

ITEM 12
EXECUTIVE DIRECTOR'S REPORT
Workload, Budget, Legislation, Hearings

I. WORKLOAD

A. Pending Caseload

Type of Action	January 10, 2005	November 18, 2004	January 8, 2004
Test Claims to be Heard and Determined	105 ¹	106	131
Test Claims to be Reconsidered	0	0	0
Test Claims to be Reconsidered Based on Court Action	3	3	2
Test Claims to be Reconsidered, as Directed by the Legislature	11	11	0
Incorrect Reduction Claims to be Heard and Determined	82	80	76
Proposed Parameters and Guidelines, and Amendments	30	31	29
Parameters and Guidelines to be Reconsidered, as Directed by the Legislature	1	1	Not available.
Statewide Cost Estimates to be Adopted	5	7	15
New Test Claim Filings to be Reviewed	1	0	0
Appeals of Executive Director's Decision	0	0	5
Regulatory Actions Pending	0	0	0

B. SB 1033 – Butte County

Butte County has notified staff of its intention to file an SB 1033 application in mid-February.

C. Meetings/Workshops Scheduled

1. January 26, 2004, Meeting with Regional Council of Rural Counties
2. January 27, 2004, Workshop with Interested Parties, Implementation of AB 2856

¹ Includes three new test claims filed in December 2004.

II. Legislation

A. Reports to the Legislature

Commission on State Mandates

On January 5, 2005, the second of the CSM's biannual Reports to the Legislature on Approved Mandates for 2004 was filed. The Commission reported adoption of two statewide cost estimates totaling \$47,071,962. The report has been distributed and is posted on the website.

On January 6, 2005, the CSM's annual Report to the Legislature on Denied Mandates for 2004 was filed. The report has been distributed and is posted on the website.

State Controller's Office (Exhibit A)

On December 31, 2004, the State Controller submitted its annual report required pursuant to Government Code section 17562 (b) to the Legislature (AB 3000 Report). This report summarizes data by state mandate and fiscal year, the statewide cost estimate, appropriation, deficiency funding, total program costs, claims paid, appropriation deficiencies or surpluses for each program, and unfunded new mandates. The report is based on reimbursement claims filed with the State Controller during fiscal years 1995-96 through 2003-2004. The proposed statewide cost estimates for two of the unfunded new mandates (*Pupil Promotion and Retention Program* and *AIDS Prevention Instruction II*) will be considered by the Commission at the January hearing.

	Appropriations ²	Appropriation Deficiency
Local Agencies	\$ 650,843,188	\$ 1,117,368,311
School Districts	852,549,000	893,408,528
Community College Districts	11,762,000	62,100,125
Totals	\$ 1,515,154,188	\$ 2,072,876,964

B. Sponsored Legislation

The Governor's Office approved the Commission to sponsor two bills this year: a bill that would remove the Commission from the SB 1033 process and allow counties to self-certify that they are in significant financial distress, and a spot bill to act as a placeholder for any legislative changes that are necessary to implement Proposition 1A and to substantively reform the mandates reimbursement process. Staff will be seeking authors to carry this legislation and will keep the Commission informed as the bills proceed through the legislative process.

II. 2005-2006 BUDGET (Exhibit B)

A. Commission Budget

The Governor's Budget proposes \$1.629 million for the Commission on State Mandates. The Budget provides an augmentation of \$427,000 to reduce the test claim backlog. If approved, the Commission would add three limited term positions and one permanent position.

² Appropriations made in 1995-96, 1996-97, 1997-98, 1998-99, 1999-00, 2000-01, 2001-02, 2002-03, 2003-04 Budget Acts and 1995, 1996, 1997, 1998, 1999, 2000, and 2001 Local Government Claims Bills.

B. Mandate Reimbursements

1. School Districts. The budget would defer all but one education mandate (K-14) and would appropriate \$40,000 (\$1,000/program). There are no suspended mandates. See Exhibit B for details.
2. Local Agencies. The budget proposes suspension of 37 mandated programs pursuant to Government Code section 17581 and section 6 of article XIII B of the California Constitution, as amended by Proposition 1A. The *Regional Housing Needs Determination* program and the *Handicapped and Disabled Students* program, which are currently being reconsidered by the Commission, are included in the list of suspended mandates. The budget includes \$44.297 million for mandate reimbursement. See Exhibit B for details. Also, the California State Association of Counties (CSAC), reports that the budget outlines a plan to consolidate debts from deferred state-local mandates, along with other deferrals, and proposes a repayment plan over a period of up to 15 years.

III. PROPOSED CHANGES TO 2005 HEARING CALENDAR (Exhibit C)

Staff proposes changing the next hearing to March 30, 2005 because March 31 is a state holiday and the November 17 hearing to December 8, 2005, at the suggestion of Member Barnes.

Recommendation: Staff recommends adoption of the proposed changes to the 2005 Hearing Calendar

IV. NEXT HEARING AGENDA

The tentative agenda is subject to change based on requests for extensions of time to file comments on draft staff analyses, hearing postponements, pre-hearing conferences, Commission staff's legislative and litigation workload, and receipt of claiming data from the State Controller's Office or cost data from claimants.

A. Reconsiderations Directed by the Courts

1. *Standardized Emergency Management Systems*, CSM 4506, County of San Bernardino, Claimant
2. *School Bus Safety II*, 97-TC-00, Clovis Unified School District, Claimant

B. Reconsideration Directed by the Legislature

1. *Regional Housing Needs Determination – Councils of Governments* (Board of Control Decision, Claim Number 3929), Case Number 04-RL-3929-05
2. *Regional Housing Needs Determination – Cities and Counties* (Board of Control Decision, Claim Numbers 3759, 3760, and 3916), Case Number 04-RL-3759-02, 04-RL-3760-03, 04-RL-3916-04

C. Test Claims/Proposed Statements of Decision - Tentative

1. *Post Conviction: DNA Court Proceedings*, 00-TC-21, and Amendment, 02-TC-08, County of Los Angeles, Claimant

D. Proposed Parameters and Guidelines and Amendments

1. *Crime Victims' Domestic Violence Incident Reports*, 99-TC-08, County of Los Angeles, Claimant

2. *Peace Officer Personnel Records; Unfounded Complaints Against Peace Officers; Discovery of Peace Officer Personnel Records*; 00-TC-24, 00-TC-25, 02-TC-07, 02-TC-08, Cities of Hayward and San Mateo, Claimants
3. *False Reports of Police Misconduct*, 00-TC-26, County of San Bernardino, Claimant
4. *Integrated Waste Management*, 00-TC-07, Santa Monica and Lake Tahoe Community College Districts

E. Parameters and Guidelines Amendment Directed by the Legislature

1. *Animal Adoption*, 98-TC-11, Legislature, Requestor

F. Statewide Cost Estimates

1. *Differential Pay and Reemployment*, 99-TC-02, Palmdale School District, Claimant
2. *Postmortem Examinations: Unidentified Bodies, Human Remains*, 00-TC-18, County of Los Angeles, Claimant