## LEGISLATURE OF NEBRASKA ONE HUNDRED THIRD LEGISLATURE

FIRST SESSION

## **LEGISLATIVE BILL 98**

Introduced by Mello, 5; Nordquist, 7.
Read first time January 10, 2013
Committee:

## A BILL

1	FOR AN ACT relating to administrative rules; to amend sections 84-908
2	and 84-911, Reissue Revised Statutes of Nebraska, and
3	section 81-8,245, Revised Statutes Cumulative Supplement,
4	2012; to provide duties for the Public Counsel; to
5	prohibit application of administrative rules as
6	prescribed; to provide for award of attorney's fees and
7	court costs as prescribed; and to repeal the original
8	sections.

9 Be it enacted by the people of the State of Nebraska,

-1-

LB 98

Section 1. Section 81-8,245, Revised Statutes Cumulative
 Supplement, 2012, is amended to read:

3 81-8,245 The Public Counsel shall have the power to:

4 (1) Investigate, on complaint or on his or her own
5 motion, any administrative act of any administrative agency;

6 (2) Prescribe the methods by which complaints are to be 7 made, received, and acted upon; determine the scope and manner of 8 investigations to be made; and, subject to the requirements of 9 sections 81-8,240 to 81-8,254, determine the form, frequency, and 10 distribution of his or her conclusions, recommendations, and 11 proposals;

12 (3) Conduct inspections of the premises, or any parts 13 thereof, of any administrative agency or any property owned, leased, 14 or operated by any administrative agency as frequently as is 15 necessary, in his or her opinion, to carry out duties prescribed 16 under sections 81-8,240 to 81-8,254;

17 (4) Request and receive from each administrative agency, 18 and such agency shall provide, the assistance and information the 19 counsel deems necessary for the discharge of his or her 20 responsibilities; inspect and examine the records and documents of 21 all administrative agencies notwithstanding any other provision of 22 law; and enter and inspect premises within any administrative 23 agency's control;

24 (5) Issue a subpoena, enforceable by action in an 25 appropriate court, to compel any person to appear, give sworn

-2-

LB 98

testimony, or produce documentary or other evidence deemed relevant to a matter under his or her inquiry. A person thus required to provide information shall be paid the same fees and travel allowances and shall be accorded the same privileges and immunities as are extended to witnesses in the district courts of this state and shall also be entitled to have counsel present while being questioned;

7 (6) Undertake, participate in, or cooperate with general 8 studies or inquiries, whether or not related to any particular 9 administrative agency or any particular administrative act, if he or 10 she believes that they may enhance knowledge about or lead to 11 improvements in the functioning of administrative agencies;

12 (7) Make investigations, reports, and recommendations
13 necessary to carry out his or her duties under the State Government
14 Effectiveness Act; and

15 (8) Carry out his or her duties under the Office of 16 Inspector General of Nebraska Child Welfare Act. If any of the 17 provisions of sections 81-8,240 to 81-8,254 conflict with provisions 18 of the Office of Inspector General of Nebraska Child Welfare Act, the 19 provisions of such act shall control; and -

20 <u>(9) Investigate allegations of violation of subdivision</u> 21 <u>(2) of section 84-908 by an administrative agency pursuant to a</u> 22 <u>complaint made to his or her office and make a determination as to</u> 23 <u>whether such administrative agency has violated the act. The Public</u> 24 <u>Counsel shall report his or her determination in writing to the</u> 25 <u>Governor, the Secretary of State, the Attorney General, the Executive</u>

LB 98

## Board of the Legislative Council, and the director or chief executive officer of the agency.

3 Sec. 2. Section 84-908, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 84-908 (1) No adoption, amendment, or repeal of any rule 6 or regulation shall become effective until the same has been approved 7 by the Governor and filed with the Secretary of State after a hearing 8 has been set on such rule or regulation pursuant to section 84-907. 9 When determining whether to approve the adoption, amendment, or 10 repeal of any rule or regulation relating to an issue of unique interest to a specific geographic area, the Governor's considerations 11 12 shall include, but not be limited to: (1) (a) Whether adequate notice 13 of hearing was provided in the geographic area affected by the rule or regulation. Adequate notice shall include, but not be limited to, 14 15 the availability of copies of the rule or regulation at the time notice was given pursuant to section 84-907; and  $\frac{(2)}{(b)}$  whether 16 reasonable and convenient opportunity for public comment was provided 17 18 for the geographic area affected by the rule or regulation. If a 19 public hearing was not held in the affected geographic area, reasons 20 shall be provided by the agency to the Governor. Any rule or 21 regulation properly adopted by any agency shall be filed with the 22 Secretary of State.

23 (2) No agency shall utilize, enforce, or attempt to
 24 enforce any rule or regulation or proposed rule or regulation unless
 25 the rule, regulation, or proposed rule or regulation has been

-4-

LB 98

approved by the Governor and filed with the Secretary of State after
 a hearing pursuant to section 84-907.

3 Sec. 3. Section 84-911, Reissue Revised Statutes of
4 Nebraska, is amended to read:

5 84-911 (1) The validity of any rule or regulation may be 6 determined upon a petition for a declaratory judgment thereon 7 addressed to the district court of Lancaster County if it appears 8 that the rule or regulation or its threatened application interferes 9 with or impairs or threatens to interfere with or impair the legal 10 rights or privileges of the petitioner. The agency shall be made a party to the proceeding. The declaratory judgment may be rendered 11 12 whether or not the petitioner has first requested the agency to pass 13 upon the validity of the rule or regulation in question.

14 (2) The court shall declare the rule or regulation 15 invalid if it finds that it violates constitutional provisions, 16 exceeds the statutory authority of the agency, or was adopted without 17 compliance with the statutory procedures. When a rule or regulation 18 is declared invalid because it was adopted without compliance with statutory procedures, the court may award reasonable attorney's fees 19 20 and court costs to the party who successfully challenged the rule or 21 regulation. For purposes of this subsection, statutory procedures 22 shall not include procedures provided under the Negotiated Rulemaking 23 Act.

24 Sec. 4. Original sections 84-908 and 84-911, Reissue 25 Revised Statutes of Nebraska, and section 81-8,245, Revised Statutes

-5-

1 Cumulative Supplement, 2012, are repealed.