



Meeting Projected Caseload Costs for the Office of Administrative Hearings *2022 Supplemental Operating Budget Decision Package*

Agency/Program Recommendation Summary

The Office of Administrative Hearings (OAH) projected caseload for the Office of Superintendent of Public Instruction (OSPI) will exceed 2021–23 biennium Central Service Model allocations. The majority of cases heard by OAH are related to special education, and the state is required to hear certain special education cases per federal law. OSPI is not a party to the cases; the agency's sole responsibility is to provide for the adjudication of the due process hearing. OSPI requests a maintenance level increase to address the non-discretionary cost to the agency in meeting this caseload increase.

Package Description

What is the problem, opportunity, or priority you are addressing with the request?

Allocations for Central Services (services provided by other state agencies to OSPI) are included in OSPI's annual appropriations for Agency Administration from the General Fund-State budget. In the current biennium, OSPI's biennial allocation for OAH costs is \$2,954,000 (see page 73 of [2021-23 Operating Budget Central Services](#)). OAH projects a need for an additional \$1,728,000 for the current biennium, a 58% increase over the current biennial allocation.

What is your proposed solution?

Increase OSPI's ML funding to address non-discretionary OAH caseload costs projected to exceed 2021–23 biennium Central Service Model allocations.

What are you purchasing and how does it solve the problem?

The majority of cases heard by OAH are related to special education. (Special Education cases accounted for 82% of OSPI's OAH costs in fiscal year 2021.) As a recipient of federal special education funding under the Individuals with Disabilities Education Act (IDEA), Washington state is required by law ([Subpart E of 34 CFR Part 300, Sections 300.500 to 300.536](#)) to offer certain dispute resolution options to parents/guardians and school districts who have disagreements over the provision of special education services to an individual student.

One of those options is called a "due process hearing" or simply "due process." A due process hearing is a formal adjudicative proceeding conducted by a state-appointed administrative law judge (ALJ) in which parents/guardians and districts have a right to question witnesses and introduce documents concerning the dispute. Written requests for a due process hearing are made by a parent/guardian or school district relating to issues about the identification, evaluation, educational placement, or provision of free, appropriate public education (FAPE) to a student. OSPI is not a party to the cases; the agency's sole responsibility is to provide for the adjudication of the due process hearing as required under the IDEA.

What alternatives did you explore and why was this option chosen?

No alternative option is available. Parents/guardians and districts have a federal right to file a due process request, and OSPI plays no role in sanctioning or approving the individual hearing requests. OSPI has no authority or discretion to limit the number of hearings; the volume is entirely caseload-driven.

Performance Measures

Performance outcomes:

OSPI will be able to meet its financial obligation to OAH if the 2021–23 Central Service Allocation is adjusted to address the projected biennial increase.

Fiscal Details (Funding, FTEs, Revenue, Objects)

Operating Expenditures	FY 2022	FY 2023	FY 2024	FY 2025
Fund 001-1	\$1,124,000	\$604,000	\$604,000	\$604,000
Total Expenditures	\$1,124,000	\$604,000	\$604,000	\$604,000
Biennial Totals	\$1,728,000		\$1,208,000	
Object of Expenditure	FY 2022	FY 2023	FY 2024	FY 2025
Obj. E	\$1,124,000	\$604,000	\$604,000	\$604,000

Assumptions and Calculations

Expansion or alteration of a current program or service:

This is not an expansion or alteration of the current service.

Detailed assumptions and calculations:

OAH's projected billings (attached) provides additional details pertaining to caseload increases and the costs to provide these services. OSPI is requesting additional appropriation authority to pay OAH.

Workforce assumptions:

Not applicable.

How is your proposal impacting equity in the state?

Special education cases are required by federal law to be issued within strict timelines. If cases are not ordered within these timelines, OSPI is at risk of being placed on corrective action by the federal government for untimely orders. OAH may be able to adjust its hearing schedules to accommodate special education case timelines (delaying other hearings to address special education cases), but OSPI will need to pay for the hearing at the time of the hearing – the agency will not be able to delay payment to OAH. Therefore, it is imperative that OSPI's allocation of General Fund-State dollars be increased in both years of the biennium.

Strategic and Performance Outcomes

Strategic framework:

This request ensures OSPI is able to meet the obligation to pay OAH costs and supports the Superintendent's priority to ensure educational equity.

Other Collateral Connections

Intergovernmental:

This request is in direct response to projected caseload increase reported to OSPI by OAH.

Stakeholder response:

None.

Legal or administrative mandates:

Washington state is required by law ([Subpart E of 34 CFR Part 300, Sections 300.500 to 300.536](#)) to offer certain dispute resolution options to parents/guardians and school districts who have disagreements over the provision of special education services to an individual student.

Changes from current law:

None.

State workforce impacts:

None.

State facilities impacts:

None.

Puget Sound recovery:

N/A

Other Documents

Reference documents:

The following can be provided upon request:

- OSPI's Central Service Allocations
- OAH Projections
- OSPI Billable Hours

Information technology (IT) addendum:

Does this decision package include funding for any IT-related costs, including hardware, software (including cloud-based services), contracts, or IT staff?

No

Yes