

McCleary v State of Washington Litigation
- Ongoing Specific AGO Costs, JI

Agency: 350 Office of Superintendent of Public Instruction
Budget Period: 2009-11

Recommendation Summary Text (Short Description):

The Office of the Attorney General (AGO) estimates \$779,000 is needed to fund legal services related to McCleary v. State of Washington, an action challenging the method and level of funding provided by the state for basic education. Because the Legal Services Account used by the AGO is a revolving fund, OSPI needs an appropriation of funds to pay the AGO each month on an actual cost basis.

Fiscal Detail

Operating Expenditures		FY 2010	FY 2011	Total
General Fund	001-01	\$779,000	\$0	\$779,000
Total Cost		\$779,000	\$0	\$779,000

Staffing	FY 2010	FY 2011	Annual Avg.
Total FTEs Requested	0	0	0

Package Description:

Background

McCleary v. State of Washington is a broad Constitutional challenge to the method and level of funding provided by the state for basic education.

Current Situation

McCleary v. State of Washington was filed in January 2007. After several continuances the trial in this matter began on August 31, 2009. Funding is requested to pay monthly AGO costs in FY 2010.

Contact person

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Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

The outcome of the case could have significant fiscal implications in future biennia. Funding is necessary for the continued defense of the case.

Performance Measure Detail

No measures submitted for the package.

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

None.

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Reason for change:

Does this decision package provide essential support to one of the Governor's priorities?

No, however, the State did determine it had an interest in defending itself in trial.

Does this decision package make key contributions to statewide results? Would it rate as a high priority in the Priorities of Government process?

None.

What are the other important connections or impacts related to this proposal?

An adverse settlement could impact the state's policy choices regarding the method and level of funding basic education.

Impact on Clients and Services

None.

Impact on Other State Programs

What alternatives were explored by the agency, and why was this alternative chosen?

The current level of funding for OSPI's AGO costs is not sufficient to fund the extraordinary cost to defend this case.

What are the consequences of not funding this package?

Unknown. OSPI will not be able to pay the AG fee; the agency does not have this level of discretionary resources in state general funds.

What is the relationship, if any, to the state's capital budget?

None.

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

None.

Expenditure and Revenue Calculations and Assumptions

Revenue Calculations and Assumptions:

None

Expenditure Calculations and Assumptions:

The expenditure assumptions are based on information received from the AGO. The AGO's estimates assume 2.1 Assistant Attorneys General (AAG) and 3.0 Paralegals (PL) for the period of July 1, 2009 through October 31, 2009, reducing down to .3 AAG and .3 PL through the remainder of FY2010; and contract costs for a Special Assistant Attorney General (SAAG) and experts to assist in the defense of the case.

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Object Detail

		FY 2010	FY 2011	Total
A	Salary and Wages	\$0	\$0	\$0
B	Employee Benefits	\$0	\$0	\$0
C	Contracts	\$0	\$0	\$0
E	Goods/Services	\$779,000	\$0	\$779,000
G	Travel	\$0	\$0	\$0
J	Equipment	\$0	\$0	\$0
N	Grants	\$0	\$0	\$0
	Interagency Reimbursement	\$0	\$0	\$0
	Other	\$0	\$0	\$0
Total Objects		\$779,000	\$0	\$779,000

Expenditures & FTEs by Program

Activity Inventory Item	Prog	Staffing			Operating Expenditures		
		FY 2010	FY 2011	Avg	FY 2010	FY 2011	Total
A002- Administration	010				\$779,000	\$0	\$779,000
Total Activities					\$779,000	\$0	\$779,000

Six-Year Expenditure Estimates

Fund	09-11 Total	11-13 Total	13-15 Total
General Fund - State	\$779,000	\$0	\$0
Expenditure Total	\$779,000	\$0	\$0
FTEs	0	0	0

Distinction between one-time and ongoing costs:

Costs are expected to be one-time until the case is resolved through court action or settlement,

Budget impacts in future biennia:

If the case is not settled in the current biennia the state may incur costs in future biennia.