

## ***School District Reorganization (98-TC-24)***

Education Code Sections 35704, 35705.5, and 35707  
Statutes 1980, Chapter 1192 (AB 3018)  
Statutes 1994, Chapter 1186 (SB 1537)

Test Claim Filed: June 30, 1999

Reimbursement Period: 1997-1998 through 2004-2005

Initial Reimbursement Claims Filed: February 3, 2004

Statewide Cost Estimate: \$1,000

Adopted: July 29, 2004

---

### **Background**

On October 24, 2002, the Commission adopted its Statement of Decision finding that the test claim legislation constitutes a reimbursable state-mandated program upon county offices of education within the meaning of article XIII B, section 6 of the California Constitution and Government Code section 17514 for certain activities related to school district reorganizations initiated by voters, landowners or district governing boards.

### **Statewide Cost Estimate**

Only county superintendents of schools or county offices of education participating in school district reorganizations initiated by voters or property owners (but not for those initiated by school district governing boards) are eligible to claim reimbursement. Costs incurred on or after July 1, 1997 for compliance with the mandate are reimbursable. No reimbursement claims have been filed for this program.

Under the existing mandates process, the amount of a statewide cost estimate is reported to the Legislature and introduced in a local government claims bill. Once the local government claims bill appropriates funds for the initial reimbursement period, the program's annual statewide estimated costs are placed in the State Budget. Since there are no claims on which to base this statewide cost estimate, the Commission adopted a statewide cost estimate of \$1,000 for this program. This estimate will initiate the process for informing the Legislature of the costs of the program and identifying the program in the State Budget. However, if reimbursement claims were filed on this program, the amount appropriated in the State Budget to fund this program would be deficient.

In adopting the estimate, the Commission made the following assumptions:

1. If this program were implemented, the actual amount claimed would exceed the statewide cost estimate because there would only be \$1,000 appropriated in the State Budget to fund the program.
2. Any reimbursement claim for this program may be reduced by the SCO if it is audited and deemed to be excessive or unreasonable.