

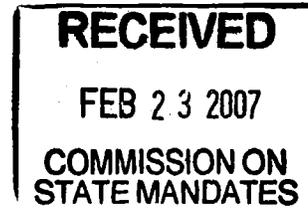


DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR
STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

February 20, 2007

Ms. Paula Higashi
Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814



Dear Ms. Higashi:

As requested in your letter of June 16, 2006, the Department of Finance has reviewed the proposed parameters and guidelines submitted by Los Angeles County (claimant) for Claim No. CSM-99-TC-11 "Firearm Hearings for Discharged Inpatients."

In a prehearing held on October 25, 2006, the claimant indicated that it intended to conduct a survey of district attorney offices in the state in order to develop a proposal for a reasonable reimbursement methodology (methodology) for this mandate. We understand that the claimant has not submitted such a proposal because they had been unable to obtain a complete list of district attorneys by county.

Finance obtained a contact list and shared this list with the claimant on February 16, 2007. Finance supports the use of a methodology to reduce workload on the state and local agencies in determining reimbursable activities and therefore recommends that the Commission allow additional time, provided updates are submitted to the Commission, for the distribution of a survey and review of the results. When the claimant submits a proposed methodology that meets the criteria in law or the State Controller's Office time study guidelines, we will comment on the specifics of the proposed methodology.

If the Commission adopts a methodology, Finance recommends that it be the only mechanism for reimbursement of the mandated activities. Providing an actual cost option could increase state costs by allowing local governments to choose the method yielding the highest reimbursement rate and would hinder efforts to streamline the claims process.

As required by the Commission's regulations, we are including a "Proof of Service" indicating that the parties included on the mailing list that accompanied your June 16, 2006 letter have been provided with copies of this letter via either United States Mail or, in the case of other state agencies, Interagency Mail Service.

If you have any questions regarding this letter, please contact Carla Castañeda, Principal Program Budget Analyst at (916) 445-3274.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas E. Dithridge". The signature is fluid and cursive, with the first name being the most prominent.

Thomas E. Dithridge
Program Budget Manager

Attachments

Attachment A

DECLARATION OF CARLA CASTAÑEDA
DEPARTMENT OF FINANCE
CLAIM NO. CSM-99-TC-11

1. I am currently employed by the State of California, Department of Finance (Finance), am familiar with the duties of Finance, and am authorized to make this declaration on behalf of Finance.

I certify under penalty of perjury that the facts set forth in the foregoing are true and correct of my own knowledge except as to the matters therein stated as information or belief and, as to those matters, I believe them to be true.

February 20, 2007
at Sacramento, CA

Carla Castañeda
Carla Castañeda

PROOF OF SERVICE

Test Claim Name: Firearm Hearings for Discharged Inpatients
Test Claim Number: CSM-99-TC-11

I, the undersigned, declare as follows:

I am employed in the County of Sacramento, State of California, I am 18 years of age or older and not a party to the within entitled cause; my business address is 915 L Street, 12 Floor, Sacramento, CA 95814.

On February 20, 2007, I served the attached recommendation of the Department of Finance in said cause, by facsimile to the Commission on State Mandates and by placing a true copy thereof: (1) to claimants and nonstate agencies enclosed in a sealed envelope with postage thereon fully prepaid in the United States Mail at Sacramento, California; and (2) to state agencies in the normal pickup location at 915 L Street, 12 Floor, for Interagency Mail Service, addressed as follows:

A-16

Ms. Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
Facsimile No. 445-0278

Mr. Leonard Kaye, Esq.
County of Los Angeles
Auditor- Controller's Office
500 W. Temple Street, Room 603
Los Angeles, CA 90012

Mr. Mark Sigman
Riverside County Sheriff's Office
4095 Lemon Street
Riverside, CA 92502

F-03
Mr. Randy Rossi
Department of Justice
Firearms Division
1435 Riverpark Drive, Ste. 308
Sacramento, CA 95818

Ms. Bonnie Ter Keurst
County of San Bernardino
Office of the Auditor/ Controller-Recorder
222 West Hospitality Lane
San Bernardino, CA 92415-0018

Ms. Jesse McGuinn
Department of Finance
915 L Street, 8th Floor
Sacramento, CA 95814

Mr. Allan Burdick
MAXIMUS
4320 Auburn Blvd., Ste. 2000
Sacramento, CA 95841

Mr. Harmeet Barkschat
Mandate Resource Services
5325 Elkhorn Blvd., #307
Sacramento, CA 95842

Wellhouse and Associates
Attention: David Wellhouse
9175 Kiefer Boulevard, Suite 121
Sacramento, CA 95826

Mr. Steve Smith
Steve Smith Enterprises, Inc.
4633 Whitney Ave, Ste. A
Sacramento, CA 95821

Mr. William McCamy
Office of the District Attorney
County of Sacramento
901 G Street
Sacramento, CA 95814

Ms. Susan Geanacou
Department of Finance
915 L Street, Ste. 1190
Sacramento, CA 95814

Mr. Jim Jagers
P.O. Box 1993
Carmichael, CA 95609

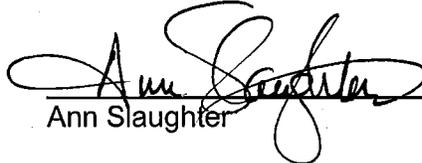
Mr. Glen Everroad
City of Newport Beach
3300 Newport Blvd.
P.O. Box 1768
Newport Beach, CA 92659-1768

B-08
Ms. Ginny Brummels
State Controller's Office
Division of Accounting & Reporting
3301 C Street, Ste. 500
Sacramento, CA 95816

Ms. Annette Chinn
Cost Recovery Systems, Inc.,
705-2 East Bidwell Street, #294
Folsom, CA 95630

Mr. J. Bradley Burgess
Public Resource Management Group
1380 Lead Hill Blvd., Ste. #106
Roseville, CA 95661

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on February 20, 2007 at Sacramento, California.


Ann Slaughter