

(1) notice by the agency in writing of the facts or conduct which may warrant the action; and

(2) opportunity to demonstrate or achieve compliance with all lawful requirements.

When the licensee has made timely and sufficient application for a renewal or a new license in accordance with agency rules, a license with reference to an activity of a continuing nature does not expire until the application has been finally determined by the agency.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 388.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 1008.	June 11, 1946, ch. 324, § 9, 60 Stat. 242.

In subsection (b), the prohibition is restated in positive form.

In subsection (c), the words "within a reasonable time" are substituted for "with reasonable dispatch". The last two sentences are restated for conciseness and clarity and to restate the prohibition in positive form.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

CODIFICATION

Section 558 of former Title 5, Executive Departments and Government Officers and Employees, was transferred to section 2209 of Title 7, Agriculture.

§ 559. Effect on other laws; effect of subsequent statute

This subchapter, chapter 7, and sections 1305, 3105, 3344, 4301(2)(E), 5372, and 7521 of this title, and the provisions of section 5335(a)(B) of this title that relate to administrative law judges, do not limit or repeal additional requirements imposed by statute or otherwise recognized by law. Except as otherwise required by law, requirements or privileges relating to evidence or procedure apply equally to agencies and persons. Each agency is granted the authority necessary to comply with the requirements of this subchapter through the issuance of rules or otherwise. Subsequent statute may not be held to supersede or modify this subchapter, chapter 7, sections 1305, 3105, 3344, 4301(2)(E), 5372, or 7521 of this title, or the provisions of section 5335(a)(B) of this title that relate to administrative law judges, except to the extent that it does so expressly.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 388; Pub. L. 90-623, § 1(1), Oct. 22, 1968, 82 Stat. 1312; Pub. L. 95-251, § 2(a)(1), Mar. 27, 1978, 92 Stat. 183; Pub. L. 95-454, title VIII, § 801(a)(3)(B)(iii), Oct. 13, 1978, 92 Stat. 1221.)

HISTORICAL AND REVISION NOTES

<i>Derivation</i>	<i>U.S. Code</i>	<i>Revised Statutes and Statutes at Large</i>
.....	5 U.S.C. 1011.	June 11, 1946, ch. 324, § 12, 60 Stat. 244.

In the first and last sentences, the words "This subchapter, chapter 7, and sections 1305, 3105, 3344, 4301(2)(E), 5362, and 7521, and the provisions of section 5335(a)(B) of this title that relate to hearing examiners"

are substituted for "this Act" to reflect the codification of the Act in this title. The words "to diminish the constitutional rights of any person or" are omitted as surplusage as there is nothing in the Act that can reasonably be construed to diminish those rights and because a statute may not operate in derogation of the Constitution.

The third sentence of former section 1011 is omitted as covered by technical section 7. The sixth sentence of former section 1011 is omitted as executed.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

AMENDMENTS

1978—Pub. L. 95-454 substituted "5372" for "5362" wherever appearing.

Pub. L. 95-251 substituted "administrative law judges" for "hearing examiners" wherever appearing.

1968—Pub. L. 90-623 inserted "of this title" after "7521" wherever appearing.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95-454 effective on first day of first applicable pay period beginning on or after the 90th day after Oct. 13, 1978, see section 801(a)(4) of Pub. L. 95-454, set out as an Effective Date note under section 5361 of this title.

EFFECTIVE DATE OF 1968 AMENDMENT

Amendment by Pub. L. 90-623 intended to restate without substantive change the law in effect on Oct. 22, 1968, see section 6 of Pub. L. 90-623, set out as a note under section 5334 of this title.

SUBCHAPTER III—NEGOTIATED RULEMAKING PROCEDURE

PRIOR PROVISIONS

A prior subchapter III (§ 571 et seq.) was redesignated subchapter V (§ 591 et seq.) of this chapter.

AMENDMENTS

1992—Pub. L. 102-354, § 3(a)(1), Aug. 26, 1992, 106 Stat. 944, redesignated subchapter IV of this chapter relating to negotiated rulemaking procedure as this subchapter.

§ 561. Purpose

The purpose of this subchapter is to establish a framework for the conduct of negotiated rulemaking, consistent with section 553 of this title, to encourage agencies to use the process when it enhances the informal rulemaking process. Nothing in this subchapter should be construed as an attempt to limit innovation and experimentation with the negotiated rulemaking process or with other innovative rulemaking procedures otherwise authorized by law.

(Added Pub. L. 101-648, § 3(a), Nov. 29, 1990, 104 Stat. 4970, § 581; renumbered § 561, Pub. L. 102-354, § 3(a)(2), Aug. 26, 1992, 106 Stat. 944.)

AMENDMENTS

1992—Pub. L. 102-354 renumbered section 581 of this title as this section.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Pub. L. 101-648, § 5, Nov. 29, 1990, 104 Stat. 4976, as amended by Pub. L. 102-354, § 5(a)(2), Aug. 26, 1992, 106 Stat. 945, which provided that subchapter III of chapter 5 of title 5 and the table of sections corresponding to such subchapter, were repealed, effective 6 years after Nov. 29, 1990, except for then pending proceedings, was repealed by Pub. L. 104-320, § 11(a), Oct. 19, 1996, 110 Stat. 3873.

## SHORT TITLE OF 1992 AMENDMENT

Pub. L. 102-354, §1, Aug. 26, 1992, 106 Stat. 944, provided that: "This Act [amending sections 565, 568, 569, 571, 577, 580, 581, and 593 of this title, section 10 of Title 9, Arbitration, and section 173 of Title 29, Labor, renumbering sections 571 to 576, 581 to 590, and 581 to 593 as 591 to 596, 561 to 570, and 571 to 583, respectively, of this title, and amending provisions set out as notes under this section and section 571 of this title] may be cited as the 'Administrative Procedure Technical Amendments Act of 1991'."

## SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101-648, §1, Nov. 29, 1990, 104 Stat. 4969, provided that: "This Act [enacting this subchapter] may be cited as the 'Negotiated Rulemaking Act of 1990'."

## CONGRESSIONAL FINDINGS

Pub. L. 101-648, §2, Nov. 29, 1990, 104 Stat. 4969, provided that: "The Congress makes the following findings:

"(1) Government regulation has increased substantially since the enactment of the Administrative Procedure Act [see Short Title note set out preceding section 551 of this title].

"(2) Agencies currently use rulemaking procedures that may discourage the affected parties from meeting and communicating with each other, and may cause parties with different interests to assume conflicting and antagonistic positions and to engage in expensive and time-consuming litigation over agency rules.

"(3) Adversarial rulemaking deprives the affected parties and the public of the benefits of face-to-face negotiations and cooperation in developing and reaching agreement on a rule. It also deprives them of the benefits of shared information, knowledge, expertise, and technical abilities possessed by the affected parties.

"(4) Negotiated rulemaking, in which the parties who will be significantly affected by a rule participate in the development of the rule, can provide significant advantages over adversarial rulemaking.

"(5) Negotiated rulemaking can increase the acceptability and improve the substance of rules, making it less likely that the affected parties will resist enforcement or challenge such rules in court. It may also shorten the amount of time needed to issue final rules.

"(6) Agencies have the authority to establish negotiated rulemaking committees under the laws establishing such agencies and their activities and under the Federal Advisory Committee Act (5 U.S.C. App.). Several agencies have successfully used negotiated rulemaking. The process has not been widely used by other agencies, however, in part because such agencies are unfamiliar with the process or uncertain as to the authority for such rulemaking."

## AUTHORIZATION OF APPROPRIATIONS

Pub. L. 101-648, §4, Nov. 29, 1990, 104 Stat. 4976, as amended by Pub. L. 102-354, §5(a)(1), Aug. 26, 1992, 106 Stat. 945, authorized additional appropriations to Administrative Conference of the United States to carry out Pub. L. 101-648 in fiscal years 1991, 1992, and 1993.

**§ 562. Definitions**

For the purposes of this subchapter, the term—

(1) "agency" has the same meaning as in section 551(1) of this title;

(2) "consensus" means unanimous concurrence among the interests represented on a negotiated rulemaking committee established under this subchapter, unless such committee—

(A) agrees to define such term to mean a general but not unanimous concurrence; or

(B) agrees upon another specified definition;

(3) "convener" means a person who impartially assists an agency in determining whether establishment of a negotiated rulemaking committee is feasible and appropriate in a particular rulemaking;

(4) "facilitator" means a person who impartially aids in the discussions and negotiations among the members of a negotiated rulemaking committee to develop a proposed rule;

(5) "interest" means, with respect to an issue or matter, multiple parties which have a similar point of view or which are likely to be affected in a similar manner;

(6) "negotiated rulemaking" means rulemaking through the use of a negotiated rulemaking committee;

(7) "negotiated rulemaking committee" or "committee" means an advisory committee established by an agency in accordance with this subchapter and the Federal Advisory Committee Act to consider and discuss issues for the purpose of reaching a consensus in the development of a proposed rule;

(8) "party" has the same meaning as in section 551(3) of this title;

(9) "person" has the same meaning as in section 551(2) of this title;

(10) "rule" has the same meaning as in section 551(4) of this title; and

(11) "rulemaking" means "rule making" as that term is defined in section 551(5) of this title.

(Added Pub. L. 101-648, §3(a), Nov. 29, 1990, 104 Stat. 4970, §582; renumbered §562, Pub. L. 102-354, §3(a)(2), Aug. 26, 1992, 106 Stat. 944.)

## REFERENCES IN TEXT

The Federal Advisory Committee Act, referred to in par. (7), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to this title.

## AMENDMENTS

1992—Pub. L. 102-354 renumbered section 582 of this title as this section.

**§ 563. Determination of need for negotiated rulemaking committee**

(a) DETERMINATION OF NEED BY THE AGENCY.—An agency may establish a negotiated rulemaking committee to negotiate and develop a proposed rule, if the head of the agency determines that the use of the negotiated rulemaking procedure is in the public interest. In making such a determination, the head of the agency shall consider whether—

(1) there is a need for a rule;

(2) there are a limited number of identifiable interests that will be significantly affected by the rule;

(3) there is a reasonable likelihood that a committee can be convened with a balanced representation of persons who—

(A) can adequately represent the interests identified under paragraph (2); and

(B) are willing to negotiate in good faith to reach a consensus on the proposed rule;

(4) there is a reasonable likelihood that a committee will reach a consensus on the proposed rule within a fixed period of time;