

Chapter 704

(Senate Bill 942)

AN ACT concerning

**State Government – Administrative Procedure Act – Contested Cases
– Judicial Review**

FOR the purpose of altering the circumstances under which a court may reverse or modify the decision of an agency in certain contested cases on judicial review under the Administrative Procedure Act ~~in a case in which an employee is disciplined, suspended, or terminated from employment~~; and generally relating to judicial review of contested cases under the Administrative Procedure Act.

BY repealing and reenacting, with amendments,

Article – State Government

Section 10–222

Annotated Code of Maryland

(2014 Replacement Volume and 2015 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – State Government

10–222.

(a) (1) Except as provided in subsection (b) of this section, a party who is aggrieved by the final decision in a contested case is entitled to judicial review of the decision as provided in this section.

(2) An agency, including an agency that has delegated a contested case to the Office, is entitled to judicial review of a decision as provided in this section if the agency was a party before the agency or the Office.

(b) Where the presiding officer has final decision-making authority, a person in a contested case who is aggrieved by an interlocutory order is entitled to judicial review if:

(1) the party would qualify under this section for judicial review of any related final decision;

(2) the interlocutory order:

(i) determines rights and liabilities; and

(ii) has immediate legal consequences; and

(3) postponement of judicial review would result in irreparable harm.

(c) Unless otherwise required by statute, a petition for judicial review shall be filed with the circuit court for the county where any party resides or has a principal place of business.

(d) (1) The court may permit any other interested person to intervene in a proceeding under this section.

(2) If the agency has delegated to the Office the authority to issue the final administrative decision pursuant to § 10-205(a)(3) of this subtitle, and there are 2 or more other parties with adverse interests remaining in the case, the agency may decline to participate in the judicial review. An agency that declines to participate shall inform the court in its initial response.

(e) (1) The filing of a petition for judicial review does not automatically stay the enforcement of the final decision.

(2) Except as otherwise provided by law, the final decision maker may grant or the reviewing court may order a stay of the enforcement of the final decision on terms that the final decision maker or court considers proper.

(f) (1) Judicial review of disputed issues of fact shall be confined to the record for judicial review supplemented by additional evidence taken pursuant to this section.

(2) The court may order the presiding officer to take additional evidence on terms that the court considers proper if:

(i) before the hearing date in court, a party applies for leave to offer additional evidence; and

(ii) the court is satisfied that:

1. the evidence is material; and

2. there were good reasons for the failure to offer the evidence in the proceeding before the presiding officer.

(3) On the basis of the additional evidence, the final decision maker may modify the findings and decision.

(4) The final decision maker shall file with the reviewing court, as part of the record:

(i) the additional evidence; and

(ii) any modifications of the findings or decision.

(g) (1) The court shall conduct a proceeding under this section without a jury.

(2) A party may offer testimony on alleged irregularities in procedure before the presiding officer that do not appear on the record.

(3) On request, the court shall:

(i) hear oral argument; and

(ii) receive written briefs.

(h) In a proceeding under this section, the court may:

(1) remand the case for further proceedings;

(2) affirm the final decision; or

(3) reverse or modify the decision if any substantial right of the petitioner may have been prejudiced:

~~(i)~~ because a finding, conclusion, or decision:

~~{(i)} 1.~~ is unconstitutional;

~~{(ii)} 2.~~ exceeds the statutory authority or jurisdiction of the final decision maker;

~~{(iii)} 3.~~ results from an unlawful procedure;

~~{(iv)} 4.~~ is affected by any other error of law;

~~{(v)} 5.~~ is unsupported by competent, material, and substantial evidence in light of the entire record as submitted; ~~or~~

(VI) IN A CASE INVOLVING TERMINATION OF EMPLOYMENT OR EMPLOYEE DISCIPLINE, FAILS TO REASONABLY STATE THE BASIS FOR THE TERMINATION OR THE NATURE AND EXTENT OF THE PENALTY OR SANCTION IMPOSED BY THE AGENCY; OR

~~{(vi)} 6. (VII) is arbitrary or capricious; AND~~

~~(H) IN A CASE INVOLVING A FINAL DECISION BY WHICH AN EMPLOYEE OF AN AGENCY IS DISCIPLINED, SUSPENDED, OR TERMINATED FROM EMPLOYMENT, BECAUSE THE DECISION:~~

~~1. FAILS TO REASONABLY STATE THE BASIS FOR THE AGENCY'S DETERMINATION OF EMPLOYEE MISCONDUCT;~~

~~2. IS NOT CONSISTENT WITH THE AGENCY'S PAST PRACTICES, RULES, OR REGULATIONS;~~

~~3. FAILS TO INCLUDE FINDINGS OF FACT OR TO EXPLAIN THE RATIONALE FOR THE SANCTION ADOPTED; OR~~

~~4. PROVIDES FOR A SANCTION THAT IS NOT CONSISTENT OR IN PROPORTION WITH THE EMPLOYEE MISCONDUCT FOUND OR WITH PENALTIES IMPOSED BY THE AGENCY PREVIOUSLY FOR SIMILAR EMPLOYEE MISCONDUCT.~~

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 28, 2016.