BEFORE THE
OFFICE OF ADMINISTRATIVE HEARINGS
STATE OF CALIFORNIA

In the Matter of: PARENT ON BEHALF OF STUDENT, v. LOS ANGELES UNIFIED SCHOOL DISTRICT.	OAH Case No. 2019030607 ORDER DENYING MOTION TO DISMISS; AND SETTING BIFURCATED HEARING

On March 15, 2019, Student filed a Request for Due Process Hearing with the Office of Administrative Hearings, naming Los Angeles Unified School District. On May 15, 2019, Los Angeles filed a Notice of Settlement, seeking dismissal of Student's complaint. On May 15, 2019, Student filed an opposition to the Notice of Settlement. On May 21, 2019, OAH issued an Order Following Prehearing Conference, wherein the undersigned ALJ denied Los Angeles's request to dismiss the complaint, on the grounds that it was unclear whether the parties entered into an enforceable settlement agreement.

On May 22, 2019, Los Angeles filed a Motion to Dismiss Student's complaint. Los Angeles attached a declaration from its special education litigation coordinator, Natalie Hofland, and other documentation to prove a settlement agreement existed. On May 24, 2019, Student filed an opposition to Los Angeles's motion.

The due process hearing in this case is set to begin on May 29, 2019.

APPLICABLE LAW

Although OAH will grant motions to dismiss allegations that are facially outside of OAH jurisdiction, such as civil rights claims and enforcement of a settlement agreement, special education law does not provide for a summary judgment procedure. A summary judgement procedure would require OAH to issue a ruling prior to an evidentiary hearing, based on the parties' pleadings and evidence, to determine an issue of fact.

The purpose of the Individuals with Disabilities Education Act (20 U.S.C. § 1400 et. seq.) is to "ensure that all children with disabilities have available to them a free appropriate public education," and to protect the rights of those children and their parents. (20 U.S.C. § 1400(d)(1)(A), (B), and (C); see also Ed. Code, § 56000.) A party has the right to present a complaint "with respect to any matter relating to the identification, evaluation, or educational placement of the child, or the provision of a free appropriate public education to such child." (20 U.S.C. § 1415(b)(6); Ed. Code, § 56501, subd. (a).) OAH's jurisdiction is limited to

these matters. (*Wyner v. Manhattan Beach Unified Sch. Dist.* (9th Cir. 2000) 223 F.3d 1026, 1028-1029.) OAH does not have jurisdiction to enforce settlement agreements. (*Id.* at p. 1030.)

However, OAH may interpret a settlement agreement for the purposes of determining whether OAH has jurisdiction to decide the issues in the complaint. Settlement agreements are interpreted using the same rules that apply to interpretation of contracts. (*Vaillette v. Fireman's Fund Ins. Co.* (1993) 18 Cal.App.4th 680, 686, citing *Adams v. Johns-Manville Corp.* (9th Cir. 1989) 876 F.2d 702, 704.) "Ordinarily, the words of the document are to be given their plain meaning and understood in their common sense; the parties' expressed objective intent, not their unexpressed subjective intent, governs." (Id. at p. 686.) If a contract is ambiguous, i.e., susceptible to more than one interpretation, then extrinsic evidence may be used to interpret it. (*Pacific Gas & Electric Co. v. G. W. Thomas Drayage & Rigging Co.* (1968) 69 Cal.2d 33, 37-40.) Even if a contract appears to be unambiguous on its face, a party may offer relevant extrinsic evidence to demonstrate that the contract contains a latent ambiguity; however, to demonstrate an ambiguity, the contract must be "reasonably susceptible" to the interpretation offered by the party introducing extrinsic evidence. (*Dore v. Arnold Worldwide, Inc.* (2006) 39 Cal.4th 384, 391, 393.)

DISCUSSION

Los Angeles argues Student's case should be dismissed on several grounds: (1) the parties entered into a valid, legally binding settlement agreement; (2) the settlement agreement does not contain a rescission provision; (3) OAH lacks jurisdiction to set aside the settlement agreement; and (4) setting aside the settlement agreement violates public policy. Student argues Los Angeles's motion should be denied because OAH already denied Los Angeles's request to dismiss the case in the Order Following Prehearing Conference. Additionally, Student argues he does not seek to rescind or set aside a settlement agreement because no contract was ever formed.

Los Angeles argues an agreement becomes a binding contract when it is entered into by the parties, and sites several OAH cases in which OAH denied a party's request to rescind or set aside a settlement agreement. However, in the cases Los Angeles cites, there was no factual dispute that a settlement agreement existed. Here, Student does not seek to rescind or set aside a settlement agreement. Instead, Student argues Parent revoked her consent to the agreement before the agreement was fully executed. After reviewing the evidence offered by each party, there is a factual dispute on whether a contract was ever formed. Special education law does not have a summary judgement procedure and OAH cannot resolve a factual dispute without an evidentiary hearing. Therefore, OAH has jurisdiction to decide the issues in Student's complaint and to resolve the dispute as to whether the parties entered into a settlement agreement. For these reasons, Los Angeles's Motion to Dismiss is denied.

To resolve the dispute as to the existence of a settlement agreement, OAH will bifurcate the due process hearing. In the first part of the bifurcated due process hearing,

beginning on May 29, 2019, OAH will hear evidence from the parties as to the existence of a settlement agreement. The parties will also be given the opportunity to make arguments on the Motion in Limine that Los Angeles filed on May 28, 2019. OAH will issue a written decision addressing whether the parties entered into a settlement agreement for the purposes of resolving the issues in Student's complaint, within two weeks of the conclusion of the evidence in the first bifurcated hearing. The second part of the bifurcated due process hearing is continued to June 25, 2019, unless otherwise ordered.

ORDER

1. Los Angeles's Motion to Dismiss is denied.

2. The due process hearing will be bifurcated as follows: The first part of the bifurcated hearing, on the single bifurcated issue, will begin on May 29, 2019, at 9:30 a.m. The second part of the bifurcated hearing, on the remaining issues as set forth in the Order Following Prehearing Conference, is continued to June 25, 2019, at 9:30 a.m., unless otherwise ordered.

DATE: May 28, 2019

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Tara Doss
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TARA DOSS
Administrative Law Judge
Office of Administrative Hearings