

**State of Rhode Island and Providence Plantations  
DEPARTMENT OF BUSINESS REGULATION  
233 Richmond Street  
Providence, RI 02903**

**CENTRAL MANAGEMENT REGULATION 2**

**RULES OF PRACTICE AND PROCEDURE IN ADMINISTRATIVE HEARINGS  
BEFORE THE DEPARTMENT OF BUSINESS REGULATION**

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**Section 1      *Introduction, Scope and Applicability***

These Rules of Practice and Procedure (hereinafter the “Rules”) are adopted pursuant to R.I. Gen. Laws §§ 42-14-1 *et seq.*, 42-35-1 *et seq.* and 42-92-1 *et seq.* for the purpose of assisting the carrying out of functions, powers and duties assigned to the Department of Business Regulation (hereinafter the “Department”), whether in effect prior to or subsequent to the adoption of these Rules. Issues not addressed in these Rules or for which a Party seeks

clarification are to be considered in light of R.I. Gen. Laws §§ 42-14-1 *et seq.* and 42-35-1 *et seq.*

These Rules shall govern the conduct of adjudicatory proceedings before the Department commenced after their effective date. These Rules shall be liberally construed to further the fair, prompt and orderly administration and determination of adjudicatory proceedings in conformity with the Rhode Island Administrative Procedures Act. To the extent that any part of these Rules are inconsistent with applicable law or the terms of any other rule or regulation promulgated by the Department, the applicable law and/or the terms of such other rule or regulation shall be deemed to apply.

## **Section 2      Definitions**

When used in these Rules, the following words, except as otherwise required by the context, shall have the following meaning:

- (A) “Contested Case(s)” means an adjudicatory proceeding before a Hearing Officer of the Department in which the legal rights, duties or privileges of a Party are determined.
- (B) “Department” means the Department of Business Regulation.
- (C) “Department Counsel” means the legal representative of the Department.
- (D) “Director” means the Director of the Department.
- (E) “Division” means a Division of the Department with the authority to perform statutorily designated Department functions.
- (F) “Hearing Officer” means the individual(s) authorized by law or duly designated by the Director to hear, conduct and recommend decisions to the Director in Contested Cases.
- (G) “License” includes the whole or part of any Department license, permit, certificate, approval, registration, charter or similar form of Permission required by law.
- (H) “Licensee” means any holder of a License.
- (I) “Party” or “Parties” means each Person named or admitted as a Party, or properly seeking and entitled as of right to be admitted as a Party in a Contested Case.
- (J) “Person” means any individual, partnership, corporation, limited liability company, association, governmental subdivision, public or private organization or any other entity however formed.

(K) “Reasonable Cause” means an apparent state of facts of a type commonly relied upon by reasonably prudent persons in the conduct of their affairs which if found to exist upon reasonable inquiry would induce a reasonably intelligent and prudent person to believe that a cause of action existed.

(L) “Respondent” means a Party who is the subject of a complaint and/or Department investigation pursuant to Section 3 of this Regulation.

(M) “Regular Business Hours” means the regular business hours of the Department of 8:30 a.m. to 4:00 p.m. Monday through Friday.

### **Section 3      Complaints and Department Investigations**

(A) Complaints. A complaint may be made by any Person against any Licensee or any Person who is required to be licensed but is not licensed. Such complaint shall be in writing and may be required to be on a form provided by the Department. The Department or the applicable Division thereof shall make an initial determination whether or not the complaint is within the Department's jurisdiction. If no jurisdiction exists, the Department shall notify the complainant in writing. If jurisdiction exists, the Department shall make whatever investigation it deems necessary, including forwarding a copy of the complaint to the Respondent. If instructed to do so by the Department, the Respondent shall file a response to the complaint within the time frame specified by the Department. If no time frame is specified, the response shall be filed with the Department within twenty (20) days of the service of the complaint upon Respondent.

Upon completion of its investigation, the Department shall take one (1) of the following actions:

- (1) If the Department determines that the complaint fails to establish Reasonable Cause, the Department shall take no action on the complaint, so advising the complainant and Respondent in writing; or
- (2) If the Department determines that the complaint establishes Reasonable Cause, the Department shall take such action as it deems appropriate under applicable law and the rules and regulations adopted pursuant thereto.

(B) Department Investigations. The Department may initiate on its own authority an investigation to take action (i) against a Licensee, (ii) to deny any Person's application for a License or for renewal of a License, (iii) against any Person who is required to be licensed but is not licensed or (iv) against any Person who is subject to the regulatory authority of the Department, all such actions to be upon such terms and conditions as are permitted under applicable law and the rules and regulations adopted pursuant thereto.

#### **Section 4      Notice of Contested Case**

(A)    Notice Required. The Department shall give notice ("Notice") to all Parties of the initiation of a Contested Case pursuant to Sections 3(A)(2) or (B) of these Rules.

(B)    Type of Notice. Two (2) types of Notice of the initiation of a Contested Case may be given as follows:

(1)    A Section 3(A)(2) Notice shall be given in the form of an order appointing a Hearing Officer, identifying the type of hearing as a Complaint Hearing, informing the complainant that it shall be his/her or its sole responsibility, or his/her or its representative, to present the case to the Hearing Officer, advising the parties of the scheduling of a prehearing conference and specifying the statutory cause of action under which the Complaint Hearing is convened and potential penalty or penalties resulting therefrom. No answer or request for hearing is required to be filed by the Respondent.

(2)    A Section 3(B) Notice shall be given in the form of a written notice of intent setting forth specific allegations, informing Respondent of the intended action or penalty contemplated by the Department and advising Respondent of the right to request a hearing.

All Persons upon whom a Section 3(B) Notice is served, if requested to do so in the Notice, shall file a written answer (the "Answer") within twenty (20) days of the service of the Section 3(B) Notice. The Answer shall be in the form of a specific admission or denial or assertion that the Respondent is without sufficient knowledge or information to form a belief with respect to the allegations contained in the Section 3(B) Notice, along with any matter constituting a defense to any of the allegations. Any Party having a right to request a hearing shall request such hearing in accordance with the terms and conditions contained in the Section 3(B) Notice.

If Respondent requests a hearing, the Department shall then provide an additional Notice to the Respondent in the form of an order appointing a Hearing Officer, identifying the type of hearing as a Departmental Hearing and scheduling a prehearing conference.

A Departmental Hearing differs from the Complaint Hearing identified in Section 4(B)(1) above, in that a Departmental Hearing is prosecuted by Department Counsel in the name of the Department.

#### **Section 5      Prehearing Conferences**

It is the policy of the Department to encourage the use of prehearing conferences as a means of making more effective use of hearing time and to otherwise aid in the disposition of the proceeding or the settlement thereof.

The Director or the Hearing Officer may, with reasonable written notice, require that all Parties attend a prehearing conference to consider the following:

- (1) the simplification or clarification of the issues;
- (2) the possibility of obtaining stipulations, admissions, agreements on documents or similar agreements which will avoid unnecessary proof;
- (3) the identification of witnesses and the limitation of the number of witnesses;
- (4) the possibility of agreement disposing of all or any of the issues in dispute;
- (5) the consideration of outstanding motions;
- (6) the status of settlement negotiations, if any;
- (7) the use of pre-filed testimony, where appropriate;
- (8) any matters of discovery, including limitation of data requests, document requests, or other discovery or resolving disputes as to the scope of discovery;
- (9) scheduling of hearings; and
- (10) such other matters as may aid in the disposition of the proceeding.

All Parties shall attend the prehearing conference fully prepared to discuss all matters involved in the proceedings. Failure of any Party to attend the prehearing conference may constitute a waiver of all objections to any order or ruling issued as a result of the prehearing conference unless good cause is shown.

## **Section 6     Representation**

### **(A)     Appearances.**

- (1) The Department shall inform each Party of the right to be represented by legal counsel.
- (2) Except as may be otherwise provided by law or except in the sole discretion of the Hearing Officer, no person may appear in a representative capacity other than:
  - (i) Members in good standing of the Bar of the State of Rhode Island; and

(ii) A bona fide officer, partner, director, member or full time employee of an individual firm, association, partnership, limited liability company or corporation on behalf of that entity.

(3) All attorneys must conform to the standards of ethical conduct required of practitioners before the courts of Rhode Island.

(B) Appearances of Present and Former Employees of the Department.

(1) No person who is currently an employee of the Department may appear personally or on behalf of or represent any other Person or act as an expert witness before the Department except in the performance of his/her official duties.

(2) No person having been so employed may, within one (1) year after employment has ceased, appear personally or on behalf of any other Person or act as an expert witness before the Department.

**Section 7** **Filing of Pleadings and Other Documents**

(A) Title. All pleadings and other documents filed with the Department in any Contested Case shall, whenever possible, state the file number, if any, the title of the proceeding and the name of the Person on whose behalf the filing is made.

(B) Form and Size. All pleadings and other documents filed with the Department, except those documents which are kept in a smaller or larger format during the ordinary course of business, are to be submitted on 8½ by 11 inch paper. No filings may be made by telecopier or facsimile. All papers shall be filed during Regular Business Hours. The Department's date stamp shall be presumptive of the actual date of filing.

(C) Signature. The original copy of each pleading shall be signed and dated by the Party on whose behalf the pleading is made or by the Party's authorized representative. This signature constitutes a certification that the individual has read the document, knows the contents thereof and to the best of his/her knowledge that such statements are true' that it is not interposed for delay and that if the pleading has been signed by an authorized representative, he/she has full power and authority to do so.

(D) Construction. All pleadings shall be liberally construed and errors or defects therein which do not mislead or affect the substantial rights of the Parties involved may be disregarded.

**Section 8** **Service**

(A) Service Upon Parties and Others. A copy of all pleadings and other documents filed in any proceeding governed by these Rules shall be served upon all other Parties.

(B) Manner of Service. Unless otherwise ordered by the Hearing Officer, service under these Rules shall be made upon a Party or upon the Party's attorney, if an appearance has been entered, by first class mail postage prepaid, certified mail or hand delivery to his or her place of business, home address or other address supplied by the Party in the pleadings. Service by mail is complete upon mailing.

(C) Certificate of Service. There shall accompany and be included in the original of each pleading filed with the Department a certificate of service showing service on all Parties.

(D) Date of Certificate to Govern. In addition to the provisions of Section 10(A) of this Regulation, the time for response to all pleadings shall commence as of the date of the certificate of service.

## **Section 9      Time**

(A) Computation. Unless otherwise specifically provided by law, computation of any time period referred to in these Rules shall begin with the first day following the act which initiates the running of the time period (including Saturday, Sunday and legal holidays). The last day of the time period so computed is to be included unless it is a Saturday, Sunday or legal holiday or any other day on which the Department is closed, in which case the period shall run until the end of Regular Business Hours of the next following business day.

(E) Extensions of Time. It shall be within the discretion of the Hearing Officer, for good cause shown, to extend any time limit. All requests for extensions of time shall be made by motion before the expiration of the applicable time period.

(C) Continuances. Except as otherwise provided by law, the Hearing Officer may, at any time, with or without request, continue or adjourn a prehearing conference or a hearing. If the Hearing Officer grants a continuance at the request of a Party, the Hearing Officer may direct the Party requesting the continuance to immediately notify all other Parties of record.

## **Section 10     Motions**

(A) General. Any Party may request of the Hearing Officer any order or action not inconsistent with law or these Rules. The types of motions made shall be those which are permissible under these Rules and the Rhode Island Rules of Civil Procedure.

(B) Presentation/Objections to Motions. Motions may be made in writing at any time before or after the commencement of a prehearing conference or hearing, and/or they may be made orally during a prehearing conference or hearing. Each motion shall set forth the grounds for the desired order or action and state whether oral argument is requested. Within ten (10) days after a written motion is filed with the Hearing Officer, a Party opposing said motion must file a written objection to the granting of the motion, and shall, if desired, request oral argument. All motions and objections shall be accompanied by a written memorandum specifying the legal and factual basis for the Party's position.

(C) Action on Motion. The Hearing Officer shall, if he/she determines oral argument on the motion is warranted, give notice of the time and place for such argument. The Hearing Officer may rule on a motion without argument if the motion involves a matter as to which the presentation of testimony or oral argument would not advance the Hearing Officer's understanding of the issues involved or if disposition without argument would best serve the public interest. The Hearing Officer may act on a motion when all Parties have responded thereto, or the deadline for response has passed, whichever comes first.

## **Section 11     Discovery**

(A) General. The Department favors prompt and complete disclosure and exchange of information and encourages informal arrangements among the Parties for this exchange. It is the Department's policy to encourage the timely use of discovery as a means toward effective presentations at hearing and avoidance of the use of cross-examination at hearing for discovery purposes.

(B) Procedure. Any Party, by written request served upon all other Parties, may request the other Party to produce for inspection, copying or photocopying a document, object or tangible thing which is relevant to the subject matter of the hearing. Any Party wishing to object to discovery requests shall do so in as timely a manner as is possible prior to the date of the hearing and only after discussing the matter with the opposing Party in an attempt to reach an agreement.

(C) Hearing Delay. No hearing shall be continued to permit the completion of discovery unless due diligence is shown.

## **Section 12     Subpoenas**

Subpoenas requiring the attendance and testimony of witnesses and to compel the production and examination of papers, books, accounts, documents, records, certificates and other evidence that may be necessary or proper for the determination and decision of any question before the Hearing Officer may be issued by the Hearing Officer upon application of any Party. Except as may be otherwise provided by law, including, without limitation, the provisions of R.I. Gen. Laws § 42-14-11, in cases where a subpoena is disobeyed, the Hearing Officer may elect to make application to the State of Rhode Island Superior Court for an order to show cause why the disobeying Person shall not be held in contempt and for such further relief as may be appropriate. The Hearing Officer may, *sua sponte*, or on motion of any of the Parties or witnesses, issue such protective orders, grant such motions to quash and grant such other motions as justice or fairness may require.



## **Section 13**

### **Evidence**

(A) Rules of Evidence. Irrelevant, immaterial or unduly repetitious evidence shall be excluded in all proceedings wherein evidence is taken. While the rules of evidence as applied in civil cases in the Superior Courts of this state shall be followed to the extent practicable, the Hearing Officer shall not be bound by the technical evidentiary rules. Evidence not otherwise admissible may be admitted, unless precluded by statute, when necessary to ascertain facts not reasonably susceptible of proof under the rules, if it is of a type commonly relied upon by reasonably prudent persons in the conduct of their affairs. The rules of privilege recognized by law shall apply. Objections to evidentiary offers may be made and shall be noted in the record.

(B) Exhibits, Copies. In all cases wherein evidence is taken, documentary evidence may be received in the form of copies or excerpts, if the original is not readily available. Upon request, Parties shall be given an opportunity to compare the copy with the original.

(C) Administrative Notice. In all proceedings wherein evidence is taken, notice may be taken of judicially cognizable facts. In addition, notice may be taken of generally recognized technical or scientific facts within the Department's specialized knowledge; but Parties shall be notified either before or during the hearing, or by reference in preliminary reports or otherwise, of the material noticed, including any report or data required by law or regulation to be filed with the Department, and they shall be afforded an opportunity to contest the material so noticed. The Hearing Officer's experience, technical competence and specialized knowledge may be utilized in the evaluation of the evidence. The burden is on the Party requesting the Hearing Officer's notice to produce the documents or other matter for the Hearing Officer's review.

(D) Department Employees, Agents and Consultants. The Hearing Officer may employ the use of Department employees, agents and consultants to assist him/her in the evaluation of any evidence introduced at the hearing. In the Hearing Officer's discretion, he/she may allow the presence of these persons at the hearing.

(E) Oath. All testimony shall be under oath or by affirmation.

## **Section 14**

### **Conduct of Hearings**

(A) General. Hearings shall be as informal as may be reasonable and appropriate under the circumstances. All Parties, witnesses and other Persons at a hearing shall conduct themselves in a manner consistent with the standards of decorum commonly observed in any courtroom. Where such decorum is not observed, the Hearing Officer may take appropriate action including ejectment or adjournment, if necessary.

(B) Duties of Hearing Officer. The Hearing Officer shall conduct the hearing, make all decisions regarding admission or exclusion of evidence or any other procedural matters and either administer oaths to all witnesses or ask the stenographer to do so.

(C) Order of Proceedings. Except as otherwise required by law, it shall be the usual practice that the Department or the complainant shall open. Where evidence is peculiarly within the knowledge of one party, or in cases in which Contested Cases have been consolidated or where there are multiple parties, the Hearing Officer may, in his/her discretion, direct who shall open and shall further designate the order of presentation.

(D) Rights of Parties. Parties shall have the right to present evidence, cross-examine witnesses, object, make motions and present arguments.

(E) Record of Proceedings. A complete record of the proceedings shall be recorded on audiotape, or at the discretion of the Hearing Officer, by stenographic record. In the event the Hearing Officer orders a stenographic record, the Hearing Officer shall declare which Party or Parties shall bear the cost thereof. Any Party may on its own order a stenographic record made of the proceedings. The requesting Party shall incur all costs associated therewith. The Hearing Officer shall be provided, at no cost, with the original of the stenographic record and Department Counsel shall be provided with a copy at no cost. Any Party may request a copy of the audiotape record of the proceedings. The requesting Party shall bear the cost thereof.

(F) Public Hearings. Except as required by law, all hearings are to be open to the public. In general, any Person who is not a Party to a proceeding may, in the discretion of the Hearing Officer, be permitted to make oral or submit written statements on any issues relevant to the proceeding.

(G) Close of Proceedings. At the conclusion of the evidence, the Hearing Officer may, in his/her discretion, permit the Parties to argue orally or to submit written briefs. The Hearing Officer may, within his/her discretion, direct that proposed findings of fact and conclusions of law be submitted by the Parties. The record in the proceeding shall close after oral argument, the deadline for the filing of the briefs or upon such date as may be set by the Hearing Officer. No evidence shall be admitted thereafter, unless otherwise ordered by the Hearing Officer. The Hearing Officer may in any case require either Party, with appropriate notice to the other Party, to submit additional evidence in any matter relevant to the hearing.

(H) Waiver of Hearing. In any proceeding, if the Parties agree to waive the hearing, the Hearing Officer may dispose of the matter upon the pleadings and other submittals of the Parties.

(I) Dispositions. Unless precluded by law, disposition may be made of any Contested Case at any time by stipulation, consent settlement, consent order, default or dismissal by the Hearing Officer. A joint request for a stay of the hearing for any of the above purposes shall be forwarded to the Hearing Officer and shall be granted within the sound discretion of the Hearing Officer.

(J) Treatment of Confidential, Proprietary or Trade Secret Information. Upon motion of a Party and for good cause shown, the Hearing Officer may take all steps reasonably necessary to preserve any confidential, proprietary or trade secret information and to keep the same secret and confidential.

## **Section 15     Decisions**

All decisions rendered by the Hearing Officer at the conclusion of a hearing shall be in writing and shall comply with the requirements of R.I. Gen. Laws § 42-35-12. The decision of the Hearing Officer shall be reviewed by the Director of the Department who shall then enter an order adopting, modifying or rejecting the decision of the Hearing Officer. The decision and order shall be delivered to all Parties with a notice indicating the right to enter an appeal of the decision and order to the Superior Court pursuant to R.I. Gen. Laws § 42-35-15.

## **Section 16     Publication of License Suspensions and Revocations**

Any final decision and order of the Director of the Department which results in the imposition of a sanction of suspension or revocation of a License, a bar from practice in a particular field or type of business or other similar sanction shall be published in a newspaper of general circulation in the county in which the Licensee had its place of business, as many times (but in no event more than three (3) times) as the Director, in his/her sole discretion, deems it necessary to adequately inform the public of the action taken. The Director shall specifically state in his/her order and/or decision the number of times it is to appear. The Director may, in his/her discretion and if permitted by applicable law, require the Licensee to bear the cost of the publication.

## **Section 17     Reconsideration**

At any time after the issuance of a final order of the Director any Party may, for good cause shown, by motion petition the Director to reconsider the final order. The petitioner shall file his/her motion within ten (10) days of the issuance of the final order and shall set forth the grounds upon which he/she relies. The Director may grant the motion for reconsideration within his/her discretion and shall order such relief as he/she deems appropriate under the Circumstances.

## **Section 18     Judicial Review**

Any Party aggrieved by a final written order of the Director may file a complaint with the Superior Court pursuant to R.I. Gen. Laws § 42-35-15. In the absence of a timely appeal, the order or decision of the Director shall become final from which no further administrative appeal may be taken.

## **Section 19     Default**

If any Party to a proceeding fails to answer a complaint, plead, appear at a prehearing conference or hearing or otherwise fails to prosecute or defend an action as provided by these Rules, the Hearing Officer may enter a default judgment against the defaulting Party, take such action based on the pleadings and/or other evidence submitted by the nondefaulting Party as the Hearing Officer deems appropriate in his/her sole discretion or take such other action as the Hearing Officer deems appropriate in his/her sole discretion.

**Section 20      Disqualification; Incapacity of Hearing Officer**

(A)    Disqualification. Any Party may make a motion to the Director requesting that he/she disqualify or remove the Hearing Officer from the proceeding. The motion shall be accompanied by an affidavit setting forth the reasons for the disqualification. In the event that the motion to disqualify is granted, the Director shall assign another Hearing Officer to the matter.

(B)    Incapacity. When the Hearing Officer becomes incapacitated or unavailable to complete a hearing and/or render a decision, the hearing and/or the decision shall be rendered by a substitute Hearing Officer appointed by the Director.

**Section 21      Miscellaneous**

(A)    Intervention. Any Person claiming a right to intervene or an interest of such a nature that intervention is necessary or appropriate to the administration of the statute under which the proceeding is brought may seek to intervene in any proceeding. Intervention is initiated by filing a motion to intervene with the Hearing Officer. The motion shall set out clearly and concisely the facts from which the nature of the movant's alleged right of interest can be determined, the grounds for the proposed intervention and the position of the movant in the proceeding.

(B)    Ex Parte Consultations. No Person who is a Party to or a participant in any proceeding before the Department or the Party's counsel, employee, agent or any other individual acting on the Party's behalf, shall communicate *ex parte* with the Hearing Officer or the Director about or in any way related to the proceeding, and the Hearing Officer and/or the Director shall not request or entertain any such *ex parte* communications. The prohibitions contained above do not apply to those communications which relate solely to general matters of procedure and scheduling.

(C)    Consolidation. The Hearing Officer may, in his/her discretion, consolidate or combine several matters for purposes of hearing or other proceedings, when he/she finds that sufficient common issues of fact or law or both are involved.

(D)    Plural. Words in the singular number include the plural, and vice-versa, except where the context otherwise requires or where a contrary result appears from necessary implication.

(E)    Appointment of Department Counsel. At any time during a Complaint Hearing, the Hearing Officer may request the Director to appoint Department Counsel to prosecute the case on behalf of the complainant.

## **Section 22     Consent Agreements and Orders; Offers of Settlement**

(A)     Consent Agreements and Orders. At any time prior to the close of the record of a Departmental Hearing, the parties may attempt to dispose of the matter by entering into a consent agreement or consent order as provided in Section 14(I) of this Regulation. Every consent agreement or consent order shall contain, at a minimum, an admission of all jurisdictional facts and express waivers of further procedural steps before the Hearing Officer including the right to appeal. Upon receiving such a consent agreement or consent order, the Hearing Officer may:

- (1)     Accept the consent agreement or consent order and recommend its adoption to the Director; or
- (2)     Reject the consent agreement or consent order and state the reasons therefor in writing and take such other appropriate administrative action.

In the event that the Hearing Officer rejects the consent agreement or consent order, either Party may appeal the rejection directly to the Director. Such appeal shall be in writing and shall be filed with the Director no later than seven (7) days after the date the Hearing Officer notifies the Parties, in writing, of the rejection of the consent agreement or consent order. Upon receipt of an appeal, the Director shall take whatever action he/she deems appropriate. Should the Director confirm the Hearing Officer's decision to reject the consent agreement or consent order, such rejection shall be deemed an interim order of the Director and not a final order.

(B)     Offers of Settlement. At any time prior to the close of the record of a Complaint Hearing, the Respondent may submit, in writing or orally, an offer of settlement for the Hearing Officer's consideration. The Hearing Officer shall disclose the offer of settlement to the complainant and ask for the complainant's response. The Hearing Officer shall not be bound by the complainant's response, but shall take the response into consideration when making his/her decision. The Hearing Officer shall make an independent evaluation of the offer of settlement to determine whether it is just, fair and reasonable, in the public interest or otherwise in accordance with law and regulatory policy of the Department. After the Hearing Officer completes his/her evaluation, the Hearing Officer may:

- (1)     Accept the offer of settlement and recommend its adoption to the Director; or
- (2)     Reject the offer of settlement and state the reasons therefor in writing and take other appropriate administrative action.

In the event the Hearing Officer rejects the offer of settlement or the complainant does not agree with the Hearing Officer's acceptance of the offer of settlement, either Party may appeal such decision to the Director. Such appeal shall be in writing and shall be filed with the Director no later than seven (7) days after the date the Hearing Officer notifies the parties, in writing, of the rejection or acceptance of the offer of settlement. The opposing Party shall then have five (5) days from the date of

the appeal to file a response. Upon receipt of the appeal and response, if any, the Director shall take whatever action he/she deems appropriate. Should the Director confirm the Hearing Officer's decision to reject the offer of settlement, such rejection shall be deemed an interim order of the Director and not a final order.

EFFECTIVE DATE: July 21, 1997

REFILED: December 27, 2001