



Strategic Plan

Fiscal Years 2025 - 2029

by

State Office of Administrative Hearings

Chief Administrative Law Judge Kristofer S. Monson

Signed and Dated

Kristofer Monson (May 13, 2024 14:07 CDT)

Austin, Texas

Table of Contents

Contents

Table of Contents	2
Agency Mission.....	3
Agency Philosophy.....	3
Agency Goals and Action Plan.....	4
Goal 1: Create Best-In-Class Hearings and Support	4
Goal 2: Conform Agency Pay Structure and Training to Ensure Parity with Peer Agencies and Fulfill Statutory Mandates of Chapter 2003 of the Government Code.	7
Redundancies and Impediments	16
Budget Structure.....	31
Measure Definitions.....	34
Historically Underutilized Business Plan	53
Capital Planning.....	56
Agency Workforce Plan	57
Report on Customer Service.....	68
Cybersecurity Training.....	73

Agency Mission

The mission of the State Office of Administrative Hearings is to serve as an independent, neutral forum for the State of Texas by providing a fair and efficient hearings process and the opportunity for alternative dispute resolution proceedings, in accordance with Chapter 2003 of the Texas Government Code.

Agency Philosophy

Why Not Better?

SOAH will focus on implementing the Legislature’s intent set out in statute, while optimizing the services it provides to the public. In reassessing its business processes to accommodate new technology, SOAH must revisit every aspect of our business processes, from how we assign cases to how we format documents. In addressing each separate action, we will always ask ourselves “Why Not Better?”.

Agency Goals and Action Plan

Goal 1: Create Best-In-Class Hearings and Support

Specific Action Items

1. Develop and Optimize Use of Hybrid Hearings Technology

Conducting remote hearings has led to a greater percentage of Texans taking part in hearings, because they no longer have to take a full day off of work or undertake the expense of traveling to a SOAH office.

While the cost-savings and efficiency gains of remote hearings are well established by the data, a small percentage of cases before SOAH directly benefit from some degree of in-person attendance. SOAH has already created a pilot hybrid-hearing room and is in the process of developing best-practices for hybrid appearances. Eventually, SOAH will deploy additional hybrid hearing rooms in Austin and at least one in each of SOAH's seven regional offices. This will allow witnesses to appear for a hearing at SOAH, but at a location that is more convenient than having to travel to SOAH's Austin Headquarters.

In addition to expanding the technological hardware to implement hybrid hearings, SOAH will continue to refine the remote hearings process to fully realize its promise as a cost-efficient and fair way to hold administrative hearings.

Expected Completion: June 2027

2. Expand Access to Hearings for Self-Represented Litigants

SOAH hears large numbers of cases involving litigants who have no lawyers and are contesting agency orders that directly impact their ability to earn an income to support their families. In the past, SOAH focused its support program for self-represented litigants on courtroom procedures. This led to a process for self-represented litigants that still emphasizes traditional paper and fax filings and offers fewer opportunities for these everyday citizens to leverage technology to make things easier.

However, national studies have shown that self-represented litigants who do not have access to traditional computers or internet often *do* have access to smartphone technology. Indeed, Texans increasingly expect to be able to use their mobile phones to interact with government agencies. SOAH will, to the extent possible, augment and modify its current forms for self-represented litigants to be compatible with mobile

phone browsers, with a focus on providing fillable forms that can be easily completed and filed on a smartphone or mobile device.

Expected Completion: June 2027

3. Leverage Existing Technology to Ensure Both a Constituent-Centered Access to Administrative Exhibits and Records and to Promote Internal Communication and Quality Control.

SOAH's recent adoption of electronic filing and electronic-records management has done much to increase transparency and access to data. However, SOAH's current technology solution for the electronic sharing of voluminous exhibits and audiovisual exhibits remains technically difficult to use, especially for large, complex cases. As a result, exhibit sharing in many cases takes place on an ad hoc basis, on systems outside of SOAH's control and oversight. SOAH's data-management requirements are also complicated by the fact that SOAH handles certain cases that are required by law to be confidential and closed to the public, as well as routine cases that can include various types of confidential and sensitive information. Similarly, SOAH's various statutory confidentiality requirements have complicated the use of re:Search Texas, the state's official online court records repository, to provide access to documents. SOAH will revisit all data sharing processes and update them to provide the level of service necessary to support document sharing and access to the record for all document types, in all case types.

At the same time, SOAH has been piloting various technologies to increase collaboration and quality control. In 2023, SOAH received its first aggregate data using the new case-management system. By combining these two resources, SOAH will be able to improve its quality control posture. As explained below, this new opportunity to use data to improve public service is undermined by SOAH's inability to allocate some judge time to oversight, quality control, and training.

SOAH actively monitors technology standards and best practices in central hearings panels across the United States. Using the experience of other, similarly situated agencies, SOAH will optimize all public-facing websites and document-handling processes to eliminate unnecessary steps and minimize any potential for confusion. For example, SOAH will streamline the handling of video exhibits so that they can be offered, admitted, and replayed during a hearing using fewer steps.

Finally, SOAH's recently implemented case-management system has yielded great improvements in efficiency. Some of that efficiency has been undercut using legacy systems at SOAH's referring agencies. For example, agencies such as the Texas Commission on Environmental Quality (TCEQ) and the Public Utility Commission (PUC) run their own systems in a way that requires redundant filing in two different

systems, and requires multiple agencies to maintain separate, and sometimes inconsistent, lists of case participants and their contact information for the delivery of SOAH decisions and orders. SOAH will endeavor to support referring agencies as they update their legacy systems, in order to promote seamless communications and minimize the filing burden on Texans.

Expected Completion: May 2028

How Goal Supports Statewide Objectives

1. Accountable to tax and fee payers of Texas:

- Using technology to make hearings available and accessible will improve accountability by allowing the public more readily to see what happens at SOAH.
- Improving service to self-represented litigants improves accountability by allowing citizens impacted by agency actions brought before SOAH better to handle their own cases.
- Improving access to, and handling of, documents directly benefits Texans involved in the administrative hearings process.

2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function considered redundant or not cost-effective:

- Simplifying and consolidating file sharing processes will reduce redundancies and information security risks caused by allowing multiple systems for the filing and sharing of case records.
- Making hearings accessible by using existing technology will lower travel expenses incurred in sending SOAH personnel to remote locations, as well as lowering the costs incurred by other state agencies in traveling to hearings.
- Promoting hybrid hearings will save hearing participants costs, particularly on expert-witnesses.
- Updating internal communications regarding developing issues and recent decisions will promote consistency and quick turnaround time on cases.
- Increasing SOAH's capacity to offer hybrid hearings will eventually result in cost savings associated with an overall reduction in SOAH's need to lease and maintain a large number of physical hearing rooms statewide.
- Coordinating filing systems across agencies while updating legacy systems will save money and effort.

3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve:

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- The new document sharing process will be more secure and efficient and will prevent cases from proceeding on multiple technology platforms that are outside of state oversight.
 - Improving and the technologies associated with record keeping will enable SOAH to adopt and implement the same type of robust quality-control process used in other states.
 - Removing redundant filing requirements and data-storage systems will improve customer service while avoiding potential mistakes.

4. Attentive to providing excellent customer service:

- A new data-sharing process for case exhibits will replace a complex, labor-intensive process for which the agency received negative responses in the agency's annual customer service survey.
- Making hearings more accessible to, and understandable by, self-represented litigants is the right thing to do.
- Texans should not have to file duplicate administrative paperwork with two separate agencies in order to participate in a single due process hearing at SOAH.

5. Transparent such that agency actions can be understood by any Texan:

- Making public hearings accessible to more people will help all Texans better understand the administrative process.
- Improving access to public documents will allow Texans to more easily observe SOAH's function.
- A more uniform and user-friendly data-sharing system for case exhibits will improve Texans' ability to participate in due-course-of-law hearings.

Goal 2: Conform Agency Pay Structure and Training to Ensure Parity with Peer Agencies and Fulfill Statutory Mandates of Chapter 2003 of the Government Code.

Specific Action Items

1. Prepare to Meet the Increased Workload Demands Associated with Population Growth Without Adding FTEs, By Developing a Smaller— But Higher Quality— Workforce.

SOAH's recent strategic plans have been focused on technology: the new case management system has completely changed SOAH's practice, from creating

unprecedented scheduling flexibility to reducing the rate of cases that had to be dismissed due to clerical errors to zero.

At the same time, SOAH's caseloads are trending higher with the population numbers.

SOAH has thus far been able to meet the pressures of increased caseloads due to population growth through increased productivity, rather than by hiring more staff. Agency productivity levels are currently at 85% of SOAH's total capacity. But to do more work without adding FTEs, SOAH must continue to recruit and retain employees who can adapt to meet the organization demands imposed by modern case management practices and increasingly sophisticated courtroom technologies.

This plan focuses on ALJ salaries—which remain an issue because the current job-classification schedule is inconsistent with SOAH's enabling statute and recent pay increases at the agencies from which SOAH recruits have rendered SOAH salaries uncompetitive. But it is also essential to recruit and retain support staff capable of meeting the transformed job requirements of a modern agency. For example, the SOAH Chief Clerk's Office, now staffed with eight clerks, is able to handle a statewide administrative driver's license caseload that previously required dozens of DPS employees to complete. And SOAH's IT department has gone from supporting a closed local area network system and one server to managing multiple cloud-based systems. Thus, while it takes fewer employees to provide services, those employees must have better skills and undertake a higher level of responsibility.

A key to meeting additional caseloads without expanding the size of the agency will be using digital document management systems to redistribute the statewide workload from SOAH's Austin headquarters to qualified individuals in SOAH regional offices. SOAH will thus be able to recruit employees from parts of the state, who are not subject to the high wage pressures of the Austin metro area. Maintaining quality of service while expanding the geographic footprint of higher-level employees, however, requires that SOAH recruit and retain legal professionals capable of leveraging technology to maintain a higher standard of work with less daily oversight.

SOAH will continue to address workflow dynamically, in order to create capacity to meet future demands associated with population growth with the same, or a smaller, number of FTEs.

Expected Completion June 2027

2. Conform ALJ Pay Grades to Statutory Requirements in Order to Ensure Retention and Recruitment.

Chapter 2003 of the Government Code contemplates two job classifications that have never been fully funded in SOAH’s budget. These are “Senior Administrative Law Judge,” and “Master Administrative Law Judge II,” created by sections 2003.411 and 2003.101 of the Government Code. Chapter 2003 creates a statutory career ladder for SOAH judges based on certain benchmarks of experience presiding over administrative hearings, and subject to specific, statutorily mandated training standards. SOAH cannot satisfy Chapter 2003’s requirements for an ALJ career ladder without additional appropriations for salaries.

Due to a number of retirements over the past six years, SOAH is now primarily staffed by mid-career judges, who are currently at a more-junior paygrade based on years of state service despite their prior legal experience and qualifications. Therefore, the statutory promotion issue has not yet arisen as an employee retention problem. However, as those recent hires advance in their careers, there is a five- to seven-year gap in which no salary advancement is available under SOAH’s lockstep salary system. A further problem is that Chapter 2003 of the Government Code requires that ALJs be supervised by either Senior or Master judges—which means that talented and well qualified judges cannot be given managerial responsibilities unless and until they have demonstrated the (unrelated) skills required to reach the “Master” level.

To comply with Chapter 2003’s plain text, SOAH must obtain additional funding to institute two new categories of ALJ:

- “Senior,” meaning high performing ALJs who handle large volumes of cases efficiently and are, therefore, qualified to manage and oversee more junior employees; and
- “Master II,” meaning ALJs who are assigned to specific dockets because of their additional subject-matter expertise and have otherwise met the requirements for the Master I position.

SOAH’s current system requires that a Master ALJ I be able to handle every case type that comes before SOAH, in order to supervise and mentor newer and lower-level ALJs. Creating a Senior ALJ level of compensation would allow SOAH to retain qualified mid-career employees who are valued contributors, handling high volume caseloads that do not require Master-level experience. And it will allow SOAH to incorporate those mid-career judges into the management and quality-control systems, providing long-term career and skill development for attorneys. This Senior Level ALJ designation will particularly assist in attracting and retaining ALJs in the regional offices, where SOAH has recently been able to attract a number of former municipal judges who are well-suited to SOAH’s regional caseload. SOAH should also be able to use highly qualified second-career employees in its management and quality-control.

The Master ALJ II designation, by contrast to the Master ALJ I and Senior designations, differentiates judges who have particular subject-matter expertise, such as that held by the judges who handle tax cases for the Comptroller. The pool of attorneys eligible under the statutory criteria for tax specialization is extremely limited. Other SOAH practice areas also require judges with specialized expertise, such as public utilities, environmental permitting, and special education. Expanding funding for the Master ALJ II designation will allow SOAH to compensate these specialized judges, such as those who handle public utility and special education cases, in accordance with their specific technical expertise.

By funding Master ALJ II level of compensation, SOAH will be better able to recruit and retain ALJs with specialized skillsets necessary to providing fulfilling SOAH's mission. And by funding a Senior ALJ level of compensation, SOAH will be able to recognize and retain both valuable long-term and rising-star employees who handle cases using less time and public resources.

Expected Completion: June 2027

3. Conform Base ALJ Salaries to Comparable Legal Jobs in Peer Agencies.

At the same time that SOAH has been unable to provide salary increases to its judges with experience and subject-matter expertise, comparable agencies have raised their salaries a significant amount. Under the most-recent budget, employees at other agencies are compensated more than SOAH ALJs for similar, but less sophisticated, work in the same regulatory program. For example, the PUC's top salary for the docket management employees who handle the administrative preliminaries in cases referred to SOAH is more than ten percent higher than the salary SOAH can pay its highly skilled utilities-law ALJs. It does not make sense to pay subordinate-level PUC employees more than the experienced SOAH ALJs who have to evaluate complex evidence and rule upon major electric-rate cases, within narrow statutory deadlines.

The increase in pay at the PUC coincides with significant pay increases at SOAH's other major source of ALJs, the Office of the Attorney General. SOAH recruits heavily from among senior Office of Attorney General (OAG) attorneys who have the requisite years' legal experience to work as an ALJ, while using essentially the same skill set. In many cases, SOAH has found that the best ALJs are OAG attorneys with significant civil and administrative litigation experience. It's only logical that salary levels for the SOAH ALJs hearing the cases argued by OAG attorneys would be set at similar levels.

It is essential, moreover, to tie SOAH's recruitment and retention needs to pay at PUC and OAG, rather than to other agencies that rely on low-level hearings officers.

The unique demands of SOAH’s docket—handling hundreds of different case types, some of which require significant technical expertise, from over 60 different referring entities—make the SOAH ALJs unlike the hearings officers or ALJs at agencies like the Workforce Commission or the Department of Agriculture. Those agencies hire temporary employees and newer attorneys with only two years of full-time experience for entry level work. SOAH hires ALJs with at least seven years of outside expertise and attracts retired judges and long-time assistant attorneys general. And the nature of the work is quite different; SOAH has found that attorneys who are recruited from these lower-level hearings officer functions are often unable to adapt to the greater demands required of a SOAH ALJ. It is essential that the salary for SOAH ALJs needs be analyzed by comparison to advanced level attorneys at the state agencies from which SOAH recruits qualified employees, which is primarily the OAG and the PUC.

Expected Completion: June 2027

4. Consolidate Salary for Regional Office ALJs into the Austin Office Salary Schedule.

As explained above, SOAH’s strategy for handling increased case load without increasing the total number of employees depends on hiring and retaining ALJs in SOAH’s regional offices. When the SOAH regional offices were initially created, they conducted only driver’s license revocation proceedings for the Department of Public Safety. These hearings are high-volume but require lower skills and less overall legal experience. As a result, the ALJs for these offices were recruited and paid at a much lower salary level than their peers in SOAH’s Austin headquarters. To compensate for the lack of experienced ALJs in SOAH’s regional offices, ALJs from the SOAH’s Austin headquarters office would routinely travel to SOAH regional offices to cover higher-level matters, incurring additional costs.

Over the past five years, technology advances have made driver’s license hearings even easier, faster, and more efficient, which has allowed SOAH to begin assigning more complex types of cases to be heard by ALJs in the regional offices. This is due, in part, to the greater control over the regional offices’ schedules created by SOAH’s newly implemented case management system, which was a chief goal of the last Sunset Commission report. Accordingly, to fully realize the benefits of the changes mandated in the last Sunset Commission report, SOAH has begun to hire regional ALJs at a higher salary tier that is more commensurate with their expected level of work. This has allowed SOAH to attract more experienced new hires, including several formal municipal-court judges whose experience is particularly suited to mid-level ALJ work. And, as the administrative process continues to become more accessible due to the use of teleconferencing technology, SOAH may be best able to recruit highly qualified lawyers outside of the Austin area, with its high cost of living.

SOAH took over the docketing function of driver’s license cases from the Department of Public Safety and was able to eliminate inefficiencies caused by the old process during the last biennium. As a result of the change in technology, regional office ALJs are now doing work at a level similar to a level three ALJ in the Austin office. SOAH will use the additional workload capacity of its regional offices to handle the growth in SOAH’s general docket caseloads. Yet the regional-office ALJs are not being paid at the same level for performing the same function.

SOAH will align the regional salaries with the Austin salary levels for similar work and increase the pay scale for regional ALJs with management responsibilities to recognize their higher-level role in managing employees. This will require additional appropriations.

Expected Completion: June 2027

5. Standardization of Training Strategy

SOAH will develop a new training plan targeted at acquisition of skills, development of subject-matter expertise, and implementation of nationally recognized best practices.

The complete reassessment of business practices required by the new case-management system has required SOAH to reconsider how ALJs are trained and how their career ladder functions. For example, ALJs historically had little or no technology training, which led to difficulties and high turnover when new technologies were adopted to implement SOAH’s Sunset Commission recommendations and during the COVID-19 pandemic response. The lack of basic technology training underscores the need identified in SOAH’s last Sunset Report to create a training plan and career advancement program. SOAH, moreover, is subject to specific statutory language in the Government Code governing promotion of designated “Master” and “Senior” ALJs.

Drawing on the “Elements of Judicial Excellence,” a training paradigm developed by the State Justice Institute and the National Center for State Courts, SOAH will develop a new training plan for ALJs, divided into three areas of concentration.

First, when ALJs come to SOAH, they will formally train in new skills such as hearings technology, hearings management, and subject-matter specific training. Second, SOAH will develop an internal training process to develop and reinforce skills that are not covered in traditional attorney education, such as making evidentiary rulings, judicial practice, alternative dispute resolution, and managing case records. Third, as judges develop to meet the experience requirements to serve as master or senior ALJs, they will engage in specialized training designed to make

them aware of national-level best practices in adjudication and the constitutional and legal ramifications of holding administrative hearings in the executive department of Texas government.

Master and Senior ALJs will, further, be expected to take responsibility for monitoring the development of substantive legal developments and producing documentation that will keep other ALJs up to date on current legal developments in the issues handled by SOAH. Because Master and Senior ALJs are, in turn, responsible for overseeing and supporting junior ALJs, this system will ensure that the administrative process is carried out with a proper view of the importance of the administrative record and of the Texas constitution, as well as up to date knowledge of the substantive law.

In addition, using the new data-management capabilities, combined with funding for a mid-tier, Senior ALJ position, SOAH has the opportunity to implement a best-in-class quality and peer-review process for the administrative hearings conducted by the office. This process could mirror that used in the State of Maryland, which has received national recognition for its thorough and effective quality control program.

In addition, SOAH will completely revise its internal informational systems for sharing new developments and trending issues. Creating a continually updated internal database of resources and case information designed to assist the ALJ workload will encourage efficiency by creating a uniform process for refreshing ALJs' recollection of particularized issues and procedures before holding a hearing on a particular subject matter.

Expected completion: June 2027

How Goal Supports Statewide Objectives

1. **Accountable to tax and fee payers of Texas:**

- Development of a coherent, standardized training strategy will improve the level of service provided to Texas taxpayers, in their interactions with SOAH, and ensure the judicious use of taxpayer funds.
- A robust training program will improve accountability by ensuring that ALJs have the relevant technical, litigation, and substantive expertise to handle the cases before SOAH.
- Updating the ALJ salary schedule will bring SOAH's employment and recruitment in line with statutory text and ensure long-term professional development and retention of SOAH's relatively newer workforce.
- Incorporating the regional offices into Austin's salary-level system will allow SOAH to attract and retain qualified employees who can live in areas with a lower cost of living than Austin itself, leading to salary savings for work performed.

2. Efficient by producing maximum results with no waste of taxpayer funds and by identifying any function considered redundant or not cost-effective:

- Ensuring that SOAH’s employees all receive proper and consistent training in accordance with a larger strategy will produce improved results in the output of the agency’s work product and ensure that training (in terms of time and the expenditure of funds) is directly tailored to the business needs of the agency and the employee’s role in meeting those business needs.
- Making hearings more accessible by using existing technology will lower travel expenses incurred in sending SOAH personnel to remote locations, as well as lowering the costs incurred by other state agencies in traveling to hearings.
- Raising the level of regional office ALJs will allow SOAH to keep whole categories of cases nearer to where people live.
- Updating internal communications regarding developing issues and recent decisions will promote consistency and quick turnaround time on cases.

3. Effective by successfully fulfilling core functions, achieving performance measures, and implementing plans to continuously improve:

- The new docketing process will allow better collection and calculation of performance measures.
- The new training program’s focus on continual updating training and internal discussion of developing issues will allow SOAH more quickly to share expertise and knowledge necessary to continuously improve service to the public.
- Conforming SOAH’s ALJ pay structure to the relevant statutory language will allow SOAH to attract and retain quality employees.

4. Attentive to providing excellent customer service:

- The development of a consistent, comprehensive training plan for the agency ensures that SOAH’s workforce is properly trained and educated for their role at SOAH, which will enable them to provide a higher level of customer service to all affected stakeholders.
- The new system for ensuring up-to-date information for ALJs will improve ALJ preparedness for all types of hearing, including those that occur only every two or three years.

5. Transparent such that agency actions can be understood by any Texan:

- Approaching training and education from the perspective of a comprehensive, objective plan—a foundation for all employees and tailored training and education for each position—promotes fairness and transparency.
- The salary structure should comport with statutory language creating specific positions, with specific, statutorily mandated minimum qualifications: Texans

should be able to know what to expect in a SOAH hearing from reading the plain text of Chapter 2003.

Redundancies and Impediments

Redundancies and Impediments Regarding State Office of Administrative Hearings Information Technology Modernization	
Services, Statute, Rule, or Regulation	Texas Government Code § 2003.055
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	<p>Government Code § 2003.055 provides for SOAH employees to research and propose technological solutions to improve the office’s ability to perform its functions.</p> <p>This antiquated provision requiring employees to research how information technology can be used at SOAH dates back to 2003 and is out of step with modern state agency IT practices. As of Fiscal Year 2024, SOAH has a professional Information Technology Department headed by an Information Resources Manager that works to ensure that SOAH has up to date technology that meets the expectations for modern legal practice, including access to cloud-based IT services, statewide videoconferencing capabilities, and an all-electronic filing and case management system. SOAH’s IT Department works directly with the Chief ALJ and executive staff to develop a unified approach to technology acquisition and implementation in accordance with the Department of Information Resources (DIR) technology delivery framework. Other general statutes and DIR rules governing the oversight of state agency purchases and use of information technology have superseded the need for a redundant SOAH statute encouraging employee use of technology.</p>
Provide agency recommendation for modification or	Eliminate Government Code § 2003.055

elimination.	
Describe the estimated cost savings or other benefit associated with recommended change.	No direct fiscal cost savings identified; modernizes and updates SOAH's enabling statute.
Services, Statute, Rule, or Regulation	Texas Transportation Code, § 524.033(c)-(d) Texas Dept. of Public Safety (DPS)
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	SOAH's 2015 Sunset Report recommended the transfer of case scheduling responsibility for driver's license hearing from the Department of Public Safety to SOAH. To enact this recommendation, Section 524.033(c) and (d) of the Transportation Code were enacted to require DPS and SOAH to enter into an MOU to set out the roles and responsibility for scheduling at each stage of a hearing and to provide for the transfer of funding and employees to SOAH upon the successful transfer of all case scheduling responsibilities to SOAH. Subsection (d) also required SOAH to work with the Department of Information Resources and Office of Court Administration to obtain the technology required to complete the transfer. The transfer of scheduling responsibility was successfully completed in June of 2022, and thus the statutory provisions are no longer required. All administrative driver's license hearings are now scheduled by SOAH using its new cloud-based case management system, which is integrated with the Office of Court Administration's eFile Texas system.
Provide agency recommendation for modification or elimination.	Eliminate Transportation Code §§ 524.033(c) and (d).

Describe the estimated cost savings or other benefit associated with recommended change.	No direct fiscal cost savings identified; modernizes and updates the ALR statute in the Transportation Code.
Redundancies and Impediments Regarding State Office of Administrative Hearings Remove Requirements for Divided Case Management Structure	
Services, Statute, Rule, or Regulation	Texas Government Code § 2003.046
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	This antiquated provision, enacted in 1993, authorizes the Chief ALJ to create teams or divisions of administrative law judges according to subject matter or types of hearings. It was enacted at a time when SOAH was first created by consolidating hearings divisions from other agencies in order to retain a siloed case assignment process tailored to each referring agency’s needs and preferences. All other statutory requirements for SOAH to maintain specific teams or divisions were eliminated by H.B. 2154 during the 2015 Legislative Session based on recommendations of the Sunset Commission. Today, SOAH conducts hearings for over 60 different agencies, and ALJs assigned to SOAH’s central panel are expected to be capable of presiding over almost any type of case.
Provide agency recommendation for modification or elimination.	Eliminate Government Code § 2003.046
Describe the estimated cost savings or other benefit associated with recommended change.	No direct fiscal cost savings identified; modernizes and updates SOAH’s enabling statute by allowing greater organizational flexibility.

**Redundancies and Impediments Regarding
State Office of Administrative Hearings
Improve Supervision of Administrative Law Judges**

<p>Services, Statute, Rule, or Regulation</p>	<p>Texas Government Code § 2003.045</p>
<p>Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.</p>	<p>Government Code § 2003.045, enacted in 1993, originally referred to a set of six “senior administrative law judges” who would provide oversight to the various statutorily compartmentalized divisions. The Legislature dismantled that system in 1999. When it did so, it added the term “Master ALJ” to section 2003.045 and required senior and master ALJs to assume agency management responsibilities based on tenure.</p> <p>For several years, administration of SOAH and oversight of employees has been managed by an executive team under direction of the Chief Administrative Law Judge. Direct oversight of ALJs is entrusted to one or more Deputy Chief Administrative Law Judges, employed by the Chief Administrative Law Judge to perform director-level executive oversight. This structure is similar to that of other agencies that employ executive-level staff, deputy commissioners, or first assistants to oversee their agency operations. SOAH statutes should be updated to recognize the management responsibilities of Deputy Chief ALJs. The qualifications for Deputy Chief ALJ positions should be the same as those set out for the Chief ALJ in section 2003.022(b)(2) of the Government Code to help promote consistency and business continuity in agency management.</p> <p>A change in statutory language would reflect the current managerial structure at SOAH and would allow the Chief ALJ to choose supervisors for managerial skill and qualifications, rather than based merely on statutory tenure.</p>

Provide agency recommendation for modification or elimination.	Amend section 2003.045 to allow the Chief ALJ to delegate managerial authority to one or more Deputy Chief Administrative Law Judges. The requirements for Deputy Chief ALJ should be the same as those set out for the Chief ALJ in section 2003.022(b)(2) of the Government Code.
Describe the estimated cost savings or other benefit associated with recommended change.	No direct fiscal cost savings identified; modernizes and updates SOAH's enabling statute.
Redundancies and Impediments Regarding State Office of Administrative Hearings Redundant MOU Requirement - TDI	
Services, Statute, Rule, or Regulation	Texas Insurance Code § 40.004 Texas Department of Insurance (TDI)
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	<p>Insurance Code § 40.004 requires that TDI and SOAH execute a Memorandum of Understanding (MOU) governing hearings conducted by SOAH under the Insurance Code. The MOU, codified by TDI rules in the Texas Administrative Code since 1993, imposes outdated procedural requirements on SOAH that create inefficiencies in the handling of TDI cases and conflict with current statutory requirements to separate TDI's investigative, prosecutorial, and policymaking functions from SOAH's independent adjudicative function. For example, the MOU allows TDI to unilaterally issue a default order against a party without an opportunity for a hearing while their case is pending at SOAH, and also allows TDI to overturn SOAH rulings that it disagrees with during the pendency of a case, creating inefficiencies and an inherent lack of independence and fairness in the processing of TDI cases.</p> <p>The requirement for an MOU is redundant and unnecessary because SOAH has authority under Texas Government Code, section 2003.050 for its own</p>

	procedural rules that are intended to apply to all SOAH cases, including cases referred by TDI.
Provide agency recommendation for modification or elimination.	Eliminate Texas Insurance Code § 40.004
Describe the estimated cost savings or other benefit associated with recommended change.	Eliminating the MOU requirement will improve the fairness and efficiency of TDI hearings at SOAH by replacing outdated TDI procedures with SOAH’s current procedural rules that meet the modern statutory and constitutional requirements for administrative due process and apply consistently to all parties and all cases. Efficiency gains will result from more consistent treatment of TDI cases, and cost savings will result from less time spent by SOAH judges and supervisors to address the recurrent legal concerns and administrative conflicts arising from the MOU. The public will benefit from increased certainty and fairness associated with the independent adjudication of contested cases under the Insurance Code.
Redundancies and Impediments Regarding State Office of Administrative Hearings Redundant MOU Requirement-TDI Div. of Workers’ Comp	
Services, Statute, Rule, or Regulation	Texas Labor Code § 402.073(a) Texas Department of Insurance, Division of Workers’ Compensation (DWC)
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	Labor Code § 402.073(a) requires that DWC and SOAH adopt a Memorandum of Understanding (MOU) regarding the handling of cases referred to SOAH by DWC. The statute further provides that the MOU must address the reimbursement of costs by non-prevailing parties in medical fee dispute cases under Labor Code § 413.0312. The requirement that DWC and SOAH adopt an MOU is redundant and unnecessary since SOAH has

	procedural rules in place that apply to all cases, including cases referred by DWC. The requirement for the MOU to address the reimbursement of costs by non-prevailing parties in medical fee dispute cases is redundant and unnecessary because Labor Code § 413.0312 already includes detailed cost reimbursement procedures for those cases; the MOU merely tracks the statutory language.
Provide agency recommendation for modification or elimination.	Eliminate Texas Labor Code § 402.073(a)
Describe the estimated cost savings or other benefit associated with recommended change.	Efficiency gains due to time spent managing, updating, and negotiating this requirement. Modernizes and updates statutory scheme governing SOAH's operation. Standardizes practices among referring agencies.
Redundancies and Impediments Regarding State Office of Administrative Hearings Redundant MOU Requirement - HHSC	
Services, Statute, Rule, or Regulation	Human Resources Code, § 22.018 Texas Health and Human Services Commission
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	Enacted in 2015, Human Resources Code, § 22.018 requires that the Health and Human Services Commission (HHSC) and SOAH adopt a Memorandum of Understanding (MOU) regarding the handling of cases referred to SOAH by HHSC, including provisions for reimbursement by HHSC of SOAH's costs. The MOU requirement is redundant and unnecessary since SOAH has procedural rules in place that apply to all cases, including cases referred by HHSC. The MOU is also not necessary to reimburse SOAH for costs because it is duplicative of Texas Government Code, § 2003.024; SOAH's enabling statute already requires agencies to reimburse SOAH's costs based on statutory formula based on an hourly rate set by the General Appropriations

	Act.
Provide agency recommendation for modification or elimination.	Eliminate Human Resources Code, § 22.018
Describe the estimated cost savings or other benefit associated with recommended change.	Efficiency gains due to less staff time spent managing, updating, and negotiating this requirement. Modernizes and updates statutory scheme governing SOAH's operation. Standardizes practices among referring agencies.
Redundancies and Impediments Regarding State Office of Administrative Hearings Redundant MOU Requirement - Dept. of Agriculture	
Services, Statute, Rule, or Regulation	Agriculture Code, § 12.032 Texas Department of Agriculture
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	Enacted in 1995, Agriculture Code, § 12.032 requires that the Department of Agriculture (TDA) and SOAH adopt a Memorandum of Understanding (MOU) regarding procedures for the handling of cases referred to SOAH by TDA, including provisions for reimbursement by TDA of SOAH's costs. The MOU requirement is redundant and unnecessary since SOAH has procedural rules in place that apply to all cases, including cases referred by TDA. The MOU is also not necessary to reimburse SOAH for costs because it is duplicative of Texas Government Code, § 2003.024; SOAH's enabling statute already requires agencies to reimburse SOAH's costs based on statutory formula based on an hourly rate set by the General Appropriations Act.
Provide agency recommendation for modification or elimination.	Eliminate Agriculture Code, § 12.032

Describe the estimated cost savings or other benefit associated with recommended change.	Efficiency gains due to less staff time spent managing, updating, and negotiating this requirement. Modernizes and updates statutory scheme governing SOAH's operation. Standardizes practices among referring agencies.
Redundancies and Impediments Regarding State Office of Administrative Hearings Redundant Reporting Requirement – CPA	
Services, Statute, Rule, or Regulation	Texas Government Code § 2003.108 Comptroller of Public Accounts (CPA), Tax
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	Government Code § 2003.108 was enacted in 2007 when tax hearings were originally transferred to SOAH. It requires SOAH to create specialized monthly and quarterly status reports regarding pending tax cases for the CPA. SOAH does not perform this function for any other agency or type of case because it is unnecessary. Information regarding the status of any given case is already available to the CPA, since the CPA is a party to all tax cases at SOAH and is electronically served with copies of every case filing. The requirement to provide a quarterly report on services provided to the CPA also serves no budgetary purpose: The costs of hearings conducted by SOAH are calculated on a biennial basis and paid annually at the beginning of the fiscal year in accordance with the statutory formula set forth in Texas Government Code, § 2003.024, and thus there is no current need for the CPA to monitor hearing costs quarterly on a case-by-case basis.
Provide agency recommendation for modification or elimination.	Eliminate Government Code § 2003.108
Describe the estimated cost savings or other benefit associated with	Efficiency gains due to less staff time and resources expended in connection with these reports. Modernizes and updates statutory scheme governing SOAH's

recommended change.	operation. Standardizes practices among referring agencies.
Redundancies and Impediments Regarding State Office of Administrative Hearings Modernize Service of Process for Administrative Cases	
Services, Statute, Rule, or Regulation	Texas Government Code, § 2001.142 Texas Administrative Procedures Act
Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.	<p>Texas Government Code, § 2001.142(a) narrowly pertains to final decisions and orders under the Administrative Procedures Act (APA) and provides that parties to contested cases can be notified of decisions and orders by email or fax, and only if they agree to be notified in this manner. Other traditional methods of service (personal service, first class mail, etc.) are also recognized. However, there is no general provision of the APA that expressly authorizes the use of electronic filing service providers for service of process in administrative cases.</p> <p>Texas courts have mandated the use of electronic filing and service for all civil cases since 2012, and eFile Texas is operated by the state as the official e-filing system for the State of Texas. Electronic filing and service is recognized as the current legal standard for service of process, and most litigants enjoy the associated benefits of enhanced document security, ease of access, and instant, verifiable, delivery of filed documents. eFile Texas is also available to case participants and state agencies for use at no cost.</p> <p>SOAH adopted the use of eFile Texas in March of 2020, and it has proven to be the most efficient and effective way of managing the flow of contested case records, particularly as the general public has come to expect the ability to access electronic records and use mobile and web-based technologies to interact with government.</p>

<p>Provide agency recommendation for modification or elimination.</p>	<p>Amend the APA and/or Texas Government Code, § 2001.142(a) by adding language to authorize and require the use of electronic filing and service as the preferred method for service of process for orders, decisions, and proposals for decision in administrative cases. Other methods of service (mail, fax, hand-delivery) should be used only as a means of alternative service if the party does not have a valid email address on file.</p>
<p>Describe the estimated cost savings or other benefit associated with recommended change.</p>	<p>Modernizes and updates statutory scheme governing SOAH’s operation and administrative law practice in Texas. Results in cost savings for SOAH and all case participants associated with reduced printing and mailing costs. Standardizes practices among the legal profession, referring agencies, and other parties to contested cases under the APA.</p>
<p>Redundancies and Impediments Regarding State Office of Administrative Hearings Video and Teleconferencing for ALR Hearings</p>	
<p>Services, Statute, Rule, or Regulation</p>	<p>Texas Transportation Code, § 524.034 Texas Dept. of Public Safety (DPS)</p>
<p>Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.</p>	<p>SOAH conducts over 20,000 hearings per year relating to the administrative suspension or revocation of driver’s licenses. These “ALR” cases relate to the administrative suspension of a driver’s license by the DPS following a person’s arrest for driving while intoxicated (DWI). Enacted in 1995, Tex. Trans. Code § 524.034 requires that venue for ALR hearings is limited to either an in-person hearing in the county of arrest or within 75 miles of the county seat where the arrest occurred, or by telephone only if both parties consent. Although SOAH conducts hearings for over 60 state agencies, DPS-ALR hearings are the only case type at SOAH for which the parties’ consent is required for a video or teleconference hearing. SOAH’s 2015 Sunset Report recommended that SOAH should</p>

	<p>modernize and expand its use of remote technologies for ALR hearings.</p> <p>SOAH’s recent experience conducting thousands of remote hearings by videoconference since the COVID-19 pandemic has demonstrated that ALR cases are especially conducive to resolution by videoconference. The hearings are short in duration (20 minutes or less) and involve relatively little evidence or testimony. Drivers are almost always represented by an attorney and the persons arrested for DUI rarely attend the hearing. Because the hearings are merely administrative and civil in nature, due process does not require these hearings to be conducted in-person in the same manner as a criminal proceeding.</p> <p>This overly specific and outdated venue requirements in Section 524.034 limits SOAH’s ability to efficiently use videoconference hearings to resolve ALR cases. A post-pandemic return to conducting ALR hearings in-person on a statewide basis would be inefficient and wasteful of state resources, leading only to a delay in the resolution of cases. The public interest would be better served by allowing SOAH to continue to expeditiously resolve ALR cases by videoconference or teleconference.</p>
<p>Provide agency recommendation for modification or elimination.</p>	<p>Amend Trans. Code, § 524.034(a)(2) to make videoconferencing the preferred method for resolution of ALR cases and delete the requirement for consent of the parties.</p>
<p>Describe the estimated cost savings or other benefit associated with recommended change.</p>	<p>Modernizes and updates statutory scheme governing SOAH’s operation and administrative law practice in Texas. Standardizes DPS-ALR cases to make them more similar to other types of contested cases under the APA. Cost savings associated with reduced travel, reduced need to maintain multiple hearing venues, greater efficiencies.</p>
<p>Redundancies and Impediments Regarding Certain PUC Hearings</p>	

<p>Services, Statute, Rule, or Regulation</p>	<p>Rider 7 of SOAH’s General Appropriation in Article VIII, Tex. Utilities Code § 37.057 and § 38.078</p>
<p>Describe why the Service, Statute, Rule, or Regulation is resulting in inefficient or ineffective Agency Operations.</p>	<p>SB 1076, and HB2555 were enacted during the 88th Legislative Session to require that applications for a new certificate of convenience and necessity (CCN), and applications for transmission and resiliency plan cost recovery, to be reviewed and approved by the Public Utility Commission within 180 days after the date the application is filed. As a general matter, the PUC refers all such applications to SOAH for a contested case hearing in which SOAH judges are required to develop the administrative record, conduct a multi-day hearing on the merits, and prepare a written proposal for decision for the PUC’s consideration for each application in advance of the compressed 180-day timeline. These larger types of cases are complex and typically involve 30 to 80 or more potential parties with competing interests, thousands of pages of evidence and pre-filed testimony, and require a multi-day hearing.</p> <p>Meeting the 180-day timeline has proven to be very challenging for the PUC and SOAH, particularly since SOAH received no additional appropriations or support associated with the increased workload required to meet the deadline. This, in turn, has negatively impacted SOAH’s overall operations and the caseloads for more than 60 other state agencies supported by SOAH. Without additional funding to hire more judges for SOAH’s Utility Team, judges from SOAH’s Central Panel and Master Panel must regularly be reassigned to assist SOAH’s Utility Team in the processing of PUC cases to meet the compressed statutory deadlines. Likewise, judges from SOAH’s regional offices have been required to bear an overflow of general docket cases from SOAH’s Central</p>

	<p>Panel without the possibility of additional compensation commensurate with their increased workload and enhanced responsibility.</p> <p>Currently, the Legislature funds the costs of PUC electric utility hearings at SOAH through a portion of direct General Revenue appropriations that is not related to SOAH’s actual costs for administering the PUC caseload. To account for this misalignment of SOAH’s budget structure, the large costs of electric cases referred by PUC are subsidized by the interagency contract amounts charged to over 24 other state agencies. This requires many smaller agencies to pay a premium associated with PUC’s more expensive hearings in order to balance SOAH’s budget.</p> <p>The PUC case process is also weighted in favor of applicants: For example, applicants can take as long as needed to prepare their applications for a rate increase, but once filed at PUC, then the case must be decided within a tight deadline, or the proposed new rates automatically go into effect. All other participants in the case – including SOAH – are having to expend extra resources to quickly get up to speed on the issues to meet the deadline, whereas the applicant has had ample time to prepare its case. Applicants are also allowed to recover their costs of the hearing as a rate case expense, whereas SOAH and no other case participants have this benefit.</p>
<p>Provide agency recommendation for modification or elimination.</p>	<p>A more equitable means of funding SOAH’s PUC cases could be to require electric utility applicants to bear the cost of the SOAH’s expense for their cases by amending the General Appropriations Act and the Utility Code to allow SOAH to assess and collect a non-refundable fee associated with the costs of hearing from the applicant for</p>

	<p>PUC electric cases.</p> <p>Similar methods of cost recovery are already used for other types of cases at SOAH, including Appraisal Review Board Appeals, Contract Claims cases, and water permitting applications referred by local groundwater conservation districts. Assessing applicants a non-refundable fee for electric rate cases would be similar to the examination fee charged by the Office of the Attorney General relating to the review of public securities, as costs of the fee are borne by issuers of the securities, who are then allowed to roll the OAG’s fee into the costs of the security.</p>
<p>Describe the estimated cost savings or other benefit associated with recommended change.</p>	<p>Allowing SOAH to assess and collect a fee and/or assess costs to the applicants in PUC electric cases would provide a source of funding to SOAH that is directly tied to SOAH’s electric rate case workload in a method that is neutral to the state budget.</p>

Budget Structure Supplemental Schedule A

Goal A

Short Name: Administrative Hearings
Full Name: Provide for a Fair and Efficient Administrative Hearings Process
Description: Provide Texas state agencies and citizens a fair and efficient administrative hearings and alternative dispute resolution process.

Objective A-1

Short Name: Hearings
Full Name: Ensure that All Hearings are Conducted in a Fair and Impartial Manner
Description: Ensure that all hearings are conducted in a fair and impartial manner and result in a well-reasoned and legally sound Proposal for Decision (PFD).

Outcome Measures

- Percentage of Participants Surveyed Satisfied with Overall Process
- Percentage of Proposed Tax Decisions Issued within 60 Days of Record Closing

Strategy A-1-1

Short Name: Conduct Hearings
Full Name: Conduct Hearings and Prepare Proposals for Decisions and Final Orders
Description: Conduct hearings and prepare proposals for decision (PFDs) and proposed orders and final orders; monitor workloads of Administrative Law Judges (ALJs).

Output Measures

- Number of Hours Billed (General Docket Hearings and ALR Hearings)
- Number of Administrative License Revocation Cases Disposed
- Number of General Docket Cases Disposed
- Percent of Available Administrative Law Judge Time Spent on Case Work
- Percent of Case Time Spent on General Docket (Non-ALR) Cases
- Number of Proposals for Decision Related to Tax Hearings Issued by ALJs

Efficiency Measures

- Average Number of Days from Close of Record to PFD or Final Order Issuance
- Median Number of Days to Dispose Case
- Average Days to Issue Proposed Tax Decision Following Record Closing

Explanatory Measures

- Number of Administrative License Revocation Cases Received
- Number of General Docket Cases Received
- Number of Agencies Served
- Number of Complaints Received Regarding Hearing Process
- Percent of PFDs Changed, Vacated or Modified by Governing Boards

Objective A-2

Short Name: Alternative Dispute Resolution

Full Name: Provide an Opportunity for Alternative Dispute Resolution Proceedings

Description: Provide an opportunity for settlement of disputes through conferences, mediation, arbitration, and other alternative dispute resolution proceedings conducted in a fair and impartial manner, resulting in resolution of all disputes outside of contested hearings.

Outcome Measures

- Percentage of Participants Surveyed Satisfied with Overall ADR Process

Strategy A-2-1

Short Name: Conduct Alt Dispute Resolution

Full Name: Conduct Alternative Dispute Resolution Proceedings

Description: Conduct mediated settlement conferences, mediations, arbitrations, and other alternative dispute resolution proceedings.

Output Measures

- Number of Hours Billed to Alternative Dispute Resolution Cases
- Number of Cases Resolved through Alternative Dispute Resolution

Efficiency Measure

- Median Number of Days to Dispose Alternative Dispute Resolution Cases

Explanatory Measure

- Number of Alternative Dispute Resolution Cases Requested or Referred

Goal B

Short Name: Indirect Administration
Full Name: Indirect Administration
Description: Indirect Administration

Objective B-1

Short Name: Indirect Administration
Full Name: Indirect Administration
Description: Indirect Administration

Strategy B-1-1

Short Name: Indirect Administration
Full Name: Indirect Administration
Description: Indirect Administration

Measure Definitions Supplemental Schedule B

Goal A

Provide for a Fair and Efficient Administrative Hearings Process.

Objective A-1

Ensure that All Hearings are Conducted in a Fair and Impartial Manner.

Outcome Measures

Percentage of Participants Surveyed Satisfied with Overall Process

Definition

This measure identifies the percentage of participants surveyed who express satisfaction with the administrative hearings process. The overall process includes all actions by SOAH, beginning with setting of hearing, continuing through the hearing and through issuance of final orders or Proposal for Decisions (PFDs).

Purpose

This survey allows SOAH to receive feedback from hearing participants and to monitor the participants' overall satisfaction with the hearings process.

Data Source

Survey

Methodology

Eligible parties are identified from the Case Management System (CMS). Emails directing parties to the online survey are sent. Confidential cases are eliminated from the survey, as needed. A vendor provided survey tool is used to collect and compile the survey information. The survey tool generates reports calculating the percentage of participants satisfied with the overall process.

Data Limitations

Calculation of this measure is necessarily limited to the percentage of survey responses received. In addition, given the nature of SOAH's function as a quasi-judicial tribunal with winners and losers in each case, the receipt of some negative responses is expected.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Percentage of Proposed Tax Decisions Issued within 60 Days of Record Closing**Definition**

This measure identifies the number (stated in percent) of Tax Proposal for Decisions (PFDs) issued within 60 calendar days of the date the record closed.

Purpose

This measure is an indication of the timeliness of the Proposal for Decisions (PFDs) issued by the Tax Administrative Law Judges (ALJs) for the Tax cases.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that lists all Tax cases where Proposal for Decisions (PFDs) were issued during the pertinent reporting period and, for each case listed, provides the date the record closed and the date the tax PFD was issued. The report computes the number of days between the record closed date and the PFD issuance date. The number of tax PFDs that were issued within 60 calendar days is totaled and then divided by the total number of tax PFDs issued during the reporting period to compute the percentage of tax PFDs issued with 60 calendar days (equivalent to 40 working days).

Data Limitations

N/A

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Strategy A-1-1

Conduct hearings and prepare proposals for decisions and final orders.

Output Measures**Number of Hours Billed (General Docket Hearings and ALR Hearings)****Definition**

The total number of hours billed on cases for services provided during the reporting period is obtained through SOAH's timekeeping system.

Purpose

This measure tracks the amount of billed work performed by SOAH Administrative Law Judges (ALJs).

Data Source

Billing timekeeping system.

Methodology

A report is generated from the timekeeping system for the reporting period which calculates the number of hours billed.

Data Limitations

This measure is dependent upon the amount of work referred to SOAH by other state agencies.

Calculation Method

Cumulative

New Measure:

No

Target Attainment:

Higher than target.

Number of Administrative License Revocation Cases Disposed

Definition

The number of Administrative License Revocation (ALR) cases disposed during the reporting period. All ALR final orders are entered into the Case Management System (CMS) and counted.

Purpose

This measure serves as a means to determine the number of Administrative License Revocation (ALR) cases disposed during the reporting period.

Data Source

Case Management System (CMS).

Methodology

A report is generated from the Case Management System (CMS) with a count of cases decided (i.e., disposed) during the reporting period.

Data Limitations

This measure is dependent upon the number of Driving while Intoxicated (DWI) arrests resulting in a request for hearing at SOAH.

Calculation Method

Cumulative

New Measure

No

Target Attainment

Higher than target.

Number of General Docket Cases Disposed

Definition

The number of General Docket cases for which SOAH transmits to the referring agency a Proposal for Decision (PFD) or a final order during the reporting period.

Purpose

This measure indicates the number of General Docket cases disposed during the reporting period.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) with a count of final orders issued during the reporting period.

Data Limitations

This measure is dependent upon the number of cases referred by other state agencies.

Calculation Method

Cumulative

New Measure

No

Target Attainment

Higher than target.

Percent of Available Administrative Law Judge Time Spent on Case Work**Definition**

Amount of time recorded by Administrative Law Judges (ALJ) working on General Docket and Administrative License Revocation (ALR) cases as a percentage of total available time. This measure includes time spent on Alternative Dispute Resolution (ADR).

Purpose

To provide information on the utilization of Administrative Law Judge (ALJ) time.

Data Source

Billing timekeeping system

Methodology

Identify the number of hours paid in the period utilizing the billing timekeeping system. Subtract all holiday and leave hours taken by each Administrative Law Judge (ALJ) to establish available time to work. Identify the number of hours charged to casework for each ALJ. Casework includes

time working on Alternative Dispute Resolution (ADR) since the same ALJs work on both hearings and ADR. Divide total hours charged to casework by available time to work. Reflect calculation as a percentage.

Data Limitations

N/A

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Percent of Case Time Spent on General Docket (Non-ALR) Cases

Definition

The amount of case time worked by Administrative Law Judges (ALJs) on General Docket cases as a percentage of total case time worked. Total case time includes case time worked on General Docket and Administrative License Revocation (ALR) cases.

Purpose

This measure indicates how much of the Administrative Law Judge (ALJ) workload is spent on General Docket cases.

Data Source

Billing timekeeping system

Methodology

The amount of General Docket case time worked by Administrative Law Judges (ALJs) divided by total case time worked by ALJs during the reporting period.

Data Limitations

General Docket and ALR databases.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Number of Proposals for Decision Related to Tax Hearings Issued by ALJs**Definition**

This performance measure seeks to identify the number of Tax Proposal for Decisions (PFDs) issued during the reporting period by Administrative Law Judges (ALJs).

Purpose

The purpose of this measure is to track the number of proposals for decisions issued in contested tax cases.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that lists and totals the number of Tax Proposal for Decisions (PFDs) issued during the reporting period.

Data Limitations

N/A

Calculation Method

Cumulative

New Measure

No

Target Attainment

Higher than target.

Efficiency Measures**Average Number of Days from Close of Record to PFD or Final Order Issuance**

Definition

The average number of calendar days following the close of the record to the issuance of the Proposal for Decisions (PFDs) or final order for all General Docket hearings during the reporting period.

Purpose

This measure monitors the amount of time for issuance of an Administrative Law Judge (ALJ) decision once the record has closed.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that calculates the total number of calendar days from close of record to issuance of the Proposal for Decisions (PFDs) or final orders for all hearings during the reporting period and divides this number by the total number of PFDs or final orders. The resulting number is the average number of days from the date the record closes to the issuance of a PFD.

Data Limitations

N/A

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Lower than target.

Median Number of Days to Dispose Case**Definition**

The median number of days between the date that the General Docket case is received by SOAH and the day that the case is finally disposed.

Purpose

This measure provides an indication of the efficiency of the administrative hearings process.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the database Case Management System (CMS) that counts, for each case, the number of calendar days between the date that the case is received by SOAH and the day that the case is finally disposed by SOAH during the reporting period and calculates the median number of days for those cases disposed in the reporting period. This number excludes cases that are abated on a temporary or indefinite basis pending the outcome of other legal proceedings affecting the rights of the parties.

Data Limitations

This measure is partially dependent upon whether the parties are ready to immediately proceed to hearing or request continuances.

Calculation Method

Non-cumulative.

New Measure

No

Target Attainment

Lower than target

Average Days to Issue Proposed Tax Decision Following Record Closing

Definition

The average number of calendar days following the close of the record that Tax Administrative Law Judges (ALJs) took to issue tax Proposal for Decisions (PFDs).

Purpose

This measure captures the efficiency of the Tax Administrative Law Judges (ALJs) in issuing tax Proposal for Decisions (PFDs).

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that lists all Tax cases where Proposal for Decisions (PFDs) were issued during the pertinent reporting period and, for each case listed, provides the date the record closed and the date the tax PFD was issued. The report computes the number of days between the record closed date and the PFD issuance date for each case, and the sum of the days represents the total number of calendar days for all cases in the reporting period. The resulting sum is divided by the total number of PFDs issued during the reporting period for Tax cases to calculate the average number of calendar days between the record closed date and the PFD issuance date for all Tax cases during the reporting period.

Data Limitations

N/A

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Lower than target.

Explanatory Measures

Number of Administrative License Revocation Cases Received

Definition

The number of Administrative License Revocation (ALR) cases that are referred by the Department of Public Safety to SOAH.

Purpose

This measure tracks the number of cases referred by the Department of Public Safety and serves as an indicator of SOAH’s workload.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that counts the total number of cases referred by the Department of Public Safety to SOAH during the reporting period.

Data Limitations

This measure is dependent upon the number of cases referred by the Department of Public Safety.

Calculation Method

Non-cumulative

New Measure:

No

Target Attainment

Higher than target.

Number of General Docket Cases Received

Definition

The number of General Docket cases that are referred by agencies to SOAH.

Purpose

This measure tracks the number of cases referred by other state agencies and serves as an indicator of SOAH’s workload.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that counts the total number of cases referred by other state agencies to SOAH during the reporting period.

Data Limitations

This measure is dependent upon the number of cases referred by other state agencies.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Number of Agencies Served

Definition

The Case Management System (CMS) records all cases transferred to SOAH's jurisdiction and is used to count the number of agencies for which SOAH has docketed new cases; re-set previously docketed cases; held prehearings/post-hearings and/or hearings; and/or issued Proposal for Decisions (PFDs).

Purpose

This measure serves as an indicator of the volume of SOAH's customer base for its workload.

Data Source

Case Management System (CMS)

Methodology

The total number of agencies served for the reporting period is counted.

Data Limitations

This measure is dependent upon jurisdiction changes, agency structural changes (*i.e.*, abolished, merged, consolidated), and legislation.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Number of Complaints Received Regarding Hearing Process

Definition

Total number of written formal complaints received by SOAH during the reporting period from referring agencies and/or outside parties, pertaining to the hearings process.

Purpose

This measure serves to count the complaints received from individuals not satisfied with the hearings process.

Data Source

Referring agencies and outside parties.

Methodology

Total number of written complaints received by SOAH are counted for the reporting period.

Data Limitations

This measure is dependent upon the participants filing a complaint with SOAH relating to the hearing process. In addition, it might also be dependent upon the ruling received by the participants (*i.e.*, if an unfavorable decision was received, the participants might be more inclined to respond negatively).

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Lower than target.

Percent of PFDs Changed, Vacated or Modified by Governing Boards

Definition

A record is maintained in the Case Management System (CMS) of all Proposal for Decisions (PFDs) issued. A record is also maintained of all signed final Orders returned to SOAH by referring agencies.

Purpose

This measure counts the number (stated as percent) of decisions, not including Administrative License Revocation (ALR) decisions, issued by an Administrative Law Judge (ALJ) that are not upheld by a referring agency's governing board.

Data Source

Case Management System (CMS)

Methodology

A report is generated of agency final Orders returned to SOAH that reflect substantive changes to proposed findings or conclusions, or reflect that the Proposal for Decisions (PFDs) have been vacated or modified by the governing boards and/or commissions. The number of final Orders reflecting a change, modification, or a vacating, divided by the total number of PFDs issued, multiplied by 100 (to present data in percentage format), yields the percentage changed, vacated, or modified.

Data Limitations

This measure is dependent upon the referring agency forwarding its board's final Order for each hearing.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Lower than target.

Objective A-2

Provide an opportunity for Alternative Dispute Resolution proceedings.

Outcome Measures

Percentage of Participants Surveyed Satisfied with Overall ADR Process

Definition

This measure identifies the percentage of participants surveyed who express satisfaction with the Alternative Dispute Resolution (ADR) process. The overall process includes all actions by SOAH related to the ADR process.

Purpose

This survey allows SOAH to receive feedback from Alternative Dispute Resolution (ADR) participants and to monitor the participants' overall satisfaction with the ADR process.

Data Source

Survey

Methodology

Eligible parties are identified from the Case Management System (CMS). Emails directing parties to the online survey are sent. Confidential cases are eliminated from the survey, as needed. A vendor provided survey tool is used to collect and compile the survey information. The survey tool generates reports calculating the percentage of participants satisfied with the overall Alternative Dispute Resolution (ADR) process.

Data Limitations

Calculation of this measure is necessarily limited to the percentage of survey responses received. In addition, given the nature of SOAH's function as a quasi-judicial tribunal with winners and losers in each case, the receipt of some negative responses is expected.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Strategy A-2-1

Conduct Alternative Dispute Resolution proceedings.

Output Measures

Number of Hours Billed to Alternative Dispute Resolution Cases

Definition

The total number of hours billed on mediation and arbitration proceedings.

Purpose

This measure indicates the number of hours of SOAH's workload spent in mediation and arbitration proceedings.

Data Source

Billing timekeeping system

Methodology

A report is generated from the billing timekeeping system that totals the number of hours billed on mediation and arbitration events and/or cases for the reporting period.

Data Limitations

This measure is dependent on the number of mediation and arbitration cases referred as well as the varying complexity.

Calculation Method

Cumulative

New Measure

No

Target Attainment

Higher than target.

Number of Cases Resolved through Alternative Dispute Resolution

Definition

This includes the number of cases that are resolved through mediation (i.e., by agreement of the parties with the assistance of a mediator) and the number of final Orders issued in arbitrations, as well as the number of any other matters resolved by the use of other Alternative Dispute Resolutions (ADR) processes.

Purpose

This indicates the success of the Alternative Dispute Resolution (ADR) program.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) for the total number of cases resolved by mediation and Alternative Dispute Resolution (ADR) processes for the reporting period.

Data Limitations

Number of cases referred to Alternative Dispute Resolution (ADR) by Administrative Law Judges (ALJs) or state agencies.

Calculation Method

Cumulative

New Measure

No

Target Attainment

Higher than target.

Efficiency Measure

Median Number of Days to Dispose Alternative Dispute Resolution Cases

Definition

The median number of days between the date an Alternative Dispute Resolution (ADR) case is received by SOAH and the day the case is finally disposed.

Purpose

This measure provides an indication of the efficiency of the Alternative Dispute Resolution (ADR) program.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) that counts, for each case, the number of calendar days between the date that the Alternative Dispute Resolution (ADR) case is received by SOAH and the day that the case is finally disposed by SOAH during the reporting period and calculates the median number of days for those cases disposed in the reporting period.

Data Limitations:

This measure is partially dependent upon whether the parties are ready to immediately proceed to mediation or arbitration.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Lower than target.

Explanatory Measure**Number of Alternative Dispute Resolution Cases Requested or Referred****Definition**

All mediation or arbitration cases requested by parties or referred by Administrative Law Judges (ALJs).

Purpose

This measure counts the number of mediations requested and arbitrations elected by parties or state agencies, or cases in which an Administrative Law Judge (ALJ) suggests mediation and the parties agree to mediation.

Data Source

Case Management System (CMS)

Methodology

A report is generated from the Case Management System (CMS) totaling the number of Alternative Dispute Resolution (ADR) requests received (*e.g.*, requested or referred).

Data Limitations

This measure is dependent on the number of mediations requested by parties or referred by Administrative Law Judges (ALJs), and the number of arbitrations elected by parties cases referred by an ALJ or other state agencies.

Calculation Method

Non-cumulative

New Measure

No

Target Attainment

Higher than target.

Historically Underutilized Business Plan Supplemental Schedule C

Mission

The State Office of Administrative Hearings is committed to assisting Historically Underutilized Businesses (HUBs) in their efforts to do business with the State of Texas. SOAH will assist HUB vendors in obtaining state HUB certification, actively educate vendors on the agency's procurement policies and procedures, increase the number of HUB vendors contacted for procurement opportunities, and encourage vendors to participate in the agency's purchasing process. The agency encourages prime contractors to meet the agency goal by providing subcontracting opportunities to HUBs.

Goal

The goal of this program is to promote fair and competitive business opportunities for all businesses contracting with the state of Texas.

Objective

SOAH will make a good faith effort to meet or exceed the state's HUB goals in all its eligible procurements.

Outcome Measure

The outcome measure is the percentage of total dollars paid to HUBs per procurement category.

Strategy

The strategy is to utilize the State of Texas procurement procedures and tools to actively identify and educate HUBs on the state's program and SOAH's procurement needs, and to assist HUBs in their efforts to do business with the state.

Adoption of Statewide HUB Goals

Using the State of Texas Disparity Study as a basis, the Comptroller of Public Account's (CPA) Statewide Procurement Division (SPD) has outlined the State's HUB utilization goals by procurement category and disparity area, as follows:

Procurement Category	Goal	Disparity Areas
Professional Services	23.7%	African American, Hispanic, Woman, Native American, Asian Pacific
Commodities	21.1%	African American, Hispanic, Woman, Native American, Asian Pacific
Other Services	26.0%	African American, Hispanic, Woman, Native American, Asian Pacific

SOAH's HUB goals for the construction categories (Heavy Construction, Building Construction, and Special Trade Construction) vary from the statewide HUB goals specified in the 2009 State of Texas Disparity Study and as defined in 34 Tex. Admin. Code §20.13 because SOAH does not anticipate having any expenditures in those categories.

Output Measure

- Number of bids received from HUB vendors.
- Number of bids awarded to HUB vendors.
- Number of HUB forums the agency participated in or sponsored.

HUB Programs

To meet the goals and objectives for utilizing HUBs at SOAH, the agency will engage in the following outreach activities:

Purchasing procedures – the agency utilizes the CPA's centralized master bidder's list (CMBL) and sends notifications of bid opportunities to certified HUBs. The agency requires a minimum of two HUB bids for every procurement requiring a bidding process. In addition, the agency first attempts to identify certified HUBs for those purchases not requiring a bidding process.

HUB subcontracting plan – the agency requires a HUB subcontracting plan from vendors for all contracts for the acquisition of goods and services with an expected value of \$100,000 or more. The purchasing team will review information submitted by vendors concerning their subcontracting plans. Subcontracting information will be submitted in a standard format established and provided by the agency. The successful contractor will be required to make a good faith effort to achieve the estimated level of HUB participation and periodically report data to document that effort.

HUB forums – the agency attends various HUB forums in order to identify opportunities for HUBs to do business with SOAH. The agency’s HUB coordinator works with other agencies to sponsor forums for HUBs that present information about specific procurement opportunities at SOAH.

Mentor-Protégé Program – The agency will continue training with CPA on the mentor protégé program to foster long term relationships with vendors.

Capital Planning Supplemental Schedule D

The agency does not anticipate any capital items greater than \$5 million for the 2026 – 2027 biennium and has completed the requirements in the instructions from the Bond Review Board.

Agency Workforce Plan Supplement Schedule F

Agency Overview

The State Office of Administrative Hearings (SOAH) serves as an independent, neutral forum for the State of Texas by providing a fair and efficient hearings process and the opportunity for alternative dispute resolution proceedings, in accordance with Chapter 2003 of the Texas Government Code.

SOAH resolves disputes between Texas agencies, other governmental entities, and private citizens either through an administrative hearing or mediation. The office is separate and independent from the agencies involved in the disputes. The administrative law judges (ALJ) who preside over the disputes are neutral. The specific objectives of the State Office of Administrative Hearings are to:

- Conduct fair and objective administrative hearings.
- Provide fair, timely, and efficient decisions and Proposals for Decisions.
- Offer the opportunity for parties to resolve their disputes through mediation (or alternative dispute resolution).

Strategic Goals and Objectives

Goal: To provide for a fair and efficient administrative hearings process.

Objective: Ensure that all hearings are conducted in a fair and impartial manner.
Provide an opportunity for alternative dispute resolution proceedings.

Workforce Profile

SOAH was authorized 119 Full Time Equivalent (FTEs) in the General Appropriations Act in FY 2024. SOAH's Chief Administrative Law Judge (Chief ALJ) is appointed by the Governor and serves as the agency's Executive Director.

The agency is organized into six divisions:

- *General Counsel* - The General Counsel Division is led by the General Counsel (GC) and reports to the Chief Administrative Law Judge. The GC oversees public information requests, policies, and general counsel duties.
- *Hearings* - The Hearings Division is led by two Deputy Chief Administrative Law Judges and report to the Chief Administrative Law Judge.
 - Deputy Chief ALJ for Hearings for Austin

Oversees the following teams, all within the Austin Office: Alternative Dispute Resolution (ADR), Central Panel, Individuals with Disabilities (IDEA), Master Panel, Tax, Utilities and Quality Control & Training.

- Deputy Chief ALJ for Hearings for Regional Offices
Oversees geographically located offices in Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Lubbock, and San Antonio.
- *Chief Clerk's Office* - The Chief Clerk's Office is led by the Chief Clerk and reports to the Chief Administrative Law Judge. The Chief Clerk oversees Legal Assistants, Legal Secretaries, and Deputy Clerks.
- *Information Technology* - The Information Technology Division is led by the Chief Information Officer (CIO) and reports to the Chief Administrative Law Judge. The CIO oversees Systems Development, Systems Administration, and the agency Help Desk. Additionally, the CIO serves as the Information Resources Manager (IRM) and the Chief Information Security Officer (CISO).
- *Operations* - The Operations Division is led by the Chief Financial Officer (CFO) and reports to the Chief Administrative Law Judge. The CFO oversees the Finance, Human Resources, and Records & Risk departments.

Workforce Allocation

A current staffing snapshot for FY 2024 includes:

- Chief Administrative Law Judge
 - One Legal Assistant
- General Counsel Division
 - One General Counsel
 - One Assistant General Counsel
- Hearings Division
 - Deputy Chief ALJ for Hearings for Austin
 - 35 Administrative Law Judges
 - Deputy Chief ALJ for Hearings for Regional Offices
 - 21 Administrative Law Judges
 - 11 Legal Secretaries
- Chief Clerk's Office
 - Chief Clerk
 - One Legal Assistant
 - One Legal Secretary Team Lead

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- One Clerk Team Lead
 - Nine Legal Secretaries
 - Nine Clerks
 - Information Technology Division
 - One CIO
 - One Database Administrator
 - One Help Desk Team Lead
 - Three System Administrators
 - Operations Division
 - One Chief Financial Officer
 - One Finance Team Lead
 - One Budget Analyst
 - Two Accountants
 - One Purchaser
 - One Human Resources Manager
 - One HR Specialist
 - One Staff Services Officer
 - One Records & Risk Team Lead
 - Four Records Analyst

Fiscal Year 2023 SOAH’s EEO Classifications:

- Professionals – 62%
- Administrative Support – 27%
- Officials & Administrators – 8%
- Technicians – 3%

Demographics

The statistical information provided in this Workforce Plan is based on data from the State Auditor’s Office classification system, as of August 31, 2023.

SOAH’s workforce is comprised of 110 FTEs:

- 26% Male
- 74% Female

The percentage of women working at the agency is higher than the State of Texas average of 58%.

SOAH's workforce is comprised of 45% ethnic minorities:

- 15% Black.
- 22 % Hispanic.

Of the agency employees:

- 76% are over the age of 40, compared to the statewide population of 62%.
- Median age is 45 years of age.
- 45% are of minority ethnicity; this is an increase from 41% in FY 2021.
- 25% have 5 years or less agency service.
- 23% have 5 – 10 years of agency service.
- 52% have more than 10 years of agency service.
- The average length of employee service time at SOAH is 7 years.

Agency's employees have a wealth of experience with more than 51% of the agency having more than 10 years of SOAH experience.

Workforce Eligible to Retire

Based on projections, approximately 29% of current employees will be eligible to retire by the end of fiscal year 2029, just over five years away.

Currently 18% of SOAH employees are eligible to retire by the end of Fiscal Year 2024.

Projected retirements impacting the agency requires the agency to be strategic in several critical areas:

- Develop a plan for the Regional Offices staffed by one ALJ who is eligible to retire.
- Document all current procedures to assist in knowledge transfer.
- Hire new employees who are proficient in the use of current standard software and adept at learning new software.

Retirements impact SOAH's workforce; therefore, the divisions need to evaluate each vacancy:

- Projecting future business needs in that area.
- Reviewing staffing FTEs and job titles needed to meet future challenges.

Veteran Workforce

The agency's veteran workforce continues to comprise less than 9%, falling short of the statewide target of 20%.

Job postings are shared with the Texas Veteran's Commission, and the agency provides a military crosswalk for all external job postings. The agency adheres to the statutory requirement to interview qualified veterans for all job openings.

SOAH has developed a business practice of carefully reviewing all applications by veterans who apply to our postings. HR routinely reaches out to veterans and provides guidance as to how the veteran may improve their application and prepare for interviews.

HR ensures all veterans' applications are closely examined by the hiring manager and assists the manager in understanding the veterans' applications. Although SOAH's veteran population appears to be static, SOAH has had success with hiring well-qualified veterans.

Agency Turnover

The agency's turnover rate is 6%, which includes retirements but excludes interagency transfers.

However, SOAH's turnover rate is below the statewide average of 20%. The job titles with the highest turnover rates are mostly due to interagency transfers include:

- Administrative Law Judges – 15% of all terminations.
- Legal Secretary and Clerks – 46% of all terminations.

SOAH is considered a medium sized agency and career opportunities in some job titles are limited based on business need and financial constraints. Employees seek employment in the private sector or other state agencies to advance in their career.

For Fiscal Year 2023, the top reasons reported for voluntary separations from the agency based on the State Auditor's Office exit survey were:

- 1) Better pay/benefits
- 2) Retirement
- 3) School

Projected Agency Turnover over Five Years

Factors listed above are expected to remain; therefore, SOAH anticipates a higher turnover rate over the next five years. SOAH's turnover reflects the increased statewide turnover rate.

Although turnover is projected to increase, each position vacated creates an opportunity to replace that position with a candidate who matches the evolving skill set needed as the agency modernizes and increases efficiencies.

Workforce Skills Critical to the Mission

SOAH requires a workforce with a variety of critical skills and a high level of education to effectively fulfill the core functions. Based on the agency's mission, the dominant skill sets needed are:

- Legal expertise
- Research, writing, and review skills
- Effective communication
- Emerging and advanced technology skills
- Change management
- Management skills
- Presiding experience
- Understanding of laws, rules, and policies
- Individuals with Disabilities Education Act (IDEA) training
- J.D. Degree
- Financial analysis and management

As SOAH continues to evolve with modernizing computer programs, processes, and procedures, all SOAH employees need to be competent using a computer and modern computer programs such as Adobe Professional and Microsoft 365.

HR reviews positions on a regular basis and identifies the basic and advanced technical knowledge, skills, and abilities associated with each job classification. When a position becomes vacant, each job requisition posted is evaluated and modernized in order to hire a workforce possessing the skills needed to move the agency into the future.

Compensation

The Survey of Employee Engagement conducted in Spring FY 2024 confirmed that salary remains the number one issue related to job satisfaction. Additionally, as noted earlier, recent exit surveys indicated that employees primarily left the agency due to better pay/benefits.

SOAH's leadership has been proactive in managing compensation issues in FY 2024 by taking the following steps:

- Increased the base salary for the lowest job classification and salary groups:
 - The new base for any SOAH employee is now \$45k annually.
- Increased the entry level ALJ salaries for ALJ II.

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- The new base salary for ALJ II is now \$92k annually.

SOAH has also been actively reviewing employees' job descriptions and job duties. By providing training and expanding the breadth and depth of employees' job responsibilities, SOAH has been able to internally promote employees to a higher job classification.

Examples of recent promotions include:

- Administrative Assistant V to Program Specialist V
- Deputy Clerk III to Staff Services Officer II
- Staff Services Officer II to HR Specialist III

The agency continues to review each position and classification, including conducting comparisons of classifications with other state agencies, in order to mitigate turnover and ensure the agency is competitive in today's modern world.

The agency reviews Administrative Law Judges' salaries to ensure they are comparable to peer agencies with similar job functions or titles.

Compensation has become important to the continued success of SOAH and is addressed in an agency strategic goal addressed below.

Equal Employment Opportunity

The State Office of Administrative Hearings is an equal opportunity employer and does not discriminate on the basis of race, color, religion, sex, pregnancy, gender identity, sexual orientation, national origin, age, genetic information, or disability in its employment practices. Any form of discrimination, harassment, or retaliation is strictly prohibited.

Recruiting

Recruiting diverse applicants with advanced skill sets will continue to be a priority focus for SOAH. Innovative, targeted recruiting will need to be enhanced to meet future challenges. In the SAO's exit surveys taken by employees who voluntarily separate from state employment, exiting employees cite pay and benefits as the primary reason for leaving state employment. The State's pay is also the lowest scored construct identified on the most recent Employee Survey.

As mentioned previously, the state goal for each agency's veteran population should be 20% of the agency's workforce. The agency will continue outreach efforts by networking and building partnerships with Veteran organizations.

Similar to other medium sized agencies, recruitment and retention of staff in direct administration is a challenge. IT professionals, purchasers, and finance professionals are difficult to replace. Competition from the private sector and larger agencies continues to increase.

Recruitment focused on technology driven professionals will help close the gap in computer skill sets.

Hybrid and Flexible Work Programs

SOAH has adopted a hybrid work model due to efficiencies realized over the last few years. The hybrid work model requires all employees to remain updated on technology and flexible to adapt to new applications and software. The agency continues to focus on increasing efficiencies in workflow and quality work products such as using electronic forms and signature and hybrid hearing capabilities.

When hiring new employees, the agency must define expectations from the start of the job posting so potential employees will clearly understand what will be required for in office work and remote work.

Each division, team, and/or office define their specific business needs and outlines the requirements needed to complete work tasks. Examples of duties requiring in-office presence are processing mail, receipt and deposit of physical checks, and other responsibilities such as greeting guests. The goal of the hybrid work environment is to provide flexibility, increase efficiencies, and ensure all tasks are completed timely. Each area ensures appropriate staffing coverage to meet the needs of the Agency.

Besides a hybrid work environment, SOAH also allows flexible alternative work schedule to retain a work-life balance. An alternate hour schedule may have an employee working from 7 am to 4 pm instead of a standard 8 am to 5 pm workday. This flexibility has favorably assisted in recruiting younger employees who expect more flexibility provided by employers.

Technology

Beginning in April 2022, SOAH's IT Division initiated a project to improve management of internal electronic files. This included the launch of SharePoint and OneDrive to store and manage files instead of the legacy file storage system. Efficiencies were quickly realized through file organization, ease of access/sharing, and records retention.

Using SharePoint and OneDrive removed the need to access electronic files on network drives maintained on local physical servers. Both SharePoint and OneDrive store files in the Microsoft Government Cloud, which provides the following advantages:

- The information is more easily accessible from many different platforms.
- The information is more secure since it resides in the government cloud.
- The information accessed does not require a VPN connection, making it accessible from hybrid work locations.
- The information is always available as long as you have an internet connection.

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- The information is saved and backed up regularly as it is created, providing better security of the information.

The agency has historically been a paper-based agency with documents and forms that were printed, manually signed, and returned in hard copy format. Efficiencies and cost savings were realized immediately by using programs such as Adobe for the creation, signature, and routing of various documents, all electronically.

In January 2024, the agency implemented Teams Phone. Considering Microsoft Teams was already one of the agency's primary communication tools used for voice, video, and chat, this additional feature allows seamless continuity whether working in the office or remotely. Beyond the continuity advantage, this ensures anyone who calls the agency will be quickly routed to a live person who can directly answer their questions, unlike the legacy phone system.

Challenges remain recruiting and retaining qualified Information Technology staff. The ever-changing technology climate requires the agency to hire staff with a wide range of specialized skills. Additionally, increased cybersecurity threats and new security vulnerabilities present additional risk that the agency must mitigate.

Policies, Procedures, and Forms

The agency progresses in the continued modernization of all SOAH's forms, policies, and procedures.

The agency implemented a review process administered by the Assistant General Counsel. This review process ensured policy compliance with state laws, rules, and regulations. After the templates were standardized, each division met with the Assistant General Counsel and developed a consistent, logical numbering schematic.

Once the numbering schematic was approved, the divisions were able to update forms and create new forms using Adobe. By utilization the electronic signature routing feature built into Adobe, SOAH has moved away from a paper-based routing procedure.

This improved electronic routing process results in cost savings by using no paper, no copier usage and less time required to manually route and file the paper documents.

Agency procedures are currently under review and are updated throughout the agency to assist in the knowledge transfer should an employee retire or leave the agency. The procedures are available to employees in that division and are an effective way to transfer knowledge of a process or procedure required by SOAH. Employees not familiar with a specific process such as Finance's Accounts Payable Procedure are able to review the procedure and complete the required tasks. The updated procedure serves as a training guide and is supplemented by hands-on training with the current employee who serves as a subject matter expert.

Policy and procedure updates continuously evolve as laws, statutes, or agency business needs change.

Communication

In the Employee Engagement Survey completed in February 2024, communication continued to be a factor where employees identified weaknesses. The survey did reflect improvement from the prior assessment period, however additional work still needs to be done. Based on the feedback, executive management will strive to be more visible, accessible, as well as utilize internal communication channels to provide information.

Self-Service

Self-service platforms such as Employee Retirement System (ERS) and the Centralized Accounting and Payroll/Personnel System (CAPPS) require employees to be proactive in managing their own personal and business affairs. HR has developed a variety of desk aids to assist employees in completing these transactions.

Upon seeing the need to provide additional information to our new employees, HR now provides tutorials for all new hires on CAPPS and ERS. HR is always available and can meet with staff to review the information together.

Beginning December 2023, many of the HR trainings and forms were converted to Microsoft Forms. This will assist agency staff by ensuring the process is paperless and intuitive. Additionally, IT will assist HR staff with tracking and compliance.

Beginning April 2024, the agency deployed the CAPPS Travel Module. This will assist agency travelers and Finance by ensuring the process is paperless, intuitive, accurate, and timely.

Forward Looking

As outlined in our Chief Administrative Law Judge's Goals and Action Plan, there are several areas that impact the workforce plan going forward. The following objectives set a blueprint for the future of the agency:

- Conform Pay Grades to Statutory Requirements in Order to Ensure Retention and Recruitment.
- Consolidate Regional Office ALJs into the Austin Office Salary Schedule.

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- Standardization of Training.

Expected completion: June 2027

Report on Customer Service Supplemental Schedule H

Introduction

As required by Texas Government Code Chapter 2114, the agency gathers information from external customers annually regarding quality of service. Additionally, the agency has two Performance Measures, one for Hearings and one for Alternate Dispute Resolution (ADR), that measure the percentage of participants who are satisfied with the overall process for administrative hearings and ADR respectively.

The agency conducts two separate online customer service surveys, one for the Hearings strategy and one for the Alternative Dispute Resolution (ADR) strategy. The respective surveys were targeted to the appropriate group of external customers and the survey questions were tailored to the specific strategy, as to elicit more useful information. Over the last few years, the agency has successfully broadened the scope of external customers who receive the survey, to ensure that the survey is reaching as many participants as possible. In Fiscal Year 2023, the agency had 1,120 respondents to the surveys.

Inventory of External Customers and Services

External Customers – Hearings: Strategy A.1.1 is to conduct hearings. SOAH conducts administrative hearings for more than fifty state agencies each year, across a wide variety of subject areas. Within the Hearings strategy, the work is generally divided into Administrative License Revocation (ALR), which are referred by the Department of Public Safety, and General Docket (all cases other than ALR).

External Customers – ADR: Strategy A.1.2 is to conduct ADR proceedings. Most ADR proceedings are mediations. Mediation cases include cases that were referred specifically for the purpose of conducting a mediation as well as cases that were originally referred to the agency for a hearing, but the parties agreed to proceed to mediation. As with hearings, the cases within the ADR strategy represent a broad cross-section of subject areas.

In terms of methodology, the applicable time period for the 2023 survey was September 1, 2022, through August 31, 2023. For Hearings, SOAH identified all cases that were concluded within this time period through an issuance of the decision. For ADR, SOAH identified all cases where there was an ADR event (such as a mediation held) during this time period. For each responsive case, contact information was then gathered from SOAH’s case management system.

For both Hearings and ADR, the pool of external customers included both attorneys and self-represented litigants. (For cases deemed “confidential,” however, SOAH directed the surveys only to counsel of record, not self-represented litigants, to protect the parties’ privacy and ensure compliance with all applicable confidentiality requirements.)

Method of Collection

The surveys are conducted annually. The agency disseminated its 2023 customer service surveys to external customers in September 2023.

The agency utilized emails provided by the parties to develop a distribution list. An email is then sent with a link to all parties on the distribution list. Reminder emails are sent one week before the deadline, one day before the deadline, and the day of the deadline.

Questions and Responses

The Hearings and ADR surveys solicited feedback on all aspects of the process, including experiences with different departments at the agency, the facilities, and the hearings or mediation process. Both surveys also provided the opportunity for additional comments.

The survey is available to external customers, including those served in our seven regional offices, not just those of the Austin Office. The agency's regional offices, which handle a significant amount of SOAH's ALR cases, are located in Corpus Christi, Dallas, El Paso, Fort Worth, Houston, Lubbock, and San Antonio. On the Hearings survey, 35.99% of the respondents provided feedback on contact with the Austin office. On the ADR survey, the Austin office accounted for 94.12% of the responses.

For the Hearings survey, SOAH sent the survey to 19,898 external general docket customers, and 1,103 responded, for a total response rate of 5.54%. For the ADR Survey, SOAH sent the survey to 90 external customers, and 17 responded, for a total response rate of 18.89%.

Survey Responses – Hearings

Question	Very Satisfied	Satisfied	Neutral	Unsatisfied	Very Unsatisfied	N/A
Administrative /docketing staff were courteous, professional, and knowledgeable	378	252	124	39	46	38
Agency staff was helpful and responsive to my inquiry, request for assistance (including service in person)	323	242	144	51	45	32
Satisfaction with agency communications, including telephone access, the average time you spend on hold, call transfers, access to a live person, letters, and any other communications	291	212	144	52	59	53
SOAH’s website is user – friendly, easy to use and navigate	240	201	175	59	53	66
ALJ was courteous and professional	395	172	89	30	39	51
ALJ conducted my hearing fairly and efficiently	313	194	115	40	61	45
ALJ was knowledgeable about the law and procedures in my case	330	176	126	34	43	47
Decision in my case was clear and well-written	305	186	129	29	40	62
Office location was accessible and facilities were clean	200	140	114	9	29	254
Self-represented litigant guides provided by SOAH are clear, understandable, and useful	156	93	134	12	41	305
Ease of filing a complaint and responses are timely	156	100	134	15	46	285
Overall satisfaction with remote hearings technology and process at SOAH	291	192	99	24	44	84
Overall, I was satisfied with the hearings process at SOAH	268	224	110	41	58	33

Survey Responses – ADR

Question	Very Satisfied	Satisfied	Neutral	Unsatisfied	Very Unsatisfied	N/A
Administrative/docketing staff were courteous and professional, and knowledgeable	13	2	1	0	0	0
Agency staff was helpful and responsive to my inquiry, request for assistance (including service in person)	12	2	1	0	0	0
Satisfaction with agency communications, including telephone access, the average time you spend on hold, call transfers, access to a live person, letters, and any other communications	11	2	1	0	0	1
SOAH’s website is user – friendly, easy to use and navigate	9	4	1	0	0	1
Mediator was courteous and professional	13	1	1	0	0	0
Mediator was fair and efficient	13	0	1	1	0	0
Mediator understood the issues and relevant law	12	1	2	0	0	0
Mediator controlled the process and kept it moving efficiently, allowing parties adequate time to evaluate options without rushing	13	0	2	0	0	0
Office location was accessible and facilities were clean	6	1	0	0	0	8
Self-represented litigant guides provided by SOAH are clear, understandable, and useful	5	1	1	0	0	8
Guide to Mediations provided by SOAH is clear, understandable, and useful	6	2	0	0	0	7
Ease of filing a complaint and responses are timely	4	0	2	1	1	7
Overall satisfaction with the remote hearings technology and process at SOAH	10	3	0	0	0	1
Overall, I was satisfied with the mediation process at SOAH	12	1	1	0	0	0

Analysis of Responses

Overall Analysis of 2023 Results

On the whole, the 2023 survey results demonstrate that SOAH’s external customers are generally satisfied with the quality of the process they experience at SOAH, in both Hearings and ADR. For Hearings, the overall satisfaction rate was 88.07%. On the ADR survey, the overall satisfaction rate was 98.30%.

It is also important to note that the Hearings function is inherently adversarial in process, and the parties being surveyed are from both sides of the case. If a case proceeds to an adjudicated outcome, then typically one party has prevailed and one party has not prevailed. While the surveys are prefaced with the statement that the survey seeks input on the quality of the process and not whether a party is satisfied with the substantive outcome in their case, the adversarial nature of the process may affect a customer’s willingness to respond to the survey and their answers.

Improvements to Survey Process

With the implementation of SOAH’s new case management system, attorney and party contact information is more complete, current, and available, which has resulted in a larger number of parties participating in the surveys.

Improvements Based on Survey Feedback

Of the negative comments resulting from the survey, those that were not focused on the outcome of a particular case tended to focus on the agency’s internet website and agency communications. In response, the agency has requested a 3rd-party review of our website to ensure we are providing relevant information in an easy-to-use manner to our customers. Additionally, to enhance communication, we have implemented a new phone system that directs customers to a live person with knowledge of the subject matter requested.

Performance Measure Information

Customer Service Standard Measures	FY 2023 Hearings	FY 2023 ADR
Percentage of Surveyed Customer Respondents Expressing Overall Satisfaction with Service Received	88.07%	98.30%

The agency anticipates similar results for Fiscal Year 2024.

Cybersecurity Training Supplemental Schedule I

Pursuant to the Texas Government Code, Section 2056.002(b)(12), this is to certify that the agency has complied with the cybersecurity training required pursuant to the Texas Government Code, Sections 2054.5191 and 2054.5192.



[Kristofer Monson \(May 13, 2024 14:07 CDT\)](#)

Kristofer S. Monson
Chief Administrative Law Judge
State Office of Administrative Hearings