

REVENUE: No revenue impact  
FISCAL: Fiscal statement issued

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**Action:** Do Pass with Amendments, Be Printed Engrossed and Rescind Subsequent Referral to Ways and Means  
**Vote:** 8 - 1 - 1  
**Yeas:** Barton, Cameron, Garrett, Krieger, Olson, Smith J., Whisnant, Barker  
**Nays:** Stiegler  
**Exc.:** Shields  
**Prepared By:** Anna Braun, Counsel  
**Meeting Dates:** 5/20, 5/28

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**WHAT THE MEASURE DOES:** Modifies the statute governing the Office of Administrative Hearings (OAH). Requires Governor to appoint Chief Administrative Law Judge (ALJ). States the Chief ALJ serves at the pleasure of the Governor. Clarifies relationship between OAH and the Employment Department. Requires the Attorney General to consult with an advisory group to make hearing rules. Members of the group are the Chief ALJ, an agency representative appointed by the Governor, attorney who practices administrative law appointed by the Oregon State Bar, designee of the Attorney General and a public member who is not employee of the state or an attorney. Allows agencies to modify a finding of historical fact by an ALJ only if there is clear and convincing evidence the finding is wrong. Expands disclosure requirement for ex parte contact to include Assistant Attorney Generals who are not advising the agency conducting the hearing. Requires Secretary of State to use the OAH. Declares emergency, effective on passage.

**ISSUES DISCUSSED:**

- Budget accountability of OAH
- Removing the “for cause” protection of Chief ALJ
- Bringing Secretary of State hearings into OAH

**EFFECT OF COMMITTEE AMENDMENT:** Adds back language from the original statute that the Office of Administrative Hearings is established “within the Employment Department.”

**BACKGROUND:** The Office of Administrative Hearings (OAH) began as the Hearings Officer Panel in the year 2000 in an effort to create a centralized hearings panel. It was renamed in 2003. In order to save money, the legislature decided to place the OAH inside the Employment Department rather than make it an independent agency. OAH has 119 permanent employees, 65 of whom are administrative law judges. It is headed by the Chief Administrative Law Judge.

Historically, there has been a tension between the judicial functions and policy functions of centralized hearings panels such as the Office of Administrative Hearings. SB 274B makes incremental changes towards a more independent judicial model.