

## **BILL ANALYSIS**

Senate Research Center

S.B. 331  
By: Armbrister  
State Affairs  
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As Filed

### **DIGEST**

Currently, administrative law judges with the State Office of Administrative Hearings (SOAH) have sanctioning power only in utility and natural resource matters. During the interim of the 74th Legislature, the effectiveness of the transfer of administrative hearings from individual state agencies to SOAH was reviewed.

The review found that in certain cases administrative law judges have no express authority to compel compliance which causes delays in the completion of proceedings and increased costs to all parties involved. S.B. 331 extends similar sanctioning powers currently held by SOAH administrative law judges in utility and natural resource matters to all matters adjudicated by SOAH.

### **PURPOSE**

As proposed, S.B. 331 extends sanctioning powers currently held by SOAH administrative law judges in utility and natural resource matters to all matters adjudicated by SOAH.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the chief administrative law judge in SECTION 3 (Sec. 2003.050, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2003.042, Government Code, to authorize an administrative law judge employed by the State Office of Administrative Hearings (office) or a temporary administrative law judge to administer certain duties. Deletes a provision mandating review by the state agency before which the contested case is brought, to allow an administrative law judge to issue discovery and related hearing orders.

SECTION 2. Amends Chapter 2003C, Government Code, by adding Section 2003.0421, as follows:

Sec. 2003.0421. SANCTIONS. Authorizes an administrative law judge employed by the office or a temporary administrative law judge to impose appropriate sanctions against a party or its representative for certain legal infractions. Authorizes a sanction imposed to include, as appropriate and justified, issuance of an order that outlines certain actions. Provides that this section does not apply to a contested case in which the hearing is conducted by an administrative law judge on behalf of the Texas Natural Resource Conservation Commission or the Public Utility Commission of Texas.

SECTION 3. Amends Chapter 2003C, Government Code, by adding Section 2003.050, as follows:

Sec. 2003.050. PROCEDURAL RULES. Requires the chief administrative law judge to adopt rules that govern the procedures, including the discovery procedures, that relate to a hearing conducted by the office. Provides that the procedural rules of the state agency on behalf of which the hearing is conducted govern procedural matters that relate to the hearing only to the extent that the chief administrative law judge's rules adopt the agency's procedural rules by reference.

SECTION 4. (a) Effective date for Section 2003.050: January 1, 1998. Makes application of this Act prospective.

(b) Effective date for Sections 2003.042 and 2003.041: September 1, 1997. Makes application of this Act prospective.

SECTION 5. Emergency clause.