Budget Savings Options 2025

Dollars in Thousands

Agency: Office of Administrative Hearings

Agency Priority H, M, L	Impact 1-5	Program/Activity	GF-S					Other Funds					FTE Change					Brief Description and Rationale	Effective Date	Impacts of Reductions and Other Considerations	Law/Reg. Change Required (cite)
			FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29		(MM/YY)		
L	1	Continue Travel Freeze (25% of 2025 biennial travel expense). 75% reduction on travel.						44	75	75	75	75						Travel to any on-site hearings will continue. All other travel will be evaluated in regards to agency need.	1/1/2025	Overnight travel for professional development and conferences will be paused which may impact morale and growth and development over time.	N/A
L	3	Close Tacoma Leased Facility after the lease expires on 12/31/2027.						0	0	0	137	274						OAH can provide servcies remotely by teleworking. Lease monthly cost is $22,834.	1/1/2028	N/A	N/A
L	3	Close Tacoma Leased Facility immediately if we are able to get out of the lease that does not expire until 12/31/2027)						0	274	274	137	0						OAH can provide servcies remotely by teleworking. Lease monthly cost is $22,834.	Est 7/1/2025	N/A	N/A
L	3	Network savings from Tacoma closure						0	2	2	2	2						OAH can provide servcies remotely by teleworking. Lease monthly cost is $22,834.	Est 7/1/2025	N/A	N/A
L	3	Seattle Leased Facility Closed (Lease is through 2/28/2025). Cost out at $841,000 per the original Seattle Union Square funded amount.						21	421	421	421	421						OAH can provide servcies remotely by teleworking. Seattle Union Square's monthly lease cost was $34,991. Union square was closed in January 2024. A new lease was created with Regus on 1/1/2025 at $7,300 per month which will be discontinued on 3/31/2024.	3/1/2025	N/A	N/A
L	5	Spokane Valley Sublease. Free rent provided which provides net savings to the state (savings determined by allocating 50% of buidling square feet to total lease cost). Calculation: 50% monthly rent of $16,607* 12.						0	100	100	100	100						Providing unused space to another state agency saves the state money.	Est 7/1/2025	N/A	N/A
L	5	Relocate Olympia Location by FY2027. Use State owned building and assume 25% of current costs.						0	0	0	86	86						OAH currenly rents from a private party and pays $28,538 per month. Our current Olympia faciltiy is 17,836 square feet and 5,945 square feet is not being utilized as discloed in our six year facility plan. We believe we could reduce our space and rent costs and that renting from a state owned facility would help the state support any debt payments resulting from the state purchasing the building.	7/1/2027	N/A	N/A
L	1	Reorganize deputy roles						0	206	206	206	206		1	1	1	1	OAH would eliminate one Deputy Director position and absorb these duties within existing staff.	7/1/2025	This may require heroic efforts by existing staff in order to absorb all the duties of the Deputy Director position and may not be sustainable.	N/A

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			FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29	FY 25	FY 26	FY 27	FY28	FY 29		(MM/YY)		
L	1	Change Administrative Procedures Act (APA) to allow OAH to serve all case documents electronically, and to require all parties to submit all documents electronically. Requires statutory change (RCW 34.05). (FY 29)										0						Currently, RCW 34.05 requires that case materials be printed and mailed. Changing this RCW to allow for electronic documents could result in OAH eliminating two print shops and related staffing. If we are successful changing the RCW we could then move to a model that first offers electronic documents with an opt out feature which would allow paper documents to be mailed. This would allow us to monitor our customers preference and reduce our printing footprint if customers prefer electronic documents. Total possible savings if both print shops were eliminated equals $1.4 million per fiscal year.	Unknown	1. Change the model rule. 2. Monitor paper or electronic preferences. 3. Reduce the printing footprint depending on customers preference for electronic documents.	Requires statutory change (RCW 34.05).
L	1	Eliminate all but approximately 20 cell phones to fullfill Continuity of Operations Plan (COOP) for key personnel identified (will need policy change).						0	155	155	155	155						OAH pays approximately $60 per month per cell phone. Limiting cell phones to key personnel will save the state money.	7/1/2025	The only concern is that this limits the ability of OAH personnel to communicate if there is a power outage resulting from a storm or natural disaster. We will assume this risk in order to include these costs savings.	N/A
H	4	Purchase laptop leases (buyout). Plan to buy in FY28. This will cost $14,182 to extend the warranty and $184,259 to buyout the leases in FY25.						0	259	259	0	0						Current laptops and monitors can last longer without impacting operations. Aging hardware will have an increased fail rate that will exceed warranty limits that could ultimately result in work stoppage.	7/1/2025	Biggest concern is that by delaying this we may not have funding to do this technology refresh when it is absolutely necessary later.	N/A
L	1	Budget reduction provided to OFM as part of Governor Inslee's request						2,000	0	0	0	0						OAH will be providing $2M of its Biennium 2025 budget.	7/1/2025	N/A	N/A
L	1	Attrition and planned hiring delays Assumed 5% turnover with 3 month vacancy and that hiring freeze is in effect through 6/30/2027. Beginning 7/1/2027 assumed 5% turnover with 3 month vacancy for each position. Calculation: Salaries and Benfits for 2025 Biennium $56,146,904/24 months * .05 turnover rate x 3 months.						0	350	350	350	350						Delaying hiring by a 3 months will still allow OAH to meet its mission.	7/1/2025	Case backlogs will need to be monitored to ensure hiring delays do not adversly impact customers by increasing case backlogs.	N/A

Priority:

L = Low priority agency activity or program
M = Medium priority agency activity or program
H = High priority agency activity or program

Impact:
1 = Allows continuation of the program/activity at a reduced level
2 = Eliminates the ability to perform program objectives
3 = Eliminates agency function
4 = Long term implications (moves the problem to next biennium)
5 = Short term (reduction to one time increase)