer:

11 (i) shall rule evidence inadmissible under paragraph

12 (2) if objection is made at the time the evidence is
13 offered; and

14 (ii) may rule evidence under paragraph (2)
15 inadmissible in the absence of an objection.

16 (4) If the presiding officer rules evidence inadmissible
17 under paragraph (3), the offering party may make an offer of
18 proof before further evidence is presented or at a later time
19 determined by the presiding officer.

20 (5) Evidence may be received in a hearing record if
21 doing so will expedite the hearing without substantial
22 prejudice to a party. Documentary evidence may be received in
23 the form of a copy if the original is not readily available
24 or by incorporation by reference. On request, parties shall
25 be given an opportunity to compare the copy with the
26 original.

27 (6) Testimony shall be made under oath or affirmation.

28 (7) Evidence shall be made part of the hearing record.
29 Information or evidence may not be considered in determining
30 the case unless it is part of the hearing record.

1 (8) If the hearing record contains confidential
2 information, the presiding officer may do all of the
3 following:

4 (i) Conduct a closed hearing to discuss the
5 information.

6 (ii) Issue a necessary protective order.

7 (iii) Seal all or part of the hearing record.

8 (9) The presiding officer may take official notice of
9 facts of which judicial notice may be taken and of
10 scientific, technical or other facts within the specialized
11 knowledge of the agency. The presiding officer shall notify
12 the parties at the earliest practicable time of the facts
13 proposed to be noticed and their source, including staff
14 memoranda or data. Each party shall be afforded an
15 opportunity to contest an officially noticed fact before the
16 decision becomes final.

17 (10) The experience, technical competence and
18 specialized knowledge of the presiding officer may be used in
19 evaluating the evidence in the hearing record.

20 (c) Hearsay evidence.--

21 (1) Hearsay evidence is not competent evidence to
22 support a finding of fact if it is properly objected to.

23 (2) Hearsay evidence that is admitted without objection
24 will be given its natural probative effect and may support a
25 finding of fact if it is corroborated by competent evidence,
26 but a finding of fact may not be based solely on hearsay
27 evidence.

28 § 505. Notice.

29 (a) Requirement.--Except as otherwise set forth in section
30 506 (relating to emergency adjudication procedure), an agency

1 shall give notice which complies with this section.

2 (b) Contents.--

3 (1) In an administrative proceeding initiated by a
4 person other than an agency, not later than five days after
5 filing, the agency shall give notice to all parties that the
6 case has been commenced. The notice must contain all of the
7 following:

8 (i) Docketing information of the administrative
9 proceeding and a general description of the subject
10 matter.

11 (ii) Contact information for communicating with the
12 agency.

13 (iii) Name, official title and contact information
14 of the attorney or employee who has been designated to
15 represent the agency.

16 (iv) Names and last known addresses of all parties
17 and other persons that are being given actual notice by
18 the agency.

19 (2) In an administrative proceeding initiated by an
20 agency, the agency shall give notice to the person against
21 which the action is brought. The notice must contain all of
22 the following:

23 (i) A statement that a case that may result in an
24 order has been commenced against the party.

25 (ii) A statement of the matters asserted and the
26 issues involved.

27 (iii) A statement of the legal authority under which
28 the hearing will be held, citing statutes and regulations
29 involved.

30 (iv) Docketing information of the administrative

1 proceeding.

2 (v) Name, official title and contact information of
3 the presiding officer and of the agency's representative.

4 (vi) A statement that a party that fails to attend
5 or participate in a proceeding in the case may be held in
6 default.

7 (vii) A statement that the party served may request
8 a hearing and instructions about how to request a
9 hearing.

10 (viii) Names and last known addresses of all parties
11 and other persons that are being given actual notice by
12 the agency.

13 (3) A notice under this subsection may include other
14 matters that the agency or presiding officer considers
15 desirable to expedite the proceedings.

16 (c) Time.--The agency must give parties notice under this
17 section at least 30 days before a hearing or prehearing
18 conference.

19 § 506. Emergency adjudication procedure.

20 (a) Authorization.--Unless prohibited by statute other than
21 this title, an agency may conduct an emergency proceeding under
22 this section.

23 (b) Justification.--An agency may take action and issue an
24 order under this section only to deal with an imminent peril to
25 the public health, safety or welfare.

26 (c) Due process.--Before issuing an order under this
27 section, an agency, if practicable, must give notice and an
28 opportunity to be heard to the person to which the agency action
29 is directed. The notice of the hearing and the hearing may be
30 oral or written and may be by telephone, facsimile or other

1 electronic means.

2 (d) Order.--

3 (1) An order issued under this section must briefly
4 explain the factual and legal reasons for using emergency
5 adjudication procedures.

6 (2) An agency must give notice to the person to whom the
7 agency action is directed that an order has been issued.

8 (e) Hearing.--After issuing an order under this section, an
9 agency shall proceed as soon as practicable to provide notice
10 and an opportunity for a hearing following the procedure under
11 section 503 (relating to procedure) to determine the issues
12 underlying the order.

13 (f) Effectiveness.--

14 (1) An order under this section takes effect when signed
15 by the agency head or the designee of the agency head.

16 (2) Subject to section 511 (relating to stays pending
17 appeal), an order issued under this section terminates upon
18 the earlier of:

19 (i) 180 days after it takes effect under paragraph

20 (1); or

21 (ii) the termination date specified in the order.

22 § 507. Ex parte communications.

23 (a) Scope of section.--For the purpose of this section, an
24 administrative proceeding is pending from the issuance of notice
25 under section 505 (relating to notice).

26 (b) Due process.--When an administrative proceeding is
27 pending, except as set forth in subsection (c), (d), (e) or (f),
28 the presiding officer or final decision maker may not
29 communicate with any person concerning the case without notice
30 and opportunity for all parties to participate in the

1 communication.

2 (c) Multimember body.--If a presiding officer is a member of
3 a multimember body of individuals who constitute the final
4 decision maker, the presiding officer may communicate with the
5 other members of that body when sitting as the presiding officer
6 and final decision maker.

7 (d) Statutory authorization or uncontested procedure.--A
8 presiding officer or final decision maker may communicate about
9 a pending administrative proceeding if any of the following
10 apply:

11 (1) The communication is required for the disposition of
12 ex parte matters authorized by law.

13 (2) The communication concerns an uncontested procedural
14 issue.

15 (e) Legal and ministerial communications.--A presiding
16 officer or final decision maker may communicate about a pending
17 administrative proceeding if all of the following paragraphs
18 apply:

19 (1) The communication is:

20 (i) on legal issues, with an individual authorized
21 by law to provide legal advice to the presiding officer
22 or final decision maker; or

23 (ii) on ministerial matters with an individual who
24 serves on the administrative staff of the presiding
25 officer or final decision maker.

26 (2) The individual referred to in paragraph (1) has not
27 served as investigator, prosecutor, advocate or advisor
28 related to the matter.

29 (f) Staff communications.--An agency head who is the
30 presiding officer or final decision maker in a pending

1 administrative proceeding may communicate about that matter with
2 an employee or representative of the agency if all of the
3 following paragraphs apply:

4 (1) The employee or representative has not served and
5 will be precluded from serving as investigator, prosecutor,
6 advocate or witness relating to the matter.

7 (2) The employee or representative has not otherwise had
8 a communication with any person about the case other than a
9 communication authorized under subsection (d) or (e) or this
10 subsection.

11 (3) The communication is an explanation of:

12 (i) the technical or scientific basis of, or
13 technical or scientific terms in, the evidence in the
14 hearing record; or

15 (ii) the precedent, policies or procedures of the
16 agency.

17 (g) Disclosure.--If a presiding officer or final decision
18 maker makes or receives a communication in violation of this
19 section, the presiding officer shall disclose it to the parties.

20 (h) Response.--If a communication prohibited by this section
21 is made, the presiding officer or final decision maker shall
22 permit parties to respond to the prohibited communication.

23 (i) Remedial action.--The presiding officer or final
24 decision maker may be disqualified under section 502(c)
25 (relating to presiding officer) if the presiding officer or
26 final decision maker is culpable in participating in the
27 prohibited communication. Other appropriate relief may be
28 granted, including an adverse ruling on the merits of the case
29 against a party or agency that culpably participated in the
30 prohibited communication.

1 § 508. Absent parties.

2 (a) Authorization.--Unless otherwise provided by statute
3 other than this title, if a party without good cause fails to
4 attend or participate in a prehearing conference or hearing in
5 an administrative proceeding, the presiding officer:

6 (1) may conduct further proceedings necessary to
7 complete the adjudication without the absent party; and

8 (2) shall determine all issues in the administrative
9 proceeding, including those affecting the absent party.

10 (b) Basis of order.--

11 (1) An order issued against the party must be based on
12 the party's admissions or other evidence which may be used
13 without notice to the party.

14 (2) If the burden of proof is on the absent party to
15 establish that the party is entitled to the agency action
16 sought, the presiding officer may issue an order without
17 taking evidence.

18 (c) Vacation of order.--

19 (1) Not later than 30 days after notice to a party that
20 an order has been issued under subsection (a), the party may
21 petition the presiding officer to vacate the order.

22 (2) Upon consideration of a petition submitted under
23 paragraph (1), the presiding officer may vacate the order
24 upon a showing of good cause for the party's failure to
25 appear.

26 § 509. Decisions and orders.

27 (a) Filing recommended decision.--If the presiding officer
28 is not delegated final decision-making authority by the agency
29 head, the presiding officer shall file and serve on the parties
30 and the agency head a recommended decision and a list of all

1 documents and other evidence submitted by the parties and made
2 part of the hearing record. A recommended decision shall
3 include:

- 4 (1) findings of fact;
- 5 (2) analysis of the issues;
- 6 (3) conclusions of law with citation to legal authority;
- 7 and
- 8 (4) a proposed order.

9 (b) Procedure after recommended decision.--

10 (1) A party must file with the agency head exceptions to
11 the recommended decision no later than 30 days after the
12 filing date of the recommended decision. The exceptions must
13 be served on any other party and the presiding officer.

14 (2) Exceptions must specify the errors in the presiding
15 officer's recommended decision. Exceptions must be
16 accompanied by a brief.

17 (3) A response to the exceptions must be filed and
18 served on the other party and the presiding officer within 14
19 days of the filing date of the exceptions. The time for
20 response may be extended by agreement of the parties with the
21 approval of the agency head. A response must be accompanied
22 by a brief.

23 (4) Within 30 days of the filing of the recommended
24 decision, the presiding officer shall file with the agency
25 head the record of the proceeding.

26 (5) If exceptions are filed, the agency head may:

27 (i) adopt or modify the recommended decision in
28 whole or in part; or

29 (ii) recommit the matter to the presiding officer
30 with instructions.

1 (6) If the agency head does not adopt a finding of fact
2 made by the presiding officer or modifies a finding of fact
3 made by the presiding officer, the agency head shall set
4 forth the reasons for the action in the final decision. In
5 reviewing findings of fact in a recommended decision, the
6 agency head shall consider the presiding officer's
7 opportunity to observe the witnesses and to determine the
8 credibility of the witnesses.

9 (7) Upon review of exceptions or if no exceptions are
10 filed, the agency head shall:

11 (i) Act under paragraph (5).

12 (ii) Issue an adjudication which may:

13 (A) adopt the recommended decision; or

14 (B) state that, in the absence of exceptions,
15 the recommended decision is entered as the agency
16 head's final order.

17 (8) Findings of fact and conclusions of law in a
18 presiding officer's recommended decision are not controlling
19 in any subsequent proceeding unless expressly adopted by the
20 agency head.

21 (9) Unless otherwise ordered by the agency head, failure
22 to file a timely exception to a finding of fact or conclusion
23 of law in a recommended decision adopted without material
24 modification shall be deemed a waiver of further appeal as to
25 that finding or conclusion.

26 (c) Final orders.--The presiding officer shall issue a final
27 order if the presiding officer:

28 (1) is the agency head; or

29 (2) has been delegated final decision-making authority.

30 (d) Issuance of orders.--An order is issued under this

1 section when it is signed by the agency head, the presiding
2 officer or an individual authorized by statute other than this
3 title.

4 (e) Service.--

5 (1) Except as set forth in paragraph (2), a recommended
6 order or final order shall be served in a hearing record on
7 each party and the agency head within 90 days of the later
8 of:

9 (i) the end of the hearing;

10 (ii) the closing of the hearing record; or

11 (iii) the last date for submission of memoranda,
12 briefs or proposed findings.

13 (2) The presiding officer may extend the time under
14 paragraph (1) by stipulation, waiver or a finding of good
15 cause.

16 (f) Effective date of final order.--

17 (1) Except as set forth in paragraph (2), a final order
18 is effective 30 days after all parties are notified of the
19 order.

20 (2) Paragraph (1) does not apply if action is taken
21 under:

22 (i) section 510 (relating to reconsideration); or

23 (ii) section 511 (relating to stays pending appeal).

24 § 510. Reconsideration.

25 (a) Petition for reconsideration.--A party may seek
26 reconsideration by filing a petition stating the specific
27 grounds on which relief is requested within 15 days after notice
28 to the parties that a final order has been issued.

29 (b) Time for filing petition for judicial review.--

30 (1) If the conditions in paragraph (2) are met, the time

1 for filing a petition for judicial review begins when the
2 agency disposes of the petition for reconsideration.

3 (2) Paragraph (1) applies if all of the following apply:

4 (i) A petition for reconsideration is timely filed.

5 (ii) The petitioner has complied with the agency's
6 procedural regulations for reconsideration.

7 (c) Order maker.--Not later than 20 days after a petition is
8 filed under subsection (a), the decision maker shall issue a
9 written order doing one of the following:

10 (1) Denying the petition.

11 (2) Granting the petition. An order under this
12 paragraph:

13 (i) must state findings of facts, conclusions of law
14 and the reasons for granting the petition; and

15 (ii) shall:

16 (A) dissolve or modify the final order; or

17 (B) set the matter for further proceedings.

18 (d) Deemed denial.--If the decision maker fails to respond
19 to the petition within the time period under subsection (c), the
20 petition is deemed denied.

21 § 511. Stays pending appeal.

22 (a) Request.--Except as otherwise provided by statute other
23 than this title, a party may request the agency head to stay a
24 final order pending judicial review. The request must be made
25 not later than seven days after the parties are notified of the
26 order.

27 (b) Grant.--The agency head may grant the request for a stay
28 pending judicial review if all of the following apply:

29 (1) The party demonstrates a strong likelihood of
30 success on the merits of the appeal.

1 (a) Chief administrative law judge.--The powers and duties
2 of the office shall be vested in a chief administrative law
3 judge appointed by the Governor with the advice and consent of
4 two-thirds of the members elected to the Senate.

5 (b) Qualifications.--The chief administrative law judge must
6 meet all of the following:

7 (1) Have been an attorney at law for at least five
8 years.

9 (2) Be an attorney at law in good standing with the
10 Supreme Court.

11 (3) Have substantial experience in administrative law.

12 (c) Tenure.--

13 (1) The chief administrative law judge shall serve a
14 term of five years and until a successor is appointed and
15 qualifies for office.

16 (2) A chief administrative law judge may be reappointed
17 subject to confirmation under subsection (a).

18 (3) The chief administrative law judge may be removed
19 from office only for cause. A removal may be contested by a
20 petition for review which has been filed within 30 days under
21 42 Pa.C.S. § 761(a)(1) (relating to original jurisdiction).

22 (d) Salary.--The salary of the chief administrative law
23 judge shall be set under section 709(a) of the act of April 9,
24 1929 (P.L.177, No.175), known as The Administrative Code of
25 1929.

26 (e) Obligations.--

27 (1) The chief administrative law judge shall devote full
28 time to the duties of the office and may not engage in the
29 private practice of law.

30 (2) The chief administrative law judge is subject to the

1 code of conduct under section 604(a)(7)(i) (relating to chief
2 administrative law judge).

3 (f) Oath.--The chief administrative law judge must take the
4 oath of office required by law before beginning duties as an
5 administrative law judge.

6 (g) Deputies and acting chief.--

7 (1) The chief administrative law judge may designate
8 administrative law judges as deputy chief administrative law
9 judges.

10 (2) If a vacancy occurs in the office of chief
11 administrative law judge, the Governor shall designate in
12 writing an administrative law judge to exercise the powers
13 and perform the duties of chief administrative law judge
14 until the vacancy is filled.

15 § 603. Administrative law judges.

16 (a) Appointment.--

17 (1) The chief administrative law judge shall appoint
18 administrative law judges.

19 (2) An administrative law judge is a management employee
20 subject to the administrative supervision of the chief
21 administrative law judge and may be removed only for cause.

22 (b) Qualifications.--To be eligible for appointment as an
23 administrative law judge, an individual must meet all of the
24 following:

25 (1) Have been an attorney at law for at least five
26 years.

27 (2) Be an attorney at law in good standing with the
28 Supreme Court.

29 (3) Have substantial experience in administrative law.

30 (c) Oath.--An administrative law judge must take the oath of

1 office required by law before beginning duties as an
2 administrative law judge.

3 (d) Code of conduct.--An administrative law judge is subject
4 to the code of conduct for administrative law judges adopted
5 under section 604(a)(7)(i) (relating to chief administrative law
6 judge).

7 (e) Compensation.--An administrative law judge is entitled
8 to the compensation set under section 709(a) of the act of April
9 9, 1929 (P.L.177, No.175), known as The Administrative Code of
10 1929.

11 (f) Powers and duties.--

12 (1) In an administrative proceeding, the following
13 apply:

14 (i) The chief administrative law judge shall assign
15 an administrative law judge to be the presiding officer.

16 (ii) If the administrative law judge is delegated
17 final decisional authority, the administrative law judge
18 shall issue a final order.

19 (iii) If the administrative law judge is not
20 delegated final decisional authority, the administrative
21 law judge shall issue to the agency head a recommended
22 order in the administrative proceeding.

23 (2) Except as otherwise provided by statute other than
24 this chapter, if an administrative proceeding is referred to
25 the office by an agency, the agency may not take further
26 action with respect to the proceeding, except as a party,
27 until a final order is issued.

28 (3) An administrative law judge may perform duties
29 authorized by statute other than this chapter.

30 § 604. Chief administrative law judge.

1 (a) Powers and duties.--The chief administrative law judge
2 has the following powers and duties:

3 (1) Supervise and manage the office.

4 (2) Serve as an administrative law judge in an
5 administrative proceeding.

6 (3) Assign an administrative law judge in an
7 administrative proceeding.

8 (4) Assure the decisional independence of each
9 administrative law judge.

10 (5) Establish and implement standards for equipment,
11 supplies and technology for administrative law judges.

12 (6) Provide and coordinate continuing education programs
13 and services for administrative law judges and advise them of
14 changes in the law concerning their duties.

15 (7) Promulgate regulations to implement this chapter,
16 including the following:

17 (i) A code of conduct for administrative law judges.

18 (ii) General rules of administrative practice and
19 procedure governing administrative proceedings before
20 administrative law judges.

21 (8) Adopt policy statements on administrative hearings.

22 (9) Set reasonable filing fees to cover the
23 administrative expenses of the office. Fees under this
24 paragraph shall not be charged to:

25 (i) Commonwealth agencies; or

26 (ii) petitioners who are determined by the office to
27 be unable to pay the fees.

28 (10) Monitor the work of administrative law judges and
29 discipline administrative law judges who do not meet
30 appropriate standards of conduct and competence.

1 (11) Establish necessary classifications for case
2 assignment on the basis of subject matter, expertise and case
3 complexity.

4 (12) Accept money for the benefit of the office and
5 deposit the money into the State Treasury subject to future
6 appropriation.

7 (13) Contract with other Commonwealth agencies for
8 services provided by the office.

9 (14) Furnish administrative law judges on a contractual
10 basis to political subdivisions and municipal authorities and
11 instrumentalities.

12 (15) Appoint a chief counsel and assistant counsel.
13 Section 301 of the act of October 15, 1980 (P.L.950, No.164),
14 known as the Commonwealth Attorneys Act, does not apply to
15 the office.

16 (16) Create and maintain a public docket of
17 administrative proceedings administered by the office.

18 (b) Report.--The chief administrative law judge shall submit
19 an annual report on the activities of the office to the
20 Governor, the Secretary of the Senate and the Chief Clerk of the
21 House of Representatives.

22 § 605. Cooperation.

23 Commonwealth agencies shall cooperate with the chief
24 administrative law judge in the discharge of the duties of the
25 office.

26 § 606. Index of adjudications.

27 (a) Index.--

28 (1) Except as set forth in subsection (b), the office
29 shall create an index of adjudications and make the index and
30 the adjudications available to the public. Reasonable costs

1 may be charged.

2 (2) The index shall be searchable in a manner that
3 permits public access.

4 (b) Records not included in index.--

5 (1) Except as set forth in paragraph (2), an
6 adjudication which is exempt, privileged or otherwise made
7 confidential or protected from disclosure by the act of
8 February 14, 2008 (P.L.6, No.3), known as the Right-to-Know
9 Law, is not a public record and may not be indexed. An
10 adjudication under this paragraph shall be excluded from an
11 index and disclosed only by order of the agency head with a
12 written statement of reasons attached to the order.

13 (2) If the agency head determines it is possible to
14 redact an adjudication which is exempt, privileged or
15 otherwise made confidential or protected from disclosure by
16 statute other than this title so that it complies with
17 applicable law, the redacted adjudication may be placed in
18 the index and published.

19 Section 4. Subchapter A of Chapter 7 of Title 2 is amended
20 to read:

21 SUBCHAPTER A

22 JUDICIAL REVIEW OF COMMONWEALTH

23 AGENCY ACTION

24 [Sec.

25 701. Scope of subchapter.

26 702. Appeals.

27 703. Scope of review.

28 704. Disposition of appeal.

29 § 701. Scope of subchapter.

30 (a) General rule.--Except as provided in subsection (b),

1 this subchapter shall apply to all Commonwealth agencies
2 regardless of the fact that a statute expressly provides that
3 there shall be no appeal from an adjudication of an agency, or
4 that the adjudication of an agency shall be final or conclusive,
5 or shall not be subject to review.

6 (b) Exceptions.--None of the provisions of this subchapter
7 shall apply to:

8 (1) Any matter which is exempt from Subchapter A of
9 Chapter 5 (relating to practice and procedure of Commonwealth
10 agencies).

11 (2) Any appeal from a Commonwealth agency which may be
12 taken initially to the courts of common pleas under 42
13 Pa.C.S. § 933 (relating to appeals from government agencies).
14 § 702. Appeals.

15 Any person aggrieved by an adjudication of a Commonwealth
16 agency who has a direct interest in such adjudication shall have
17 the right to appeal therefrom to the court vested with
18 jurisdiction of such appeals by or pursuant to Title 42
19 (relating to judiciary and judicial procedure).

20 § 703. Scope of review.

21 (a) General rule.--A party who proceeded before a
22 Commonwealth agency under the terms of a particular statute
23 shall not be precluded from questioning the validity of the
24 statute in the appeal, but such party may not raise upon appeal
25 any other question not raised before the agency (notwithstanding
26 the fact that the agency may not be competent to resolve such
27 question) unless allowed by the court upon due cause shown.

28 (b) Equitable relief.--The remedy at law provided by
29 subsection (a) shall not in any manner impair the right to
30 equitable relief heretofore existing, and such right to

1 equitable relief is hereby continued notwithstanding the
2 provisions of subsection (a).

3 § 704. Disposition of appeal.

4 The court shall hear the appeal without a jury on the record
5 certified by the Commonwealth agency. After hearing, the court
6 shall affirm the adjudication unless it shall find that the
7 adjudication is in violation of the constitutional rights of the
8 appellant, or is not in accordance with law, or that the
9 provisions of Subchapter A of Chapter 5 (relating to practice
10 and procedure of Commonwealth agencies) have been violated in
11 the proceedings before the agency, or that any finding of fact
12 made by the agency and necessary to support its adjudication is
13 not supported by substantial evidence. If the adjudication is
14 not affirmed, the court may enter any order authorized by 42
15 Pa.C.S. § 706 (relating to disposition of appeals).]

16 Sec.

17 701. Scope of subchapter.

18 702. Standing.

19 703. Preservation of issues.

20 704. Disposition of appeal.

21 705. Time limitation.

22 706. Stays pending appeal.

23 707. Exhaustion of administrative remedies.

24 § 701. Scope of subchapter.

25 (a) Coverage.--Except as set forth in subsection (b), this
26 subchapter shall apply to adjudications of Commonwealth agencies
27 regardless of an express statutory provision:

28 (1) precluding appeal or review; or

29 (2) declaring an adjudication final or conclusive.

30 (b) Exceptions.--This subchapter does not apply to any of

1 the following:

2 (1) A matter which is exempt under section 501(c)
3 (relating to scope of subchapter).

4 (2) An appeal from a Commonwealth agency which may be
5 taken initially to the courts of common pleas under 42
6 Pa.C.S. § 933(a)(1) (relating to appeals from government
7 agencies).

8 § 702. Standing.

9 A person aggrieved by an adjudication of a Commonwealth
10 agency that has a direct interest in the adjudication may appeal
11 from the agency under 42 Pa.C.S. § 763(a)(1) (relating to direct
12 appeals from government agencies).

13 § 703. Preservation of issues.

14 (a) Waiver.--Except as set forth in subsection (b), a party
15 must raise an issue before the Commonwealth agency in order to
16 preserve the issue for appeal.

17 (b) Exceptions.--

18 (1) A party that proceeded before a Commonwealth agency
19 under a particular statute may challenge the statute's
20 validity in the appeal.

21 (2) The court, for cause shown, may allow a party to
22 raise on appeal an issue not raised before the Commonwealth
23 agency.

24 (c) Equitable relief.--The remedy at law provided by
25 subsections (a) and (b) shall not impair the right to equitable
26 relief.

27 § 704. Disposition of appeal.

28 (a) Scope of review.--The court shall hear the appeal on the
29 record certified by the Commonwealth agency.

30 (b) Standard of review.--

1 (1) The court shall affirm the adjudication unless it
2 finds one of the following:

3 (i) The adjudication is in violation of a
4 constitutional right of the appellant.

5 (ii) The adjudication is not in accordance with law.

6 (iii) There was a violation of Ch. 5 Subch. A
7 (relating to practice and procedure of Commonwealth
8 agencies).

9 (iv) A finding of fact made by the Commonwealth
10 agency and necessary to support its adjudication is not
11 supported by substantial evidence.

12 (v) The adjudication is arbitrary, capricious or an
13 abuse of discretion.

14 (2) This subsection shall not apply if it conflicts with
15 a statute other than this title.

16 (c) Order.--The court may enter an order authorized by 42
17 Pa.C.S. § 706 (relating to disposition of appeals).
18 § 705. Time limitation.

19 The time limit for taking an appeal from an adjudication is
20 subject to 42 Pa.C.S. § 5571(b) (relating to appeals generally).

21 § 706. Stays pending appeal.

22 During pendency of a petition for review, a party may obtain
23 a stay under the Pennsylvania Rules of Appellate Procedure.

24 § 707. Exhaustion of administrative remedies.

25 (a) Effect of certain filings.--Filing a petition for
26 reconsideration or a stay of proceedings is not a prerequisite
27 for seeking judicial review.

28 (b) Authority of court.--The court may relieve a petitioner
29 of a requirement to exhaust an administrative remedy to the
30 extent that:

- 1 (1) the administrative remedy is inadequate; or
2 (2) the requirement would result in irreparable harm.

3 Section 5. Sections 1205(a) and 13A14(a) of Title 4 are
4 amended to read:

5 § 1205. License or permit application hearing process; public
6 input hearings.

7 (a) General rule.--The board's consideration and resolution
8 of all license or permit applications shall be conducted in
9 accordance with 2 Pa.C.S. (relating to administrative law and
10 procedure) or with procedures adopted by order of the board.
11 Notwithstanding the requirements of 2 Pa.C.S. [§§ 504 (relating
12 to hearing and record) and 505 (relating to evidence and cross-
13 examination)] Ch. 5 (relating to practice and procedure) as they
14 relate to the conduct of oral hearings, the board may adopt
15 procedures to provide parties before it with a documentary
16 hearing, and the board may resolve disputed material facts
17 without conducting an oral hearing where constitutionally
18 permissible.

19 * * *

20 § 13A14. Table game authorization hearing process; public input
21 hearings.

22 (a) General rule.--The board's consideration and resolution
23 of all petitions to conduct table games shall be conducted in
24 accordance with 2 Pa.C.S. (relating to administrative law and
25 procedure) or with procedures adopted by order of the board.
26 Notwithstanding the requirements of 2 Pa.C.S. [§§ 504 (relating
27 to hearing and record) and 505 (relating to evidence and cross-
28 examination)] Ch. 5 (relating to practice and procedure) as they
29 relate to the conduct of oral hearings, the board may adopt
30 procedures to provide parties before it with a documentary

1 hearing, and the board may resolve disputed material facts
2 without conducting an oral hearing where constitutionally
3 permissible.

4 * * *

5 Section 6. Section 9518(f)(1)(iv) of Title 13 is amended to
6 read:

7 § 9518. Claim concerning inaccurate or wrongfully filed record.

8 * * *

9 (f) Fraudulent financing statements.--

10 (1) The Department of State may conduct an
11 administrative hearing to determine if an initial financing
12 statement was fraudulently filed in accordance with the
13 following:

14 * * *

15 (iv) A person adversely affected by a determination
16 of the department under paragraph (i) may appeal the
17 determination in accordance with 2 Pa.C.S. § [702] 704
18 (relating to [appeals] disposition of appeal).

19 * * *

20 Section 7. Applicability is as follows:

21 (1) The following provisions shall not apply to
22 administrative proceedings commenced prior to the effective
23 date of this paragraph:

24 (i) The amendment of 2 Pa.C.S. Ch. 5 Subch. A.

25 (ii) The addition of 2 Pa.C.S. Ch. 6.

26 (2) The amendment of 2 Pa.C.S. Ch. 7 Subch. A shall not
27 apply to appeals filed prior to the effective date of this
28 paragraph.

29 Section 8. The following apply to agencies subject to 2
30 Pa.C.S. Ch. 6:

1 (1) For reorganization, the chief administrative law
2 judge shall do all of the following by December 31, 2015:

3 (i) Review and assess the hearing officer
4 organization for reorganization. This subparagraph
5 includes personnel and staffing, budgetary needs and
6 considerations, operations and statutory and regulatory
7 enforcement requirements for the purpose of determining
8 the organizational structure and staffing.

9 (ii) In accordance with the review and assessment
10 under subparagraph (i), submit a reorganization plan to
11 carry out the reorganization to the executive board for
12 approval under section 709(b) and (h) of the act of April
13 9, 1929 (P.L.177, No.175), known as The Administrative
14 Code of 1929.

15 (2) For personnel actions, notwithstanding the
16 reorganization plan under paragraph (1)(ii), after December
17 31, 2015, hiring, promotion and termination of personnel
18 requires approval of the chief administrative law judge.

19 (3) For budgeting and procurement, after December 31,
20 2014, and before July 1, 2015, without the approval of the
21 chief administrative law judge, an agency may not:

22 (i) expend funds, other than for payroll, related to
23 the administration of hearing officer functions; nor

24 (ii) procure goods and services related to the
25 administration of hearing officer functions.

26 Section 9. The following apply to transfer:

27 (1) The Office of Administrative Hearings shall assume
28 the functions vested in it under 2 Pa.C.S. Ch. 5 Subch. A and
29 Ch. 6 exercised prior to the effective date of this paragraph
30 by the agencies within the scope of 2 Pa.C.S. Ch. 5 Subch. A

1 and Ch. 6.

2 (2) The assumption under paragraph (1) has the same
3 effect as if the functions had originally been those of the
4 office.

5 (3) There shall be a transfer of personnel, allocations,
6 appropriations, equipment, supplies, records, contracts and
7 rights and obligations, which are expended or used in
8 connection with the functions transferred to the office under
9 paragraph (1).

10 (4) The transfer under paragraph (3) has the same effect
11 as if the subjects of transfer had originally been those of
12 the office.

13 Section 10. In addition to the sums referred to in section
14 9(3), an additional sum of \$, is hereby appropriated to the
15 Office of Administrative Hearings for the fiscal year July 1,
16 2015, to June 30, 2016, to carry out the provisions of this act.

17 Section 11. This act shall take effect as follows:

18 (1) The following provisions shall take effect
19 immediately:

20 (i) Section 8 of this act.

21 (ii) Section 10 of this act.

22 (iii) This section.

23 (2) The remainder of this act shall take effect January
24 1, 2016.