

ITEM 15
EXECUTIVE DIRECTOR'S REPORT
Workload, Budget, and
Upcoming Tentative Agendas

I. WORKLOAD

A. PENDING COMMISSION CASELOAD (Info)

Type of Action	May 11, 2009
Test Claims ¹ to be Heard and Determined	60
Test Claims to be Reconsidered	0
Test Claims to be Reconsidered Based on Court Action	0
Test Claims to be Reconsidered, as Directed by the Legislature	4 ²
Incorrect Reduction Claims to be Heard and Determined	144
Incorrect Reduction Claims to be Reconsidered Based on Court Action	0
Reasonable Reimbursement Methodologies/Statewide Estimate of Costs	4
Proposed Parameters and Guidelines, and Amendments	23
Parameters and Guidelines to be Amended or Set Aside, as Directed by the Legislature or Court Action	0
Statewide Cost Estimates to be Adopted	7
New Test Claim Filings to be Reviewed	0
New Incorrect Reduction Claim Filings to be Reviewed	0
Appeals of Executive Director's Decision	0
Regulatory Actions Pending	0

B. PENDING REQUESTS TO JOINTLY DEVELOP LEGISLATIVELY DETERMINED MANDATES

Type of Action	
Notice of Intent to Pursue Legislatively Determined Mandates	2

¹ This includes 36 test claims filed by school districts and 24 filed by local agencies.

² Due to the recent court decision in *California School Boards Association v. State of California*, the Commission may not complete this pending reconsideration.

C. APPLICATIONS FOR FINDINGS OF SIGNIFICANT FINANCIAL DISTRESS

Type of Action	
Applications for Findings of Significant Financial Distress Pending	0

Although no applications have been filed, four counties have inquired about the process (Sacramento, Los Angeles, San Diego, and Alameda).

II. STATE BUDGET (Info/Action)

A. Commission Budget - 2009-2010

The adopted budget includes \$1.59 million for 12 positions and operating expenses for the Commission. On May 14, 2009, the Commission was directed by the Governor’s Office to send layoff notices to approximately 5% of employees in general fund positions with the least seniority and to freeze hiring into vacant positions.

B. Mandate Reimbursements – 2009-2010

Both the Senate and Assembly Budget Subcommittees rejected the Department of Finance’s Proposal to repeal long-time suspended mandates through budget trailer bill legislation. The 2009-2010 Budget Act does not included any suspended mandates in Item 8885-295-001. Therefore, if the Legislature intends to continue suspension pursuant to Government Code section 17581, the list of long time suspended mandates with a “0” appropriation will need to be amended into the 2009-2010 Budget Act.

C. Assembly Budget Subcommittee Number 4 – Reconsideration (info/action)

On April 23, 2009, Assembly Budget Subcommittee Number 4 was briefed on the recent *California School Boards Association v. State of California* appellate court decision. Because the court found legislatively directed reconsiderations in AB 138 to be unconstitutional, the subcommittee directed the Legislative Analyst’s Office (LAO), Department of Finance (DOF), commission staff and legislative staff to form a working group to develop legislation to establish a mandate reconsideration process consistent with the court decision. (See Exhibit A – Committee report and Commission handout.)

In response to Budget Committee staff’s request for comments/proposals, Commission staff prepared a working draft for discussion. (See Exhibit B.)

Staff’s draft proposal would allow the Commission to amend a test claim decision upon a showing that there has been a subsequent change based upon new or different facts, circumstances, or mandates law upon which the Commission or the Board of Control relied upon in making its decision, and that this subsequent change modified the state’s liability for mandate reimbursement pursuant to article XIII B, section 6 of the Constitution.

A request to amend a test claim decision could be filed by any party, statewide association, or the Department of Finance, Controller, or other affected state agency or interested party. Budget Committee and LAO staff would like to establish a process that would also allow the Legislature or an individual legislator to request reconsideration.

A statute of limitations for filing requests to amend is proposed as follows:

- For any subsequent change that occurred prior to January 1, 2010, and subsequent to the adoption of any test claim decision, a request must be filed not later than January 1, 2011.
- For any subsequent change that occurs after January 1, 2010, and subsequent to the adoption of any test claim decision, a request must be filed not later than 12 months following the effective date of the change.

The working draft also includes procedures for filing such requests, and proposes that the amendment of a test claim decision shall be effective in the fiscal year following the Commission's action to amend a test claim decision. The Commission would also be authorized to adopt or amend parameters and guidelines or reasonable reimbursement methodologies to conform to the amendment of the test claim decision.

On May 12, 2009, in a joint letter to the Members of Assembly Budget Subcommittee Number 4, the California School Boards Association (CSBA), California State Association of Counties (CSAC) and the League of California Cities (League) requested that their organizations have the opportunity to be fully represented in any discussion over possible statutory changes to mandates statutes in response to the holding in the recent CSBA court decision. (See Exhibit C.)

Current Status: Assembly Budget Subcommittee Number 4 Hearing – date to be set.

Staff Recommendation: A Commission subcommittee should be formed to work with staff on this issue.

IV. TENTATIVE AGENDAS (Info)

The tentative agendas are subject to change based on Commission staff's litigation workload, requests for extensions of time to file comments on draft staff analyses, hearing postponements, pre-hearing conferences, and the complexity of the statutes and executive orders that are pled.

Friday, July 31, 2009

A. Test Claims (9)

1. *Municipal Storm Water and Urban Runoff Discharges*, 03-TC-04, 03-TC-19, 03-TC-20, and 03-TC-21
County of Los Angeles, Cities of Artesia, Beverly Hills, Carson, Norwalk, Rancho Palos Verdes, Westlake Village, Azusa, Commerce, Vernon, Bellflower, Covina, Downey, Monterey Park, Signal Hill, Co-Claimants
2. *Child Abuse & Neglect Reporting*, 01-TC-21
San Bernardino Community College District, Claimant
3. *Re-Districting Senate and Congressional Districts*, 02-TC-50
County of Los Angeles, Claimant
4. *Academic Performance Index*, 01-TC-22
San Juan Unified School District, Claimant
5. *Crime Statistics Reports for the Department of Justice*, 07-TC-10 (Amendment to 02-TC-04 and 02-TC-11)
City of Newport Beach and County of Sacramento, Claimants
6. *Extended Opportunity Programs and Services*, 02-TC-29
West Kern Community College District, Claimant

- B. Proposed Parameters and Guidelines (2)
 - 1. *Permanent Absent Voter*, 03-TC-11
County of Sacramento, Claimant
 - 2. *Modified Primary Election*, 01-TC-13
County of Orange, Claimant
- C. Statewide Cost Estimates (4)
 - 1. *Integrated Waste Management*, 05-PGA-16 (00-TC-07)
 - 2. *CalSTRS Service Credit*, 02-TC-19
Santa Monica Community College District, Claimant
 - 3. *Fifteen-Day Close of Voter Registration*, 01-TC-15
County of Orange, Claimant
 - 4. *In-Home Supportive Services II*, 00-TC-23
County of San Bernardino, Claimant

Friday, September 25, 2009

- A. Test Claims (5)
 - 1. *Notice to Students and Minimum Conditions for State Aid*,
02-TC-25 and 02-TC-31
Los Rios and Santa Monica Community College Districts, Claimants
 - 2. *Comprehensive School Safety Plans II*, 07-TC-11
San Diego Unified School District, Claimant
 - 4. *California Environmental Quality Act (CEQA)*, 03-TC-17
Clovis Unified School District, Claimant
 - 5. *Discharge of Stormwater Runoff*, 07-TC-09
County of San Diego, Incorporated Cities of San Diego County, San
Diego Port District, and San Diego County Regional Airport Authority,
Claimants
- B. Parameters and Guidelines (2)
 - 1. *Expulsions II and Suspensions II*, 96-358-03, 03A-03B, 04,
04A-04B, 98-TC-22, 23, 01-TC-17, and 18 consolidated with
Education Services Plan, 97-TC-09
San Juan Unified School District, Claimant
 - 2. *Local Agency Formation Commissions (LAFCO)*, 02-TC-23
Sacramento Metropolitan Fire Department, Claimant
- C. Parameters and Guidelines Amendments (1) (TENTATIVE)
 - 1. *Update Boilerplate Language*, 05-PGA-17
State Controller's Office, Requestor
- D. Statewide Cost Estimates (3)
 - 1. *Pupil Discipline Records and Notification to Teachers: Pupils Subject to
Expulsion/Suspension II*, 00-TC-10 and 01-TC-11
Sweetwater Union High School District, Carpinteria Unified School
District and Grant Joint union High School District, Claimants

2. *California Fire Incident Reports (CFIRS)*, CSM-4419
City of Newport Beach, Claimant
3. *Reporting Improper Governmental Activities*, 02-TC-24
San Juan Unified School District and Santa Monica Community
College District, Claimants