

12.2 STARE DECISIS

Despite the proliferation of administrative decisions, it is still the general rule that agencies are not bound by their previous decisions. “An administrative agency concerned with furtherance of the public interest is not bound to rigid adherence to precedent.”¹ However, there has been some erosion from this principle to the extent that an agency may have to explain satisfactorily why it is departing from past decisions in order to escape judicial reversal.² In *In re Whitehead*,³ the Minnesota Court of Appeals explained that although an administrative agency is not bound to rigid adherence to precedent, that does not mean that an agency may abandon its own precedent without reason or explanation. The court stated that “[f]ailure to explain such a departure indicates that the agency’s action is arbitrary and capricious.”⁴

Where there are successive administrative proceedings, such as in unemployment compensation proceedings, the initial determination may become the law of the case and be given precedential effect.⁵ Stare decisis does not apply to administrative orders that conflict with express statutory law.⁶ Future development in this area of administrative law will likely mean less ad hoc decisionmaking and greater reliance on precedents.⁷

¹ *In re Peoples Natural Gas Co.*, 358 N.W.2d 684, 689-90 (Minn. Ct. App. 1984) (quoting *Peoples Natural Gas Co. v. Minn. Pub. Utils. Comm'n*, 342 N.W.2d 348, 352 (Minn. Ct. App. 1983)); *see also* *Petition of N. States Power Gas Util.*, 519 N.W.2d 921, 925 (Minn. Ct. App. 1994).

² *In re Crestview Manor*, 365 N.W.2d 387, 391 (Minn. Ct. App. 1985).

³ 399 N.W.2d 226 (Minn. Ct. App. 1987).

⁴ *Id.* at 229.

⁵ *Brezinka v. Bystrom Bros., Inc.*, 403 N.W.2d 841, 843 (Minn. 1987) (finding, where intervening supreme court decision in an unrelated case was contrary to a legal decision by the workers’ compensation court of appeals and the instant case was still pending on remand, compensation judges did not err in disregarding what otherwise would have been the law of the case by following the supreme court ruling); *In re N. States Power Co.*, 440 N.W.2d 138, 141 (Minn. Ct. App. 1989) (“The law of the case doctrine is applicable to successive appeals.”); *Hough Transit Ltd. v. Harig*, 373 N.W.2d 327, 331-32 (Minn. Ct. App. 1985).

⁶ *Murphy Motor Freight Lines v. Witte Transp. Co.*, 260 Minn. 440, 453, 110 N.W.2d 296, 305 (1961).

⁷ *See, e.g.*, 2 F. COOPER, STATE ADMINISTRATIVE LAW 530-34 (1965); WILLIAM J. KEPPEL & DAYTON GILBERT, MINNESOTA ADMINISTRATIVE PRACTICE AND PROCEDURE, § 623 (1982).