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Office of Administrative Hearings

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<https://www.mn.gov/oah>

AT A GLANCE

The Office of Administrative Hearings (OAH):

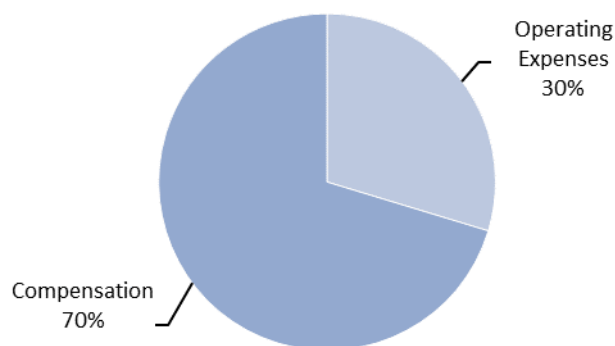
- Annually receives almost 10,000 workers compensation disputes involving 7,500 workers and their employers, insurers, and medical providers.
- Has served over 250 state agencies and local units of government involving over 200 unique areas of administrative law since the court's creation in 1975.
- Is the largest of three Executive Branch courts with over 60 full-time equivalents located in St. Paul and Duluth that serve the entire State of Minnesota.

PURPOSE

The Office of Administrative Hearings (OAH) renders justice through fair, timely, and impartial administrative hearings and high-quality dispute resolution services.

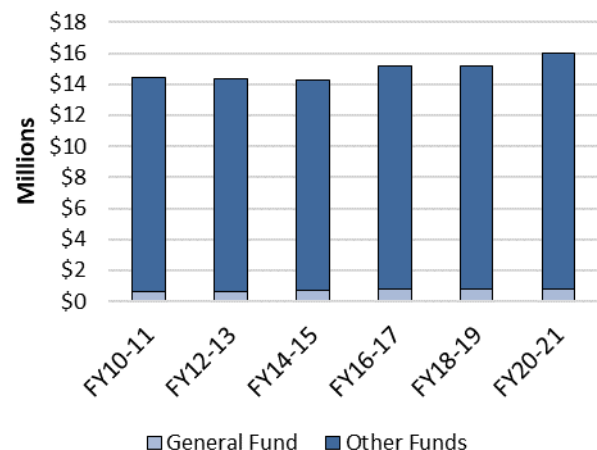
BUDGET

**Spending by Category
FY 2021 Actual**



Source: Budget Planning & Analysis System (BPAS)

Historical Spending



Source: Consolidated Fund Statement

The agency's funding comes from three sources:

1. Workers' Compensation Fund (68% of total funding)
2. Administrative Law Enterprise Fund (29% of total funding)
3. General Fund (3% of total funding)

General fund appropriations of \$409,000 per fiscal year represent no more than 3% of total agency funding and support a limited scope of work: municipal boundary adjustments; fair campaign practice complaints; and certain data practices matters.

STRATEGIES

OAH is an energetic, responsive, and respected service provider to Minnesotans, state and local governments, and the workers' compensation system.

OAH respects the tenets of procedural fairness in our hearing rooms and workplace:

- **Voice.** We ensure the opportunity for each person to express their own viewpoint.
- **Respect.** We treat everyone with courtesy and dignity.
- **Neutrality.** We apply the laws and rules consistently and fairly.
- **Trust.** We make unbiased and transparent decisions.
- **Understanding.** We communicate in plain language.
- **Helpfulness.** We provide quality services.

We practice these values by:

- Applying the law impartially, competently, and diligently.
- Assisting others in understanding court procedures and processes.
- Fostering understanding of Minnesota's administrative law and workers' compensation laws.
- Fully considering information from everyone involved.
- Listening with a genuine interest in the needs, problems, and concerns of others.
- Promoting equity through the practice of intercultural competency and the elimination of bias.
- Striving to reflect the diversity of Minnesota within our workforce.
- Using a cooperative team approach to solve problems.

RESULTS

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Previous</i>	<i>Current</i>	<i>Dates</i>
Quantity	Workers' Compensation: Total new cases	9,159	8,917	FY21, FY22
Quality	Workers' Compensation: Average days from report of settlement to filing of stipulation	60	44	FY21, FY22
Quantity	Administrative Procedures Act: Total new cases	501	704	FY21, FY22
Quality	Administrative Procedures Act: Combined complexity value of new cases	1,206	1,666	FY21, FY22
Result	Court wide: Number of email subscription subscribers, validating quality and helpfulness of information communicated	923	6641	FY20, FY22

The primary legal authority for the Office of Administrative Hearings:

M.S. 14 Administrative Procedure (<https://www.revisor.mn.gov/statutes/?id=14>)
M.S. 115 Water Pollution Control; Sanitary Districts (<https://www.revisor.mn.gov/statutes/?id=115>)
M.S. 176 Workers' Compensation (<https://www.revisor.mn.gov/statutes/?id=176>)
M.S. 211B Unfair Campaign Practice Complaints (<https://www.revisor.mn.gov/statutes/cite/211B>)
M.S. 414 Municipal Boundary Adjustments (<https://www.revisor.mn.gov/statutes/?id=414>)

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25

Expenditures by Fund

1000 - General	376	389	380	755	409	409	2,235	444
2800 - Environmental	20	34	41	59	50	50	50	50
2830 - Workers Compensation	6,751	8,462	7,807	7,855	7,831	7,831	9,768	9,816
3010 - Coronavirus Relief	6							
5201 - Administrative Hearings	2,390	2,602	2,712	3,461	3,457	3,457	3,457	3,457
5202 - Workers Comp Transcript	4	4	1	2	2	2	2	2
Total	9,548	11,490	10,942	12,132	11,749	11,749	15,512	13,769
Biennial Change				2,035		424		6,207
Biennial % Change				10		2		27
Governor's Change from Base								5,783
Governor's % Change from Base								25

Expenditures by Program

Administrative Hearings	9,548	11,490	10,942	12,132	11,749	11,749	15,512	13,769
Total	9,548	11,490	10,942	12,132	11,749	11,749	15,512	13,769

Expenditures by Category

Compensation	7,846	8,081	8,946	9,764	9,480	9,611	10,642	10,944
Operating Expenses	1,703	3,410	1,995	2,368	2,269	2,138	4,870	2,825
Other Financial Transaction			0					
Total	9,548	11,490	10,942	12,132	11,749	11,749	15,512	13,769

Full-Time Equivalents

	60.61	59.24	63.28	76.89	76.89	76.89	79.39	79.39
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In		24		25				
Direct Appropriation	400	404	405	605	409	409	2,235	444
Transfers In				125				
Transfers Out		8						
Cancellations		31						
Balance Forward Out	24		25					
Expenditures	376	389	380	755	409	409	2,235	444
Biennial Change in Expenditures				370		(317)		1,544
Biennial % Change in Expenditures				48		(28)		136
Governor's Change from Base								1,861
Governor's % Change from Base								228
Full-Time Equivalents	1.60	1.67	1.72	1.52	1.52	1.52	1.52	1.52

2800 - Environmental

Balance Forward In		30		9				
Transfers In	50	50	50	50	50	50	50	50
Cancellations		46						
Balance Forward Out	30		9					
Expenditures	20	34	41	59	50	50	50	50
Biennial Change in Expenditures				46		0		0
Biennial % Change in Expenditures				84		0		0
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	0.06	0.20	0.27	0.17	0.17	0.17	0.17	0.17

2830 - Workers Compensation

Balance Forward In		1,080		24				
Direct Appropriation	7,831	7,831	7,831	7,831	7,831	7,831	9,768	9,816
Transfers Out		75						
Cancellations		374						
Balance Forward Out	1,080		24					
Expenditures	6,751	8,462	7,807	7,855	7,831	7,831	9,768	9,816
Biennial Change in Expenditures				450		0		3,922

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base		Governor's Recommendation	
					FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				3		0		25
Governor's Change from Base								3,922
Governor's % Change from Base								25
Full-Time Equivalents	43.11	43.49	46.70	49.00	49.00	49.00	51.50	51.50

3010 - Coronavirus Relief

Direct Appropriation	6							
Transfers In	5							
Transfers Out	5							
Cancellations	0							
Expenditures	6							
Biennial Change in Expenditures				(6)		0		0
Biennial % Change in Expenditures								
Governor's Change from Base								0
Governor's % Change from Base								

5201 - Administrative Hearings

Balance Forward In	575	292	256	292	348	408	348	408
Receipts	2,100	2,544	2,748	3,517	3,517	3,517	3,517	3,517
Balance Forward Out	284	234	292	348	408	468	408	468
Expenditures	2,390	2,602	2,712	3,461	3,457	3,457	3,457	3,457
Biennial Change in Expenditures				1,181		741		741
Biennial % Change in Expenditures				24		12		12
Governor's Change from Base								0
Governor's % Change from Base								0
Full-Time Equivalents	15.84	13.88	14.59	26.20	26.20	26.20	26.20	26.20

5202 - Workers Comp Transcript

Balance Forward In	47	45	44	44	47	50	47	50
Receipts	2	3	2	5	5	5	5	5
Balance Forward Out	45	44	44	47	50	53	50	53
Expenditures	4	4	1	2	2	2	2	2
Biennial Change in Expenditures				(4)		1		1

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Governor's Recommendation	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
Biennial % Change in Expenditures				(54)		16		16
Governor's Change from Base								0
Governor's % Change from Base								0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	409	409	409	818
Forecast Base	409	409	409	818
Change Items				
Deficiency Funding	196			
Maintain Current Service Levels		26	35	61
Public Comment Portal		1,800		1,800
Total Governor's Recommendations	605	2,235	444	2,679
Fund: 2830 - Workers Compensation				
FY2023 Appropriations	7,831	7,831	7,831	15,662
Forecast Base	7,831	7,831	7,831	15,662
Change Items				
Maintain Current Service Levels		1,482	1,552	3,034
Courtroom Security - Workers' Compensation Fund		157	117	274
Effective Court Services - Workers' Compensation Fund		298	316	614
Total Governor's Recommendations	7,831	9,768	9,816	19,584
Dedicated				
Fund: 5201 - Administrative Hearings				
Planned Spending	3,461	3,457	3,457	6,914
Forecast Base	3,461	3,457	3,457	6,914
Total Governor's Recommendations	3,461	3,457	3,457	6,914
Fund: 5202 - Workers Comp Transcript				
Planned Spending	2	2	2	4
Forecast Base	2	2	2	4
Total Governor's Recommendations	2	2	2	4
Revenue Change Summary				
Dedicated				
Fund: 5201 - Administrative Hearings				
Forecast Revenues	3,517	3,517	3,517	7,034
Total Governor's Recommendations	3,517	3,517	3,517	7,034
Fund: 5202 - Workers Comp Transcript				
Forecast Revenues	5	5	5	10

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Total Governor's Recommendations	5	5	5	10
Non-Dedicated				
Fund: 1000 - General				
Forecast Revenues	165	165	165	330
Total Governor's Recommendations	165	165	165	330
Fund: 2830 - Workers Compensation				
Forecast Revenues	2	2	2	4
Total Governor's Recommendations	2	2	2	4

Office of Administrative Hearings

FY 2024-25 Biennial Budget Change Item

Change Item Title: Deficiency Funding

Fiscal Impact (\$000s)	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
General Fund					
Expenditures	196	0	0	0	0
Revenues	0	0	0	0	0
Other Funds					
Expenditures	0	0	0	0	0
Revenues	0	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	196	0	0	0	0
FTEs	0	0	0	0	0

Recommendation:

The Governor recommends deficiency funding of \$196,000 in FY 2023 from the General Fund for the Office of Administrative Hearings (OAH). Funds will be used to maintain fair, timely, and impartial hearings in campaign and data practices matters.

This represents a 143% increase from the current FY 2023 appropriation of \$137,000, increasing the total appropriation for FY2023 to \$333,000.

Rationale/Background:

On average, for an entire fiscal year, OAH generally receives 25 newly-filed data practices and campaign cases and expends 600 hours of judicial time.

In just the first quarter of FY 2023, OAH exceeded those annual averages; we received 33 newly-filed data practices and campaign cases and expended 608 hours of judicial time.

OAH anticipates second-quarter new filings consistent with the first quarter (30), followed by a slower rate of new filings in the third (10) and fourth quarters (7). In total, we anticipate 80 new cases.

OAH anticipates second-quarter judicial hours will be similar to the first quarter (450), followed by fewer hours in the third (150) and fourth quarters (150). In total, we anticipate a total of 1,358 of expended judicial hours.

Proposal:

This proposal funds approximately 800 additional hours of judicial time for data practices and campaign matters heard in FY 2023.

Judicial time is billed against the appropriation at the same rate approved by MMB for contested administrative practices cases per M.S. 16A.126, subd. 1. The rate otherwise collected by OAH and deposited in the revolving fund for contested cases cannot be used to subsidize data practices or campaign matters. M.S. 14.53.

This proposal ensures the availability of a skilled judicial decision maker when Minnesotans bring campaign and data practices matters throughout FY 2023.

Impact on Children and Families:

- The change level request does not directly impact children and families.
- There are no potential positive or negative impacts on children and families.

Equity and Inclusion:

- The change level request does not directly impact any Racial and Ethnic groups.
- There are no potential positive or negative impacts on the identified groups.

Tribal Consultation:

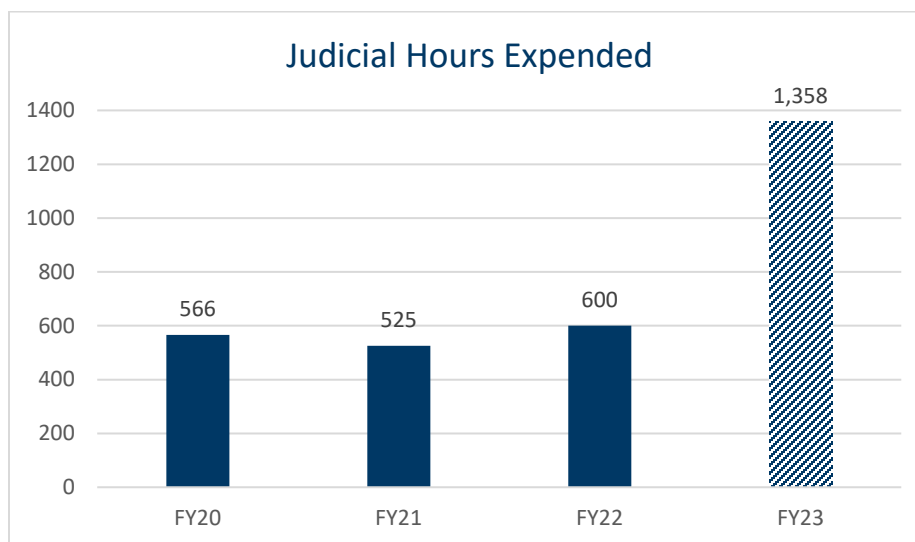
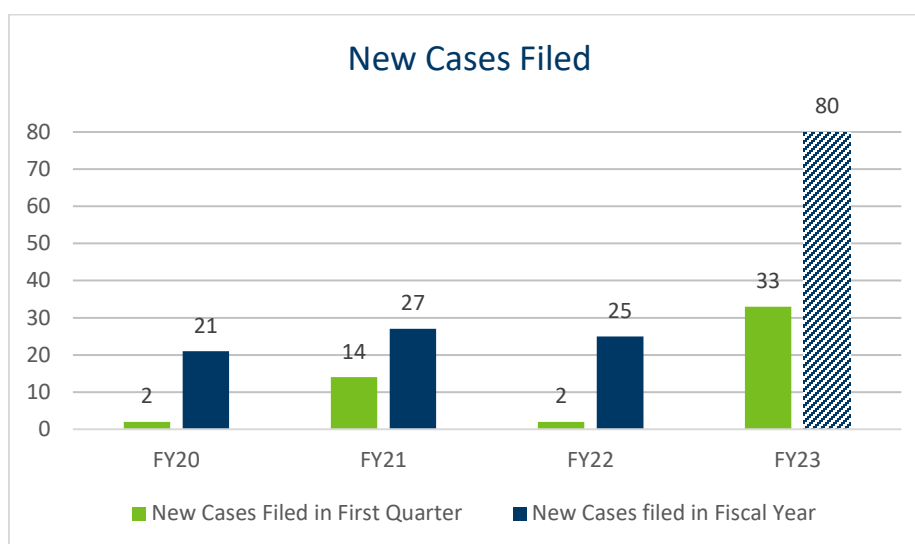
Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No

Results:

The requested amount is based on an exceptional number of new case filings in the first quarter of FY2023:

**Statutory Change(s):**

This proposal will not require statutory changes.

Office of Administrative Hearings

FY 2024-25 Biennial Budget Change Item

Change Item Title: Maintain Current Service Levels

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	\$26	\$35	\$35	\$35
Revenues	0	0	0	0
Workers Compensation Fund				
Expenditures	\$1,482	\$1,552	\$1,552	\$1,552
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	\$1,508	\$1,587	\$1,587	\$1,587
FTEs	0	0	0	0

Recommendation:

The Governor recommends additional funding of \$26,000 in FY 2024 and \$35,000 ongoing from the general fund, as well as \$1,482,000 in FY 2024 and \$1,552,000 ongoing from the workers compensation fund, to maintain the current level of service delivery at the Office of Administrative Hearings (OAH).

Rationale/Background:

Each year, the cost of doing business rises—employer-paid health care contributions, FICA and Medicare, along with other salary and compensation-related costs increase. Other operating costs, like rent and lease, fuel and utilities, and IT and legal services also grow. This cost growth puts pressure on agency operating budgets that remain flat from year to year.

Agencies face challenging decisions to manage these costs within existing budgets, while maintaining the services Minnesotans expect. From year to year, agencies find ways to become more efficient with existing resources. However, cost growth typically outstrips efficiencies, and without additional resources added to agency budgets, service delivery erodes.

For OAH, operating cost pressures exist in multiple categories—increases in compensation and insurance costs at the agency, increasing costs to maintain our current staff compliment in a challenging labor market, and increasing IT costs. If an operational increase is not provided, the services OAH delivers to Minnesotans will be impacted. Some examples of potential impacts include closure of courtroom locations and reductions in the level of service provided.

Proposal:

The Governor recommends increasing agency operating budgets to support maintaining the delivery of current services. For OAH, this funding will cover expected and anticipated employee compensation growth as well as known cost increases in rent and IT services.

Results:

This proposal is intended to allow OAH to continue to provide current levels of service and information to the public.

Office of Administrative Hearings

FY 2024-25 Biennial Budget Change Item

Change Item Title: Public Comment Portal

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	\$1,800	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	\$1,800	0	0	0
FTEs	0	0	0	0

Recommendation:

The Governor recommends a one-time investment of \$1,800,000 for the Office of Administrative Hearings (OAH) to make critical investments to increase public engagement and accountability in rulemaking by:

1. Creating an accessible, easily-navigated, web-based portal to collect and publish public comments on proposed rules; and
2. Updating the court case management system to include electronic record access, filing, and service for rulemaking and contested cases.

Rationale/Background:

1. Existing portal
 - eComments was purchased in 2015 to electronically collect public comments in rulemaking.
 - Agencies across the executive branch, legislators, and the public uniformly report that eComments is difficult to navigate and cumbersome, frustrating the public's ability to fully engage in rulemaking.
2. Existing case management system
 - Aderant Total Office was first used at OAH in 2011 and is now obsolete.
 - The current system does not include electronic record access, filing, or service for rulemaking matters or contested cases.
 - These electronic services are commonplace in today's delivery of modern judicial services and will ensure rulemaking documents are available to the public through the public comment portal.

Proposal:

1. A new, web-based portal for public comments will:
 - Broaden agency outreach and engagement;
 - Enhance the public experience when participating in rulemaking;
 - Streamline processes for collecting and publishing public comments;
 - Improve communications and the sharing and dissemination of rulemaking information; and
 - Simplify rulemaking business process across state agencies.
2. An updated case management system will provide:
 - Electronic filing;
 - Electronic service; and
 - Electronic access to court records in rulemaking and contested cases.

Impact on Children and Families:

- The change level request does not directly impact children and families.
- There are no potential positive or negative impacts on children and families.

Equity and Inclusion:

- This request will create a sustainable electronic infrastructure for public comment that increases readily available opportunities for all state agencies to engage diverse individuals, groups, and communities.
- By removing barriers to access, this request will increase public participation and engagement, and public accountability in government, for all Minnesotans and Minnesota communities.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☒ Yes

☐ No

A new, web-based portal for public comments in rulemaking will broaden agency outreach and engagement across all Minnesota communities, including Minnesota Tribal governments and members.

IT Costs

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts	1,700,000					
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						
Staff costs (MNIT or agency)	\$100,000					
Total						
MNIT FTEs	.75					
Agency FTEs						

Results:**What are the project's success metrics?**

Increase agency use of centralized public comment portal in rulemaking by 50%

Add 10,000 unique users within the first 6 months, followed by a 50% increase each year thereafter

Support 100% annual growth in data

How Measured?

Compare post-implementation FY to pre-implementation FY

Compare post-implementation FYs

Compare post-implementation FYs

Statutory Change(s):

This proposal will not require statutory changes.

Office of Administrative Hearings

FY 2024-25 Biennial Budget Change Item

Change Item Title: Courtroom Security – Workers’ Compensation Fund

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	\$157	\$117	\$117	\$117
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	\$157	\$117	\$117	\$117
FTEs	0	0	0	0

Recommendation:

The Governor recommends an operational increase of \$157,000 in FY 2024 and \$117,000 in FY 2025 from the workers’ compensation fund for the Office of Administrative Hearings (OAH). Funds will be used to add modern security screening for eleven courtrooms at our St. Paul location.

OAH costs are distributed across four funds: (1) Workers’ Compensation Special Compensation Fund; (2) Administrative Law Enterprise Fund; (3) Municipal Boundary Adjustments; and (4) Sanitary Districts. This request represents 78% of the total cost to add modern security screening for eleven courtrooms at our St. Paul location.

This request represents a 1.5% increase in operational funding for workers’ compensation matters from FY 2023 to FY 2025.

Rationale/Background:

OAH is the only court in the Twin Cities metropolitan area that does not utilize modern security screening. The National Center for State Courts identifies entry screening as a court’s first line of defense in mitigating security risks in court buildings. Modern security screening ensures that everyone appearing at a court proceeding has the opportunity to safely express their own viewpoint.

OAH annually receives nearly 10,000 workers compensation disputes involving 7,500 workers and their employers, insurers, and medical providers. Workers’ Compensation Judges have been the target of threats and threatening behavior, including a matter currently being monitored by the FBI. This proposal is consistent with M.S. 609.66, which prohibits the possession of a dangerous weapon, ammunition, or explosives within any courthouse complex.

Proposal:

With new funding, OAH will lease one free-standing magnetometer located directly outside the single entrance to our St. Paul courtrooms and contract with Capitol Security for staffing.

Impact on Children and Families:

- The change level request does not directly impact children and families.
- There are no potential positive or negative impacts on children and families.

Equity and Inclusion:

- The change level request does not directly impact any Racial and Ethnic groups.
- There are no potential positive or negative impacts on the identified groups.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No

IT Costs

Category	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Payroll						
Professional/Technical Contracts	\$157,000	\$117,000	\$117,000	\$117,000	\$117,000	\$117,000
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						
Staff costs (MNIT or agency)						
Total						
MNIT FTEs						
Agency FTEs						

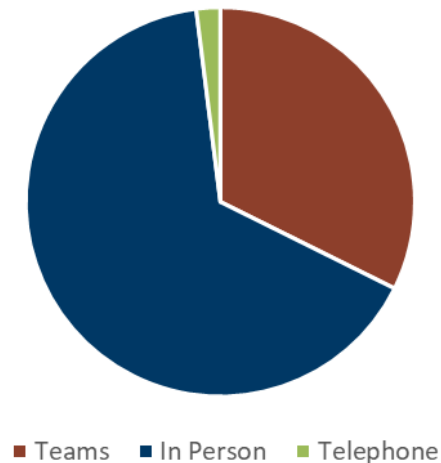
Results:

To protect due process, OAH assumes all evidentiary hearings should be held in person. Parties may move the court, on a case-by-case basis, to change to a virtual location.

In FY 2022, 66% of all evidentiary hearings were held in person. That percentage is increasing in FY 2023 and we assume will continue to increase in FY 2024.

Modern security screening will ensure that all parties, attorneys, witnesses, and interpreters have the opportunity to safely participate in the court process.

**Workers' Compensation Evidentiary Hearings
FY22**

**Statutory Change(s):**

This proposal will not require statutory changes.

Office of Administrative Hearings

FY 2024-25 Biennial Budget Change Item

Change Item Title: Effective Court Services – Workers’ Compensation Fund

Fiscal Impact (\$000s)	FY 2024	FY 2025	FY 2026	FY 2027
General Fund				
Expenditures	0	0	0	0
Revenues	0	0	0	0
Other Funds				
Expenditures	\$298	\$316	\$316	\$316
Revenues	0	0	0	0
Net Fiscal Impact = (Expenditures – Revenues)	\$298	\$316	\$316	\$316
FTEs	2.5	2.5	2.5	2.5

Recommendation:

The Governor recommends an operational increase of \$298,000 in FY 2024 and \$316,000 in FY 2025 from the workers’ compensation fund to the Office of Administrative Hearings (OAH) to:

1. Add 0.5 FTE to effectively maintain the court’s existing workers’ compensation electronic filing system; and
2. Add 2 FTE to efficiently support workers’ compensation judges in earlier completion of findings and orders.

This request represents a 4% increase in operational funding and will improve existing levels of court services.

Rationale/Background:

1. Electronic Filing System
 - One-time funding of \$600,000 was received in FY 2011 to obtain a modern case management system (C-Track) for workers’ compensation cases. Ongoing funding to maintain the system was not included. This is the same case management system used by the Minnesota Tax Court, Minnesota Court of Appeals, and Minnesota Supreme Court.
 - C-Track requires real-time monitoring and timely problem solving to mitigate service disruptions for attorneys and parties who use the system to electronically file and serve court documents.
2. Staff Attorneys
 - There is currently one staff attorney supporting 20 Workers’ Compensation Judges at OAH.
 - Staff attorneys perform comprehensive and in-depth legal research and analysis; draft, prepare, review, and edit a variety of legal documents; maintain knowledge and stay abreast of changes to applicable policies, procedures, rules, statutes, and case law; and receive and respond to questions from judges, law clerks, court staff, attorneys, self-represented litigants, and the public regarding court procedures, cases, and records.
 - The judicial branch ratio of comparable attorneys (judicial law clerks) to trial judges is at least 1:1.

Proposal:

1. Electronic Filing System
 - Add 0.5 FTE to effectively mitigate service disruptions in our workers’ compensation case management system.
 - The Governor is also recommending funding for 0.5 FTE for the Minnesota Tax Court in support of this system.

- This additional FTE, shared with the Minnesota Tax Court, will ensure that both Executive Branch courts maintain a case management system that consistently provides an electronic filing platform that is user-friendly, accurate, and available.

2. Staff Attorneys

- Add 2 FTE, making a total of 3 staff attorneys available to support 20 workers' compensation judges.
- Additional complement will contribute to faster completion of findings and orders.
- Additional staff attorney positions also create pipeline opportunities into this specialized area of legal practice.

Impact on Children and Families:

- The change level request does not directly impact children and families.
- There are no potential positive or negative impacts on children and families.

Equity and Inclusion:

- The change level request does not directly impact any Racial and Ethnic groups.
- There are no potential positive or negative impacts on the identified groups.

Tribal Consultation:

Does this proposal have a substantial direct effect on one or more of the Minnesota Tribal governments?

☐ Yes

☒ No

IT Costs:

<i>Category</i>	<i>FY 2024</i>	<i>FY 2025</i>	<i>FY 2026</i>	<i>FY 2027</i>	<i>FY 2028</i>	<i>FY 2029</i>
Payroll						
Professional/Technical Contracts						
Infrastructure						
Hardware						
Software						
Training						
Enterprise Services						
Staff costs (MNIT or agency)	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000	\$86,000
Total						
MNIT FTEs	.5	.5	.5	.5	.5	.5
Agency FTEs						

Results:

<i>Type of Measure</i>	<i>Name of Measure</i>	<i>Current Value</i>	<i>Date</i>	<i>Projected Value (without)</i>	<i>Projected Value (with)</i>	<i>Date</i>
Quantity	eFiling Service Disruptions	11 disruptions; two lasted more than 24 hours	FY22	11 disruptions, two lasting more than 24 hours	4 disruptions lasting no more than 1 hour	FY24
Quality	Percentage of Findings and Orders that benefit from Staff Attorney support	30%	FY22	30%	60%	FY24

Statutory Change(s):

This proposal will not require statutory changes.

Office of Administrative Hearings

Administrative Hearing

Administrative Hearing (5201) Fund

Revenues, Expenses and Changes in Net Assets

(Dollars in Thousands)

	Actual FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025
Operating Revenues:				
Net Sales	2,768	3,514	3,689	3,689
Rental and Service Fees				
Insurance Premiums				
Other Income				
Total Operating Revenues	2,768	3,514	3,689	3,689
Gross Margin				
Operating Expenses:				
Purchased Services	300	350	400	400
Salaries and Fringe Benefits	1,202	2,924	3,083	3,083
Claims				
Depreciation				
Amortization				
Supplies and Materials	51	51	51	51
Indirect Costs	4	4	4	4
Other Expenses				
Total Operating Expenses	1,557	3,329	3,538	3,538
Operating Income (Loss)	(1,557)	(3,329)	(3,538)	(3,538)
Nonoperating Revenues (Expenses):				
Investment Income				
Interest and Financing Costs				
Other Nonoperating Expenses				
Gain (Loss) on Disposal of Capital Assets				
Total Nonoperating Revenues (Expenses)	0	0	0	0
Income (Loss) Before Transfers and Contributions	1,211	(3,329)	(3,538)	(3,538)
Capital Contributions				
Transfers in				
Transfers out				
Change in Net Assets	1,211	(3,329)	(3,538)	(3,538)
Net Assets, Beginning as Reported	(2,053)	(842)	(4,171)	(7,709)
Net Assets, Ending	(842)	(4,171)	(7,709)	(11,247)
Rate increase/(decrease)				
Full Time Equivalents (FTE)	19.5	19.5	19.5	19.5

Office of Administrative Hearings

Administrative Hearing

Administrative Hearing (5201) Fund

Net Assets

(Dollars in Thousands)

	Actual FY 2022	Projected FY 2023
ASSETS		
Current Assets:		
Cash and Cash Equivalents	244	244
Investments		
Accounts Receivable	285	285
Accrued Investment/Interest Income		
Inventories		
Deferred Costs		
Total Current Assets	529	529
Noncurrent Assets:		
Deferred Costs		
Depreciable Capital Assets (Net)		
Total Noncurrent Assets	0	0
Total Assets	529	529
LIABILITIES		
Current Liabilities:		
Accounts Payable	201	201
Interfund Payables		
Unearned Revenue		
Loans Payable		
Compensated Absences Payable	29	29
Total Current Liabilities	230	230
Noncurrent Liabilities:		
Loans Payable		
Compensated Absences Payable	284	284
Other Liabilities	146	146
Total Noncurrent Liabilities	430	430
Total Liabilities	660	660
NET ASSETS		
Invested in Capital Assets, Net of Related Debt		
Unrestricted		
Total Net Assets	0	0

Office of Administrative Hearings

Administrative Hearing

Administrative Hearing (5201) Fund

Brief Narrative

Background:

The Office of Administrative Hearings renders justice through fair, timely, and impartial administrative hearings, and high-quality dispute resolution services. The Administrative Law Division exists to ensure that when government agencies undertake regulatory or rulemaking functions, they do so within their legal authority and provide the processes that are guaranteed to individuals and businesses.

Detail of any loans from the general fund, including dollar amounts:

None.

Proposed investments in technology or equipment of \$100,000 or more:

Although improvements in technology are needed in this fund, there are no current plans at this time.

Explanation of changes in net assets (formerly retained earnings increases, operating losses):**Explain any reasons for rate changes:**

A rate increase was approved due to statutorily provided pay increases, professional development, and to increase cash flow equal to about 35 days operational expenses.

Impact of rate changes on affected agencies:

The hourly billable rate for judge time increased from \$215 per hour to \$245 per hour. The hourly billable rate for staff attorney increased from \$105 per hour to \$145.

Office of Administrative Hearings

Workers' Compensation Transcript

Workers' Compensation Transcript (5202) Fund

Revenues, Expenses and Changes in Net Assets

(Dollars in Thousands)

	Actual FY 2022	Projected FY 2023	Projected FY 2024	Projected FY 2025
Operating Revenues:				
Net Sales	2	2	2	2
Rental and Service Fees				
Insurance Premiums				
Other Income				
Total Operating Revenues	2	2	2	2
Gross Margin				
Operating Expenses:				
Purchased Services	1	1	1	1
Salaries and Fringe Benefits				
Claims				
Depreciation				
Amortization				
Supplies and Materials				
Indirect Costs				
Other Expenses				
Total Operating Expenses	1	1	1	1
Operating Income (Loss)	(1)	(1)	(1)	(1)
Nonoperating Revenues (Expenses):				
Investment Income				
Interest and Financing Costs				
Other Nonoperating Expenses				
Gain (Loss) on Disposal of Capital Assets				
Total Nonoperating Revenues (Expenses)	0	0	0	0
Income (Loss) Before Transfers and Contributions	(1)	(1)	(1)	(1)
Capital Contributions				
Transfers in				
Transfers out				
Change in Net Assets	(1)	(1)	(1)	(1)
Net Assets, Beginning as Reported	46	45	44	43
Net Assets, Ending	45	44	43	42
Rate increase/(decrease)				
Full Time Equivalents (FTE)				

Office of Administrative Hearings

Workers' Compensation Transcript

Workers' Compensation Transcript (5202) Fund

Net Assets

(Dollars in Thousands)

	Actual FY 2022	Projected FY 2023
ASSETS		
Current Assets:		
Cash and Cash Equivalents	46	45
Investments		
Accounts Receivable		
Accrued Investment/Interest Income		
Inventories		
Deferred Costs		
Total Current Assets	46	45
Noncurrent Assets:		
Deferred Costs		
Depreciable Capital Assets (Net)		
Total Noncurrent Assets	0	0
Total Assets	46	45
LIABILITIES		
Current Liabilities:		
Accounts Payable		
Interfund Payables		
Unearned Revenue		
Loans Payable		
Compensated Absences Payable		
Total Current Liabilities	0	0
Noncurrent Liabilities:		
Loans Payable		
Compensated Absences Payable		
Other Liabilities		
Total Noncurrent Liabilities	0	0
Total Liabilities	0	0
NET ASSETS		
Invested in Capital Assets, Net of Related Debt		
Unrestricted		
Total Net Assets	0	0

Office of Administrative Hearings

Workers' Compensation Transcript

Workers' Compensation Transcript (5202) Fund

Brief Narrative

Background:

The Workers' Compensation Transcript revenues are dedicated to the purposes of maintaining record of hearings conducted and preparation of transcript of those hearings for appeals to the Workers' Compensation Court of Appeals. Additional revenue is generated through filing fees.

Detail of any loans from the general fund, including dollar amounts:

Proposed investments in technology or equipment of \$100,000 or more:

Explanation of changes in net assets (formerly retained earnings increases, operating losses):

Explain any reasons for rate changes:

No rate change

Impact of rate changes on affected agencies: