

Item 1

Proposed Minutes

COMMISSION ON STATE MANDATES

Location of Meeting: via Zoom
January 27, 2023

Present: Member Gayle Miller, Chairperson
Representative of the Director of the Department of Finance
Member Spencer Walker, Vice Chairperson
Representative of the State Treasurer
Member Lee Adams
County Supervisor
Member Scott Morgan
Representative of the Director of the Office of Planning and Research
Member Renee Nash
School District Board Member
Member Sarah Olsen
Public Member
Member Lynn Paquin
Representative of the State Controller

NOTE: The transcript for this hearing is attached. These minutes are designed to be read in conjunction with the transcript.

CALL TO ORDER AND ROLL CALL

Chairperson Miller called the meeting to order at 10:07 a.m., and noted that the new State Controller, Malia Cohen, would be joining the meeting and congratulated her on her election. State Controller Cohen stated that she was honored to be there and that her proxy, Lynn Paquin, would step in when she had to step out. Executive Director Halsey called the roll. Members Adams, Miller, Morgan, Olsen, Paquin, and Walker all indicated that they were present.

ELECTION OF OFFICERS AND SUBCOMMITTEE APPOINTMENTS

Executive Director Halsey presented the first portion of the first item, for the election of the chair and vice chair of the Commission.

Chairperson Miller asked for nominations for chairperson. Member Olsen nominated Joe Stephenshaw, the Director of Finance, as chairperson. Chairperson Miller asked if there were any other nominations. There was no response. Chairperson Miller closed the nominations for chairperson and requested a second to nominate. Member Adams seconded the motion. Executive Director Halsey noted that Member Nash joined the meeting and called the roll. The Director of Finance was elected chairperson by a vote of 7-0.

Chairperson Miller asked for nominations for vice chairperson. Member Walker nominated Member Adams to serve as vice chairperson. Chairperson Miller made a substitute motion and

nominated the State Controller as vice chairperson, as has been the tradition, and requested a second for the substitute motion. Member Adams stated that he appreciated Member Walker's nomination but seconded the substitute motion made by Chairperson Miller. Chairperson Miller asked if there were any other nominations. There was no response. Chairperson Miller closed the nominations for vice chairperson. Executive Director Halsey called the roll. The State Controller was elected vice chairperson by a vote of 7-0.

Executive Director Halsey introduced the second portion of this item, for the nomination of members to the Personnel, Legislation, and Litigation subcommittees.

Chairperson Miller made a motion for the Director of Finance, Joe Stephenshaw, and existing Personnel subcommittee member, Member Olsen, to continue to serve on the Personnel subcommittee. Member Adams seconded the motion. Chairperson Miller asked if there were any other nominations. There was no response. Chairperson Miller closed the nominations for the Personnel subcommittee. Executive Director Halsey called the roll. The Director of Finance was elected to serve and Member Olsen was elected to continue to serve on the Personnel subcommittee by a vote of 7-0.

Chairperson Miller requested nominations for the Legislation subcommittee. Member Paquin nominated State Controller Cohen to serve on the Legislation subcommittee. Chairperson Miller asked Member Adams if he was willing to continue serving on the Legislation subcommittee. Member Adams indicated that we would be happy to continue to serve. Chairperson Miller asked if Member Olsen would be willing to continue serving as the alternate on the Legislation subcommittee. Member Olsen indicated that she was willing to continue serving, unless someone else wanted to do it. Chairperson Miller asked if anyone else wanted to serve as the alternate on the Legislation subcommittee. There was no response. Member Adams made a motion to nominate State Controller Cohen and stated that he would also continue to serve on the Legislation subcommittee, with Member Olsen as the alternate. Chairperson Miller seconded the motion and asked if there were any other nominations. There was no response. Chairperson Miller closed the nominations for the Legislation subcommittee. Executive Director Halsey called the roll. State Controller Cohen was elected to serve, Member Adams was elected to continue to serve, and Member Olsen was elected to continue to serve as the alternate on the Legislation subcommittee, by a vote of 7-0.

Chairperson Miller nominated Member Walker and Member Nash to continue to serve on the Litigation subcommittee and asked if anyone else would like to serve, either as an alternate or on the committee. Member Paquin stated that State Controller Cohen would like to serve as the alternate on the Litigation subcommittee. Chairperson Miller asked if anyone else wanted to serve on the Litigation subcommittee. There was no response. Chairperson Miller asked if Member Walker and Member Nash were willing to serve, if necessary. Member Walker and Member Nash stated that they were willing to serve. Member Olsen made a motion to nominate Member Walker and Member Nash to continue to serve and State Controller Cohen as the alternate on the Litigation subcommittee. Member Walker seconded the motion. Chairperson Miller asked if there were any other nominations. There was no response. Chairperson Miller closed the nominations. Executive Director Halsey called the roll. Member Walker and Member Nash were elected to continue to serve and State Controller Cohen was elected to serve as the alternate on the Litigation subcommittee by a vote of 7-0.

APPROVAL OF MINUTES

Chairperson Miller asked if there was any public comment on this item or any questions from Members on the December 2, 2022 minutes. There was no response. Member Olsen made a motion to adopt the minutes. Member Adams seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the December 2, 2022 hearing minutes by a vote of 6-0 with Member Paquin abstaining.

PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA

Chairperson Miller asked if there was any public comment. There was no response.

CONSENT CALENDAR

HEARINGS AND DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 7 (GOV. CODE, § 17551, 17557, 17559, and 17570) (action)

ORDERS TO SET ASIDE

- Item 4* *Lead Sampling in Schools: Public Water System No. 3710020, 17-TC-03*
ORDER TO SET ASIDE THE TEST CLAIM DECISION ADOPTED MARCH 22, 2019 PURSUANT TO COURT’S JUDGMENT AND WRIT
Pursuant to the unpublished opinion issued April 29, 2022 in *City of San Diego v. Commission on State Mandates*, Court of Appeal, Third Appellate District, Case No. C092800; Judgment and Writ of Mandate issued by the Sacramento County Superior Court, Case No. 34-2019-80003169-CU-WM-GDS
City of San Diego, Claimant

INFORMATIONAL HEARINGS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 8 (action)

ADOPTION OF RULEMAKING CALENDAR

- Item 8* Proposed Rulemaking Calendar, 2023

STATEWIDE COST ESTIMATES

- Item 9* *Sexual Assault Evidence Kits: Testing, 20-TC-01*
Penal Code Section 680 as Amended by Statutes 2019, Chapter 588 (SB 22)

Executive Director Halsey stated that Items 4, 8, and 9 were proposed for consent. Chairperson Miller asked if there were any objections to the Consent Calendar from the members or from members of the public. There was no response. Member Adams made a motion to adopt the consent calendar. Member Olsen seconded the motion. Member Nash also seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the Consent Calendar by a vote of 7-0.

HEARINGS AND DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 7 (GOV. CODE, § 17551, 17557, 17559, and 17570) (action)

Executive Director Halsey stated that Item 5 had been postponed to the March hearing by the request of the Water Board and the Department of Finance and swore in the parties and witnesses participating in the Article 7 portion of the hearing.

APPEAL OF EXECUTIVE DIRECTOR DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 1181.1(c) (info/action)

Item 3 Appeal of Executive Director Decisions

Executive Director Halsey presented this item, stating that Item 3 is reserved for appeals of Executive Director decisions and that there were no appeals to consider for this hearing.

TEST CLAIMS

Item 6 *Juveniles: Custodial Interrogation, 21-TC-01*

Welfare and Institutions Code Section 625.6 as Amended by Statutes 2020, Chapter 335, Section 2 (SB 203)

County of Los Angeles, Claimant

Commission Counsel Juliana Gmur presented this item and recommended that the Commission adopt the Revised Proposed Decision to approve this Test Claim.

Fernando Lemus and Lucia Gonzalez appeared on behalf of the County of Los Angeles. Chris Hill appeared on behalf of the Department of Finance.

Following statements by Mr. Lemus and Mr. Hill, Chairperson Miller asked if there was any public comment or questions from Members. There was no response. Member Olsen made a motion to adopt the Revised Proposed Decision. Member Walker seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the Revised Proposed Decision by a vote of 7-0.

HEARINGS ON COUNTY APPLICATIONS FOR FINDINGS OF SIGNIFICANT FINANCIAL DISTRESS PURSUANT TO WELFARE AND INSTITUTIONS CODE SECTION 17000.6 AND CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 2 (info/action)

Item 7 Assignment of County Application to Commission, a Hearing Panel of One or More Members of the Commission, or to a Hearing Officer

Executive Director Halsey stated that Item 7 is reserved for county applications for a finding of significant financial distress, or SB 1033 applications, and that no SB 1033 applications have been filed.

REPORTS

Item 10 Legislative Update (info)

Executive Director Haley stated that on January 4th, the Legislature reconvened for the 2022/2023 legislative session and that staff will monitor for any legislation that affects the mandates process.

- Item 11 Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar (info)

Chief Legal Counsel Camille Shelton presented this item.

- Item 12 Executive Director: Budget, Workload Update, and Tentative Agenda Items for the March 2023 and May 2023 Meetings (info)

Executive Director Halsey presented this item and described changes to the Commission's staffing level, the Commission's 2023/2024 budget, and the Commission's pending caseload.

CLOSED EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 11126 AND 11126.2 (info/action)

The Commission adjourned into closed executive session at 10:49 a.m., pursuant to Government Code section 11126(e). The Commission met in closed session to confer with and receive advice from legal counsel for consideration and action, as necessary and appropriate, upon the pending litigation listed on the published notice and agenda; to confer with and receive advice from legal counsel regarding potential litigation; and to confer on personnel matters pursuant to Government Code section 11126(a)(1).

A. PENDING LITIGATION

To confer with and receive advice from legal counsel, for consideration and action, as necessary and appropriate, upon the following matters pursuant to Government Code section 11126(e):

Courts of Appeal:

1. *County of San Diego v. Commission on State Mandates, Department of Finance, State Controller*
Fourth District Court of Appeal, Case No. D079742
San Diego County Superior Court, Case No. 37-2020-00009631-CU-WM-CTL
(*Youth Offender Parole Hearings (17-TC-29)*)
2. ***On Remand from the California Supreme Court, Case No. S262663***
Coast Community College District, et al. v. Commission on State Mandates,
Third District Court of Appeal, Case No. C080349
Sacramento County Superior Court, Case No. 34-2014-80001842
[*Minimum Conditions for State Aid, 02-TC-25/02-TC-31*
(Education Code Sections 66721, 66721.5, 66722, 66722.5, 66731, 66732, 66736, 66737, 66738, 66740, 66741, 66742, 66743, 70901, 70901.5, 70902, 71027, 78015, 78016, 78211.5, 78212, 78213, 78214, 78215, 78216, 87482.6, and 87482.7; Statutes 1975, Chapter 802; Statutes 1976, Chapters 275, 783, 1010, and 1176; Statutes 1977, Chapters 36 and 967; Statutes 1979, Chapters 797 and 977; Statutes 1980, Chapter 910; Statutes 1981, Chapters 470 and 891; Statutes 1982, Chapters 1117 and 1329; Statutes 1983, Chapters 143 and 537; Statutes 1984, Chapter 1371; Statutes 1986, Chapter 1467; Statutes 1988, Chapters 973 and 1514; Statutes 1990, Chapters 1372 and 1667; Statutes 1991, Chapters 1038, 1188, and 1198; Statutes 1995, Chapters 493 and 758; Statutes 1998, Chapter 365, 914, and 1023; Statutes 1999, Chapter 587; Statutes 2000, Chapter 187; and Statutes 2002, Chapter 1169; California Code of Regulations, Title 5, Sections 51000, 51002, 51004, 51006, 51008, 51012, 51014, 51016, 51018, 51020, 51021, 51022, 51023, 51023.5, 51023.7, 51024, 51025, 51027, 51100, 51102, 53200, 53202, 53203,

53204, 53207, 53300, 53301, 53302, 53308, 53309, 53310, 53311, 53312, 53314, 54626, 54805, 55000, 55000.5, 55001, 55002, 55002.5, 55004, 55005, 55006, 55100, 55130, 55150, 55160, 55170, 55182, 55200, 55201, 55202, 55205, 55207, 55209, 55211, 55213, 55215, 55217, 55219, 55300, 55316, 55316.5, 55320, 55321, 55322, 55340, 55350, 55401, 55402, 55403, 55404, 55500, 55502, 55510, 55512, 55514, 55516, 55518, 55520, 55521, 55522, 55523, 55524, 55525, 55526, 55530, 55532, 55534, 55600, 55601, 55602, 55602.5, 55603, 55605, 55607, 55620, 55630, 55750, 55751, 55752, 55753, 55753.5, 55753.7, 55754, 55755, 55756, 55756.5, 55757, 55758, 55758.5, 55759, 55760, 55761, 55762, 55763, 55764, 55765, 55800, 55800.5, 55801, 55805, 55805.5, 55806, 55807, 55808, 55809, 55825, 55827, 55828, 55829, 55830, 55831, 58102, 58104, 58106, 58107, 58108, 59404, and 59410; Handbook of Accreditation and Policy Manual, Accrediting Commission for Community and Junior Colleges (Summer 2002); and “Program and Course Approval Handbook” Chancellor’s Office California Community Colleges (September 2001).]

California Supreme Court

1. *State of California Department of Finance, State Water Resources Control Board, and California Regional Water Quality Board, San Diego Region v. Commission on State Mandates and County of San Diego, et al.* (petition and cross-petition)
California Supreme Court, Case No. S277832 (Petition for review filed 12/22/22)
Third District Court of Appeal, Case No. C092139
Sacramento County Superior Court Case No. 34-2010-80000604
[*Discharge of Stormwater Runoff*, Order No. R9-207-000 (07-TC-09), California Regional Water Control Board, San Diego Region Order No. R9-2007-001, NPDES No. CAS0108758, Parts D.1.d.(7)-(8), D.1.g., D.3.a.(3), D.3.a.(5), D.5, E.2.f, E.2.g, F.1, F.2, F.3, I.1, I.2, I.5, J.3.a.(3)(c) iv-vii & x-xv, and L]

B. POTENTIAL LITIGATION

To confer with and receive advice from legal counsel, for consideration and action, as necessary and appropriate, upon the following matter pursuant to Government Code section 11126(e):

Based on existing facts and circumstances, there is a specific matter which presents a significant exposure to litigation against the Commission on State Mandates, its members or staff.

C. PERSONNEL

To confer on personnel matters pursuant to Government Code section 11126(a)(1).

RECONVENE IN PUBLIC SESSION

At 10:58 a.m., the Commission reconvened in open session.

REPORT FROM CLOSED EXECUTIVE SESSION

Chairperson Miller reported that the Commission met in closed executive session pursuant to Government Code section 11126(e). The Commission conferred with and received advice from legal counsel for consideration and action, as necessary and appropriate, upon the pending litigation listed on the public notice and agenda, and conferred with and received advice from legal counsel regarding potential litigation, and, pursuant to Government Code section 11126(a)(1) to confer on personnel matters.

ADJOURNMENT

Hearing no further business, Chairperson Miller stated that she would entertain a motion to adjourn the meeting. Member Nash made a motion to adjourn the meeting. Chairperson Miller seconded the motion. Executive Director Halsey called the roll. The Commission adopted the motion to adjourn the January 27, 2023 meeting by a vote of 7-0 at 11:01 p.m.

Heather Halsey
Executive Director

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES

PUBLIC MEETING

FRIDAY, JANUARY 27, 2023

10:07 A.M.

MEETING HELD

VIA ZOOM

A VIDEO COMMUNICATIONS PLATFORM



REPORTER'S TRANSCRIPT OF PROCEEDINGS

ORIGINAL

REPORTED BY:

KATHRYN S. SWANK

Certified Shorthand Reporter No. 13061

Registered Professional Reporter

KATHRYN S. SWANK, CSR
303 Paddock Court
Roseville, California 95661
Telephone (916) 390-7731
KathrynSwankCSR@sbcglobal.net

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

A P P E A R A N C E S

COMMISSIONERS PRESENT

GAYLE MILLER
Representative for JOE STEPHENSHAW
Director
Department of Finance
(Chairperson of the Commission)

SPENCER WALKER
Representative for FIONA MA
State Treasurer
(Vice Chairperson of the Commission)

LEE ADAMS III
Sierra County Supervisor
Local Agency Member

SCOTT MORGAN
Representative for SAMUEL ASSEFA, Director
Office of Planning & Research

RENEE C. NASH
Eureka Union School District
School District Board Member

SARAH OLSEN
Public Member

LYNN PAQUIN
Representative for MALIA COHEN
State Controller

---o0o---

COMMISSION STAFF

JULIANA GMUR
Senior Counsel

HEATHER A. HALSEY
Executive Director

HEIDI PALCHIK
Assistant Executive Director

CAMILLE N. SHELTON
Chief Legal Counsel

1 *A P P E A R A N C E S C O N T I N U E D*

2

3 *PUBLIC PARTICIPANTS*

4 LUCIA GONZALEZ
5 County of Los Angeles, Claimant

6 CHRIS HILL
7 Department of Finance

8 FERNANDO LEMUS
9 County of Los Angeles, Claimant

10 ---o0o---

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

| ITEM NO. | PAGE |
|---|--|
| I. Call to Order and Roll Call | 9 |
| II. Election of Officers and Subcommittee Appointment | |
| Item 1 Staff Report | 12 |
| III. Approval of Minutes | |
| Item 2 December 2, 2022 | 28 |
| IV. Public Comment for Matters Not on the Agenda (none) | 30 |
| V. Proposed Consent Calendar for Items Proposed for Adoption on Consent Pursuant to California Code of Regulations, Title 2, Articles 7 and 8 | 30 |
| VI. Hearings and Decisions Pursuant to California Code of Regulations, Title 2, Article 7 | |
| A. Appeals of Executive Director Decisions Pursuant to California Code of Regulations, Title 2, Section 1181.1(c) | |
| Item 3 Appeal of Executive Director Decisions (none) | 33 |
| B. Orders to Set Aside | |
| Item 4 Lead Sampling in Schools: Public Water System No. 3710020, 17-TC-03 | 30 |
| | ORDER TO SET ASIDE THE TEST CLAIM DECISION ADOPTED |
| | MARCH 22, 2019 PURSUANT TO COURT'S JUDGMENT AND WRIT |

I N D E X C O N T I N U E D

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

| ITEM NO. | | PAGE |
|-------------------|--|------|
| Item 4 (Con't) | Pursuant to the unpublished opinion issued April 29, 2022 in City of San Diego v. Commission on State Mandates, Court of Appeal, Third Appellate District, Case No. C092800; Judgment and Writ of Mandate issued by the Sacramento County Superior Court, Case No. 34-2019-80003169-CU-WM-GDS City of San Diego, Claimant | 30 |
| C. | Test Claims | |
| Item 5 | California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2009-0030, Sections IX, X, XI, XII, XIII, and, XVIII, Adopted May 22, 2009, 09-TC-03 County of Orange, Orange County Flood Control District; and the Cities of Anaheim, Brea, Buena Park, Costa Mesa, Cypress, Fountain Valley, Fullerton, Huntington Beach, Irvine, Lake Forest, Newport Beach, Placentia, Seal Beach, and Villa Park, Claimants (Postponed) | 32 |
| Item 6 | Juveniles: Custodial Interrogation, 21-TC-01 Welfare and Institutions Code Section 625.6 as Amended by Statutes 2020, Chapter 335, Section 2 (SB 203) County of Los Angeles, Claimant | 33 |

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X C O N T I N U E D

| ITEM NO. | | PAGE |
|----------|---|------|
| VII. | Hearings on County Applications for Findings of Significant Financial Distress Pursuant to Welfare and Institutions Code Section 17000.6 and California Code of Regulations, Title 2, Article 2 | |
| | Item 7 Assignment of County Application to Commission, a Hearing Panel of One or More Members of the Commission, or to a Hearing Officer (none) | 38 |
| VIII. | Informational Hearings Pursuant to California Code of Regulations, Title 2, Article 8 | |
| | A. Adoption of Rulemaking Calendar | |
| | Item 8 Proposed Rulemaking Calendar, 2023 | 30 |
| | B. Statewide Cost Estimates | |
| | Item 9 County of Los Angeles Citizens Redistricting Commission, 19-TC-04 | 30 |
| | Elections Code Sections 21532(a) and (e)-(h) and 21534(c)(2), (c)(3)(A)-(B), (c)(4)(A), (c)(5)-(8) and (d)(4) as Added by Statutes 2016, Chapter 781 (SB 958) | |

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X C O N T I N U E D

| ITEM NO. | | PAGE |
|----------|--|------|
| C. | Reports | |
| | Item 10 Legislative Update | 38 |
| | Item 11 Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar | 38 |
| | Item 12 Executive Director: Budget, Workload Update, and Tentative Agenda Items for the March 2023 and May 2023 Meetings | 39 |
| IX. | Closed Executive Session Pursuant to Government Code Sections 11126 and 11126.2 | 48 |
| | A. Pending Litigation | |
| | B. Potential Litigation | |
| | C. Personnel | |
| X. | Report from Closed Executive Session | 48 |
| | Adjournment | 50 |
| | Reporter's Certificate | 51 |

---o0o---

1 FRIDAY, JANUARY 27, 2023, 10:07 A.M.

2 ---o0o---

3 CHAIRPERSON MILLER: Well, good morning. It is
4 10:07, and we are calling the Commission on State
5 Mandates to order. And I'm noting, just both because
6 we're grateful and excited that our new State Controller
7 is joining us and will be listening in to parts of our
8 first meeting. So thank you very much. And we'll go to
9 real introductions in a moment. But just in the event
10 she has to step off.

11 And welcome to our webinar. Statutes of 2022,
12 Chapter 48, amended the Bagley-Keene Open Meeting Act to
13 extend, until July 1st, 2023, the authority to hold
14 public meetings through teleconferencing. The
15 Commission, of course, continues its commitment to
16 ensure that its public meetings are accessible to the
17 public and that the public has the opportunity to
18 observe the meeting and to participate by providing
19 written and verbal comment on Commission matters.

20 Please note that the materials for today's meeting,
21 including the notice, agenda, witness list, are all
22 available on the Commission's website, www.csm.ca.gov.,
23 under the "Hearings" tab.

24 Also, please note that in the event we experience
25 technical difficulties or the meeting is bumped offline,

1 we will restart and allow time for people to rejoin
2 before recommencing the meeting.

3 Again, Madam Controller, I don't know if you are
4 able to just come on and say a couple of words, but we
5 are thrilled that you are here. And congratulations on
6 your election.

7 MEMBER COHEN: Thank you very much.

8 Hello, ladies and gentlemen. I'm honored to be
9 here. Very excited to roll up my sleeves and get to
10 work. I apologize that I'm not able to be unmasked and
11 on camera properly, but I appreciate this time to just
12 say hello.

13 My proxy for today, in my absence, will be Lynn
14 Paquin. She will step in when I -- when I have to step
15 off.

16 Thank you very much.

17 CHAIRPERSON MILLER: Great. Thank you so much.
18 Well, we're thrilled and also just overjoyed that we get
19 to work with Lynn on this board.

20 And as the chief fiscal officer of the world's
21 fourth now largest economy, Controller Cohen's primary
22 responsibility is to account for and protect the State's
23 financial resources. Controller Cohen also
24 independently audits government agencies that spend
25 state funds. And as I mentioned, it's a huge job.

1 And as I mentioned, Ms. Paquin will be the
2 designee. I have had the honor to serve with Ms. Paquin
3 on the CalSTRS Board and to work with her previously
4 under -- and I am just thrilled that we get to work
5 together on this. There are very few people that are as
6 intelligent and committed to state service and to all
7 the Californians, so I am really so excited to have this
8 opportunity.

9 So with that, welcome, everyone. And we're really
10 pleased to have a full board once again.

11 And Ms. Halsey, if you will take the roll, please.

12 MS. HALSEY: Sure.

13 Mr. Adams.

14 MEMBER ADAMS: Here.

15 MS. HALSEY: Ms. Miller.

16 CHAIRPERSON MILLER: Here.

17 MS. HALSEY: Mr. Morgan.

18 MEMBER MORGAN: Here.

19 MS. HALSEY: Ms. Nash.

20 (No response.)

21 MS. HALSEY: Ms. Olsen.

22 MEMBER OLSEN: Here.

23 MS. HALSEY: Ms. Paquin.

24 MEMBER PAQUIN: Here.

25 MS. HALSEY: Mr. Walker.

1 MEMBER WALKER: Here.

2 CHAIRPERSON MILLER: Great. We have a quorum.

3 MS. HALSEY: Thank you.

4 The first item today is the election of officers.

5 At the January 28th, 2022, meeting, the Commission
6 elected Keely Bosler, Director of Finance, Chairperson
7 of the Commission; and Fiona Ma, State Treasurer, Vice
8 Chairperson.

9 All Commission members, as defined by Government
10 Code section 17525, are eligible to be officers. The
11 Commission's regulations do not describe an election
12 procedure. However, the regulations specify that
13 Robert's Rules of Order are the Commission's default
14 rules.

15 Under Robert's Rules, there's two ways to hold
16 elections: Nominations may be made and a vote taken,
17 and a nomination does not require a second; or a motion
18 may be made to elect a member Chairperson or Vice
19 Chairperson, and a motion requires a second, and then a
20 vote is taken.

21 Staff recommends that the current Chairperson
22 conduct the elections for Chairperson and Vice
23 Chairperson.

24 CHAIRPERSON MILLER: Great. Thank you very much,
25 Ms. Halsey. I appreciate that.

1 So are there any nominations for Chairperson?

2 And is there a nomination for election of a new
3 Chairperson?

4 MEMBER OLSEN: This is Sarah Olsen.

5 I move election of Joe Stephenshaw as the
6 Chairperson.

7 CHAIRPERSON MILLER: Great. Thank you very much.

8 Joe Stephenshaw, the Director of Finance, has been
9 nominated for Chairperson.

10 Are there any other nominations?

11 (No response.)

12 CHAIRPERSON MILLER: Seeing none, without
13 objection, nominations are closed.

14 And thank you for that motion, Ms. Olsen.

15 Is there a second to nominate?

16 MEMBER ADAMS: I would second.

17 CHAIRPERSON MILLER: Thank you, Mr. Adams.

18 So it's been moved by Ms. Olsen, seconded by
19 Mr. Adams, to elect the Director of Finance, Joe
20 Stephenshaw, as Chairperson.

21 Are you ready for the question, or is there further
22 discussion?

23 (No response.)

24 CHAIRPERSON MILLER: Seeing none, Ms. Halsey,
25 please call the roll.

1 MS. HALSEY: Sure. I would like to note, for the
2 record, that Ms. Nash has joined the meeting.

3 CHAIRPERSON MILLER: Thank you.

4 MS. HALSEY: Mr. Adams.

5 MEMBER ADAMS: Aye.

6 MS. HALSEY: Ms. Miller.

7 CHAIRPERSON MILLER: Aye.

8 MS. HALSEY: Mr. Morgan.

9 MEMBER MORGAN: Aye.

10 MS. HALSEY: Ms. Nash.

11 MEMBER NASH: Aye.

12 MS. HALSEY: Ms. Olsen.

13 MEMBER OLSEN: Aye.

14 MS. HALSEY: Ms. Paquin.

15 MEMBER PAQUIN: Aye.

16 MS. HALSEY: Mr. Walker.

17 MEMBER WALKER: Aye.

18 CHAIRPERSON MILLER: Thank you. That motion has
19 carried.

20 Are there nominations now for the Vice Chairperson?

21 And is there a motion for election of a new Vice
22 Chairperson?

23 Ms. Olsen?

24 MEMBER OLSEN: I think Spencer had -- Mr. Walker, I
25 think, had his hand up.

1 CHAIRPERSON MILLER: Oh, I apologize.

2 Mr. Walker.

3 MEMBER WALKER: No worries.

4 I nominate Lee Adams to serve as Vice Chairperson.

5 CHAIRPERSON MILLER: Great. So we have a
6 nomination for Lee Adams to serve as Vice Chairperson.

7 I'm actually going to make a substitute motion and
8 nominate the Controller as Vice Chairperson, as has been
9 our tradition.

10 Is there a second for the substitute motion?

11 MEMBER ADAMS: I appreciate Spencer's nomination,
12 but I would second yours, Chairperson Miller.

13 CHAIRPERSON MILLER: I appreciate that, Mr. Adams.

14 And I agree with you, Mr. Walker. If there's
15 anyone we follow into the mandates, it would be
16 Mr. Adams.

17 So with that, the nomination by substitute motion
18 is for the State Controller, Malia Cohen.

19 And are there -- is there any further discussion?

20 It was moved by Gayle Miller as a substitute
21 motion; seconded by Mr. Adams.

22 Are there any other nominations?

23 (No response.)

24 CHAIRPERSON MILLER: Seeing none, without
25 objection, nominations are closed.

1 And Ms. Halsey, will you call the roll, please.
2 MS. HALSEY: Mr. Adams.
3 MEMBER ADAMS: Aye.
4 MS. HALSEY: Ms. Miller.
5 CHAIRPERSON MILLER: Aye.
6 MS. HALSEY: Mr. Morgan.
7 MEMBER MORGAN: Aye.
8 MS. HALSEY: Ms. Nash.
9 MEMBER NASH: Aye.
10 MS. HALSEY: Ms. Olsen.
11 MEMBER OLSEN: Aye.
12 MS. HALSEY: Ms. Paquin.
13 MEMBER PAQUIN: Aye.
14 MS. HALSEY: Mr. Walker.
15 MEMBER WALKER: Aye.
16 CHAIRPERSON MILLER: Great. Thank you very much.
17 That motion carries too, and the Controller is the
18 Vice Chairperson.
19 MEMBER COHEN: Thank you.
20 CHAIRPERSON MILLER: Thank you.
21 Next, we continue with Item 1 and the subcommittee
22 appointments.
23 Excuse me, Ms. Halsey.
24 MS. HALSEY: Sorry. Yes.
25 Due to the departure of members Keely Bosler,

1 Jeannie Lee, and Yvette Stowers, one position on each of
2 the Personnel, Legislation, and Litigation Subcommittees
3 of the Commission are currently vacant and need to be
4 filled.

5 This is an opportunity for members who wish to
6 serve on a subcommittee to volunteer to do so, and for
7 those who would like to switch or discontinue current
8 roles on the subcommittees to do so.

9 The following was the membership of the Commission
10 subcommittees for 2022. And I'm going to do one at a
11 time, just to make it simpler.

12 So first, we'll start with Personnel. And that was
13 Keely Bosler, as the Director of Finance, and Sarah
14 Olsen, as our public member, was the Personnel
15 Subcommittee.

16 CHAIRPERSON MILLER: Great. Thank you very much.

17 So these subcommittees are part of our -- the way
18 that we organize the board. And in the event any issues
19 come up, then we are able to meet as the subcommittee.
20 So they function really well when there is an issue that
21 the subcommittees need to address. I will note that we
22 always will be really respectful of everyone's time.

23 And we're really grateful, Ms. Olsen, that you
24 agree to serve in this capacity. We think it's really
25 important.

1 So with that, are there any changes to the existing
2 members of the Personnel Subcommittee or volunteers
3 willing to nominate themselves for the Personnel
4 Subcommittee?

5 And then we will take a motion for the appointment
6 of a Personnel Subcommittee member.

7 So if possible -- sorry, Ms. Paquin.

8 MEMBER PAQUIN: Yes, please. Thank you.

9 I -- being new to the Commission, just curious, how
10 many members are typical to serve on each subcommittee?
11 And is it possible for members to serve on one -- more
12 than one subcommittee?

13 MS. HALSEY: Yes. There are generally two members
14 per subcommittee and usually an alternate as well. And,
15 yes, members may serve on more than one subcommittee.

16 MEMBER PAQUIN: Okay.

17 CHAIRPERSON MILLER: Ms. Halsey, just so folks
18 know, we will take it one at a time. But could you just
19 let us know the three subcommittees so everyone knows
20 the three we will be addressing as folks think about
21 which ones they may be --

22 MS. HALSEY: Sure.

23 So the first one is Personnel, and the members were
24 Keely Bosler, who is no longer with the Commission, and
25 Sarah Olsen.

1 Legislation was Yvette Stowers, also no longer with
2 the Commission, and Lee Adams. And the alternate was
3 Sarah Olsen on that one.

4 And then, finally, for Litigation, we have Spencer
5 Walker, who is the designee of the State Treasurer, and
6 Jeannie Lee, who was the designee of OPR, but is no
7 longer with the Commission. And then we have Renee
8 Nash, who is an alternate. And Renee and Spencer are
9 both attorneys. And I don't believe we currently have
10 any other attorneys on the Commission right now. So the
11 other person at this time would probably be a
12 nonattorney.

13 CHAIRPERSON MILLER: And then just to maybe give
14 you some background on what each of the subcommittees
15 would do, were they to meet, Personnel, obviously, is
16 personnel issues. Hopefully, we won't have any, because
17 it's things like having a new Executive Director, and
18 we're very grateful to Ms. Halsey for her service.

19 The Litigation Subcommittee, you will hear a lot
20 about litigation. Ms. Shelton can probably speak to
21 this one better than I.

22 Ms. Shelton, I don't know if you want to describe
23 what the Litigation Subcommittee has done in the past.

24 MS. SHELTON: Hi. Certainly.

25 Whenever the Commission wants to maybe have the

1 subcommittee review briefs that go before the Supreme
2 Court, they have been used that way. Other times, we
3 may have some litigation deadlines or things that need
4 to be discussed in between meetings, and that would be
5 used for advice to the Commission as a whole when they
6 meet again for the next meeting. Not -- it doesn't
7 happen very often, but some -- it has occurred in the
8 past.

9 MEMBER PAQUIN: Thank you. I appreciate that.

10 CHAIRPERSON MILLER: Thank you.

11 And then the last one is the Legislation
12 Subcommittee.

13 Ms. Halsey, I don't know who wants to take that
14 one.

15 MS. HALSEY: So the Legislation Subcommittee rarely
16 meets, but sometimes there is relevant legislation to
17 the Commission, such as when members of the Legislature
18 decide they want to reform the mandates process and
19 things like that. And those can happen at any time. So
20 this Committee rarely would meet, but it's good to have
21 them available just in case. And those are the kinds of
22 things they would address, things that address --
23 specifically address the mandates process.

24 CHAIRPERSON MILLER: Thank you very much.

25 Any other questions on subcommittees? The purpose?

1 Previous members?

2 If not, if we could go back to the Personnel
3 Subcommittee, please.

4 And I would like to nominate Ms. Olsen, if you are
5 willing to continue serving in this capacity.

6 MEMBER OLSEN: Of course, yes.

7 CHAIRPERSON MILLER: Thank you very much.

8 Are we able to do more than one member at a time,
9 Ms. Halsey? Or do you just want to do one at a time?

10 MS. HALSEY: You can -- you could certainly
11 nominate the members of the Personnel Subcommittee.

12 CHAIRPERSON MILLER: Great.

13 So then we need -- I would be happy for the
14 Department of Finance to continue serving, Joe
15 Stephenshaw and Gayle Miller as his designee, on the
16 Personnel Subcommittee, if I may make that motion as
17 well. So the subcommittee --

18 MS. HALSEY: So to clarify, would the member
19 be that -- Joe Stephenshaw be on the Committee, and
20 Gayle Miller be as the alternate?

21 CHAIRPERSON MILLER: Yes.

22 MS. HALSEY: Okay.

23 CHAIRPERSON MILLER: So my motion would be for
24 Gayle Miller and Sarah Olsen to serve on the Personnel
25 Subcommittee.

1 Are there any seconds for that?

2 MEMBER ADAMS: I would second that.

3 CHAIRPERSON MILLER: Thank you, Mr. Adams.

4 So we have Gayle -- or Joe Stephenshaw, with Gayle
5 Miller as the alternate, and Sarah Olsen have been
6 nominated for appointment to the Personnel Subcommittee.

7 Any other nominations?

8 (No response.)

9 CHAIRPERSON MILLER: Without objection, the
10 nominations are closed. And that was moved by Miller;
11 seconded by Adams.

12 And any discussion from the Commission? Questions?

13 (No response.)

14 CHAIRPERSON MILLER: Seeing none, Ms. Halsey, will
15 you take the roll, please.

16 MS. HALSEY: Sure.

17 Mr. Adams.

18 MEMBER ADAMS: Aye.

19 MS. HALSEY: Ms. Miller.

20 CHAIRPERSON MILLER: Aye.

21 MS. HALSEY: Mr. Morgan.

22 MEMBER MORGAN: Aye.

23 MS. HALSEY: Ms. Nash.

24 MEMBER NASH: Aye.

25 MS. HALSEY: Ms. Olsen.

1 MEMBER OLSEN: Aye.

2 MS. HALSEY: Ms. Paquin.

3 MEMBER PAQUIN: Aye.

4 MS. HALSEY: Mr. Walker.

5 MEMBER WALKER: Aye.

6 MS. HALSEY: Thank you.

7 CHAIRPERSON MILLER: Great. The Personnel

8 Subcommittee is appointed.

9 Next, we will move to the Legislation Subcommittee.

10 And are there -- so we have, again, the Legislation
11 Subcommittee was previously Mr. Adams and Ms. Stowers
12 for the -- the State Controller, and Ms. Olsen was the
13 alternate.

14 So do we have any nominations for the Legislation
15 Subcommittee?

16 MEMBER PAQUIN: Controller Cohen would like to
17 serve on the Legislation Committee.

18 CHAIRPERSON MILLER: Great. Thank you.

19 Mr. Adams, would you be willing to serve again on
20 the Legislation Subcommittee?

21 MEMBER ADAMS: It's been exhausting, but I'm happy
22 to continue to serve.

23 CHAIRPERSON MILLER: I know. Right? I appreciate
24 that.

25 And Ms. Olsen, would you be willing to serve as the

1 alternate?

2 MEMBER OLSEN: I am willing, unless somebody else
3 wants to do it.

4 CHAIRPERSON MILLER: Anybody else want to serve as
5 the alternate?

6 (No response.)

7 CHAIRPERSON MILLER: Seeing none.

8 MS. HALSEY: May I clarify one thing?

9 I just want to know if Ms. Paquin is nominating the
10 Controller -- Controller Cohen to serve on the
11 Commission, or are you nominating the designee of the
12 Controller to serve on that Subcommittee?

13 MEMBER PAQUIN: Thank you, Ms. Halsey.

14 So nominating Controller Cohen to serve on the
15 Committee --

16 MS. HALSEY: Personally? Okay.

17 MEMBER PAQUIN: -- and I as her delegate. Or her
18 alternate.

19 MS. HALSEY: Oh, through her alternate?

20 CHAIRPERSON MILLER: It would be the same as the
21 Director of Finance. So it would be we're nominating
22 the -- I'll go ahead and make the --

23 MS. HALSEY: Nominate the director and then have
24 the alternative be Lynn Paquin?

25 CHAIRPERSON MILLER: Yes, please.

1 MS. HALSEY: Perfect.

2 MEMBER OLSEN: So can I clarify?

3 CHAIRPERSON MILLER: Yeah.

4 MEMBER OLSEN: Does that mean I'm not needed as an
5 alternate?

6 CHAIRPERSON MILLER: Oh, no. This is -- so the
7 Controller and her alternate are the same position.
8 It's just that someone can stand in if there's a
9 subcommittee meeting, for example --

10 MEMBER OLSEN: Okay. So in essence, we're having
11 two alternates.

12 CHAIRPERSON MILLER: Yes. Yes. Exactly.

13 MS. HALSEY: Okay. All right. Thank you.

14 CHAIRPERSON MILLER: Thank you for that.

15 MEMBER ADAMS: Chair Miller, if you need that as a
16 motion, I would make that motion.

17 CHAIRPERSON MILLER: Thank you, Mr. Adams.

18 And I will go ahead and second that.

19 So it was moved by Adams; seconded by Miller, that
20 the Controller with -- and her designee as one position,
21 and Mr. Adams will serve on the Legislative
22 Subcommittee, with Ms. Olsen as the alternate.

23 And are there any other nominations?

24 (No response.)

25 CHAIRPERSON MILLER: Without objection, nominations

1 are closed.

2 And Ms. Halsey, will you please take the roll.

3 MS. HALSEY: Sure.

4 Mr. Adams.

5 MEMBER ADAMS: Aye.

6 MS. HALSEY: Ms. Miller.

7 CHAIRPERSON MILLER: Aye.

8 MS. HALSEY: Mr. Morgan.

9 MEMBER MORGAN: Aye.

10 MS. HALSEY: Ms. Nash.

11 MEMBER NASH: Aye.

12 MS. HALSEY: Ms. Olsen.

13 MEMBER OLSEN: Aye.

14 MS. HALSEY: Ms. Paquin.

15 MEMBER PAQUIN: Aye.

16 MS. HALSEY: Mr. Walker.

17 MEMBER WALKER: Aye.

18 CHAIRPERSON MILLER: Great.

19 The Legislation Subcommittee is appointed.

20 Finally, we will move to the Litigation

21 Subcommittee. And I would like to appoint -- I would

22 like to nominate Spencer Walker and Renee Nash to serve

23 on the Litigation Subcommittee.

24 Anyone else that would like to serve, either as an

25 alternate or on the committee?

1 MEMBER PAQUIN: Controller Cohen would like to
2 serve on the alternate on the committee, and I would
3 serve as her designee on that committee.

4 CHAIRPERSON MILLER: Great. Thank you very much.
5 So anybody else?

6 (No response.)

7 CHAIRPERSON MILLER: And Mr. Walker and Ms. Nash,
8 are you willing to serve, if necessary?

9 MEMBER WALKER: Yes.

10 MEMBER NASH: Yes.

11 CHAIRPERSON MILLER: Great. Thank you. I really
12 appreciate it.

13 MEMBER OLSEN: I would move that slate of
14 candidates.

15 CHAIRPERSON MILLER: Thank you, Ms. Olsen.
16 May we have a second, please?

17 MEMBER WALKER: Second.

18 CHAIRPERSON MILLER: Thank you, Mr. Walker.

19 So the -- Mr. Walker and Ms. Nash have been
20 nominated for appointment to the Litigation
21 Subcommittee, with Controller Cohen and her designee,
22 Lynn Paquin, as the alternate.

23 Are there any other nominations?

24 (No response.)

25 CHAIRPERSON MILLER: Seeing none, without

1 objection, nominations are closed.

2 It's been moved and seconded, and I see no further
3 discussion.

4 Ms. Halsey, will you call the roll.

5 MS. HALSEY: Mr. Adams.

6 MEMBER ADAMS: Aye.

7 MS. HALSEY: Ms. Miller.

8 CHAIRPERSON MILLER: Aye.

9 MS. HALSEY: Mr. Morgan.

10 MEMBER MORGAN: Aye.

11 MS. HALSEY: Ms. Nash.

12 MEMBER NASH: Aye.

13 MS. HALSEY: Ms. Olsen.

14 MEMBER OLSEN: Aye.

15 MS. HALSEY: Ms. Paquin.

16 MEMBER PAQUIN: Aye.

17 MS. HALSEY: Mr. Walker.

18 MEMBER WALKER: Aye.

19 CHAIRPERSON MILLER: Great. Thank you.

20 The appointments to the Litigation Subcommittee are
21 adopted.

22 Next, we will move to Item Number 2, and that is
23 the minutes from the December 2nd, 2022, meeting.

24 Is there any public comment on this item?

25 Seeing none, any questions from members?

1 Discussion?

2 MEMBER OLSEN: Move adoption.

3 CHAIRPERSON MILLER: Thank you, Ms. Olsen.

4 MEMBER ADAMS: Second.

5 CHAIRPERSON MILLER: Thank you, Mr. Adams.

6 Moved by Ms. Olsen; seconded by Mr. Adams.

7 Ms. Halsey, will you please call the roll.

8 MS. HALSEY: Mr. Adams.

9 MEMBER ADAMS: Aye.

10 MS. HALSEY: Ms. Miller.

11 CHAIRPERSON MILLER: Aye.

12 MS. HALSEY: Mr. Morgan.

13 MEMBER MORGAN: Aye.

14 MS. HALSEY: Ms. Nash.

15 CHAIRPERSON MILLER: You are muted, Ms. Nash.

16 MEMBER NASH: Aye.

17 MS. HALSEY: Ms. Olsen.

18 MEMBER OLSEN: Aye.

19 MS. HALSEY: Ms. Paquin.

20 MEMBER PAQUIN: I would like to abstain since

21 Controller Cohen had not yet started her term in

22 December.

23 MS. HALSEY: Thank you.

24 Mr. Walker.

25 MEMBER WALKER: Aye.

1 CHAIRPERSON MILLER: Great. Thank you.

2 The minutes are adopted, and the motion carries.

3 Next item.

4 MS. HALSEY: Now we will take up public comment for
5 matters not on the agenda. Please note that the
6 Commission may not take action on items not on the
7 agenda. However, it may schedule issues raised by the
8 public for consideration at future meetings. We invite
9 the public to comment on matters that are on the agenda
10 as they are taken up.

11 CHAIRPERSON MILLER: Thank you very much.

12 Is there any public comment?

13 (No response.)

14 MS. PALCHIK: I see none, Madam Chair.

15 CHAIRPERSON MILLER: Great. Thank you,
16 Ms. Palchik.

17 Seeing none, we'll move to the next item, please,
18 Ms. Halsey.

19 MS. HALSEY: Next is the proposed consent calendar.
20 Items 4, 8, and 9 are proposed for consent.

21 CHAIRPERSON MILLER: Thank you.

22 Are there any objections to the proposed consent
23 calendar, either from members or members of the public?

24 MEMBER ADAMS: If you need a motion, I would move
25 the consent calendar.

1 CHAIRPERSON MILLER: Great. Thank you.
2 MEMBER OLSEN: Second.
3 MEMBER NASH: I will second.
4 CHAIRPERSON MILLER: Thank you.
5 Moved by Mr. Adams. Thank you for that.
6 Any -- seeing none, Ms. Halsey, will you please
7 take the roll on the Consent Calendar Items 4, 8, and 9.
8 MS. HALSEY: Sure.
9 Mr. Adams.
10 MEMBER ADAMS: Aye.
11 MS. HALSEY: Ms. Miller.
12 CHAIRPERSON MILLER: Aye.
13 MS. HALSEY: Mr. Morgan.
14 MEMBER MORGAN: Aye.
15 CHAIRPERSON MILLER: Ms. Nash.
16 MEMBER NASH: Aye.
17 MS. HALSEY: Ms. Olsen.
18 MEMBER OLSEN: Aye.
19 MS. HALSEY: Ms. Paquin.
20 MEMBER PAQUIN: Aye.
21 MS. HALSEY: Mr. Walker.
22 MEMBER WALKER: Aye.
23 CHAIRPERSON MILLER: Thank you.
24 The motion carries, and the consent calendar is
25 adopted.

1 MS. HALSEY: Let's move now to the swearing in.

2 Item 5 has been postponed to the March hearing by
3 the request of the Water Board and Department of
4 Finance.

5 Will the parties and witnesses for Item 6 please
6 turn on your video, unmute your microphones, and please
7 rise and state your names for the record.

8 MR. HILL: Chris Hill, Department of Finance.

9 CHAIRPERSON MILLER: Anybody else for Item 6?

10 MS. GONZALEZ: Hello. Good morning.

11 MS. HALSEY: Please state your names for the
12 record.

13 MS. GONZALEZ: Lucia Gonzalez with the Office of
14 County Counsel on behalf of Claimant Los Angeles County.

15 MR. LEMUS: Good morning. I'm Fernando Lemus. I'm
16 the claimant representative for Los Angeles County.

17 MS. HALSEY: Thank you. Please rise.

18 (Parties/witnesses stood to be sworn or
19 affirmed.)

20 MS. HALSEY: Do you solemnly swear or affirm --
21 sorry. Give you a second.

22 Do you solemnly swear or affirm that the testimony
23 which you are about to give is true and correct, based
24 on your personal knowledge, information, or belief?

25 (Yeses.)

1 CHAIRPERSON MILLER: Mr. Hill?

2 MR. HILL: I do.

3 CHAIRPERSON MILLER: Thank you. Please be seated.

4 And then, Ms. Gonzalez, I think we just need to
5 audibly hear from you. You were on mute.

6 MS. GONZALEZ: I apologize. I do. Thank you.

7 CHAIRPERSON MILLER: Thank you.

8 MS. HALSEY: Thank you.

9 Item 3 is reserved for appeals of Executive
10 Director decisions, and there are no appeals to consider
11 for this hearing.

12 Next is Item 6. Senior Commission Counsel Juliana
13 Gmur will please turn on her video and unmute her
14 microphone and present a revised proposed decision on a
15 test claim on Juveniles: Custodial Interrogation.

16 At this time, we invite the parties and witnesses
17 for Item 6 to please turn on their video and unmute
18 their microphones.

19 CHAIRPERSON MILLER: Thank you.

20 Good morning, Ms. Gmur. Nice to see you.

21 MS. GMUR: Good morning. Nice to see you too,
22 Madam Chair, and all of you, Commissioners.

23 This test claim addresses a change to Welfare and
24 Institution Code section 625.6, requiring cities and
25 counties to ensure that youths, ages 16 and 17, consult

1 with legal counsel prior to custodial interrogation and
2 before the waiver of any Miranda rights. Miranda rights
3 include the right to remain silent and the right to
4 counsel before interrogation.

5 When this matter came before the Commission at the
6 December 2nd, 2022, hearing, staff recommended that the
7 Commission approve the test claim and found an exclusion
8 from reimbursement; that reimbursement was not required
9 for all youth who affirmatively request to consult with
10 counsel before interrogation.

11 The matter was continued, however, to allow staff
12 time to consider the testimony of Craig Osaki, with the
13 Los Angeles County's Public Defender's Office, who
14 testified that under prior law, public defenders were
15 not appointed and did not provide any consultation
16 services before interrogation to youths who requested
17 counsel and, thus, the exclusion was too broad.

18 This revised proposed decision agrees with
19 Mr. Osaki's point and narrows the exclusion.

20 Accordingly, staff finds that the test claim
21 statute imposes a reimbursable State-mandated program on
22 counties and cities to ensure that youths, age 16 and
23 17, except for those who affirmatively request to
24 consult with retained legal counsel, consult with legal
25 counsel prior to custodial interrogation and before the

1 waiver of any Miranda rights.

2 In the instances where the youth does not exercise
3 their right to retain a private counsel -- this includes
4 providing legal counsel to consult with the youth in
5 person, by telephone, or by video conference prior to a
6 custodial interrogation and before the waiver of any
7 Miranda rights.

8 Staff recommends that the Commission adopt the
9 revised proposed decision, to adopt the test claim, and
10 authorize staff to make any technical, nonsubstantive
11 changes to the revised proposed decision following the
12 hearing.

13 CHAIRPERSON MILLER: Thank you very much, Ms. Gmur.
14 Nice to see you back.

15 And I really appreciate all the work that the
16 Commission did on this test claim since our last
17 meeting.

18 Parties and witnesses, please state your name for
19 the record. Mr. Lemus and Ms. Gonzalez. I don't think
20 we have Mr. Osaki on this morning, and if he is, he
21 needs to be sworn in.

22 MR. LEMUS: No. Mr. Osaki is not joining us on
23 this call today.

24 CHAIRPERSON MILLER: Great. Thank you for that.
25 Could you state your names, then, and would you

1 like to begin for the County of Los Angeles?

2 MR. LEMUS: Yes. My name is Fernando Lemus. And
3 again, I am the claimant representative for the County
4 of Los Angeles. And joining me this morning is Lucia
5 Gonzalez from our Office of County Counsel.

6 CHAIRPERSON MILLER: Great. Thank you.

7 Would you like to provide -- would you like to
8 begin with your comments, please, Ms. Gonzalez.

9 MR. LEMUS: We -- oh, okay. I will turn it over to
10 Lucia, if you would like.

11 Lucia, I can turn it over to you.

12 CHAIRPERSON MILLER: Oh, no, I'm sorry, Mr. Lemus.
13 Whoever wants to -- go ahead.

14 MR. LEMUS: Okay. We're just here to say that
15 we -- we agree with the Commission's proposed decision.

16 CHAIRPERSON MILLER: Great. Thank you very much.

17 And thank you for all your work on this.

18 Mr. Hill, for the Department of Finance?

19 MR. HILL: Good morning. The Department of Finance
20 has no comment on the -- on the test claim or the
21 recommendations. We're just available to answer any
22 questions members may have.

23 CHAIRPERSON MILLER: Great. Thank you again for
24 that.

25 Are there any questions from the Board or any

1 public comment? Anyone wishing to comment?

2 (No response.)

3 MEMBER OLSEN: I move adoption of the staff
4 recommendation.

5 CHAIRPERSON MILLER: Thank you, Ms. Olsen.

6 MEMBER WALKER: Second.

7 CHAIRPERSON MILLER: Thank you, Mr. Walker.

8 It has been moved by Ms. Olsen; seconded by
9 Mr. Walker.

10 And really, again, appreciate staff's work on this.

11 If there are no further questions or discussion,
12 Ms. Halsey, will you please call the roll.

13 MS. HALSEY: Mr. Adams.

14 MEMBER ADAMS: Aye.

15 MS. HALSEY: Ms. Miller.

16 CHAIRPERSON MILLER: Aye.

17 MS. HALSEY: Mr. Morgan.

18 MEMBER MORGAN: Aye.

19 MS. HALSEY: Ms. Nash.

20 MEMBER NASH: Aye.

21 MS. HALSEY: Ms. Olsen.

22 MEMBER OLSEN: Aye.

23 MS. HALSEY: Ms. Paquin.

24 MEMBER PAQUIN: Aye.

25 MS. HALSEY: Mr. Walker.

1 MEMBER WALKER: Aye.

2 CHAIRPERSON MILLER: Great. The motion carries.
3 And thank you again.

4 MS. GMUR: Thank you.

5 MS. HALSEY: We now ask for presenters for Item 6
6 to please turn on their video and mute their
7 microphones.

8 Item 7 is reserved for county applications for a
9 finding a significant financial distress, or SB 1033
10 applications. No SB 1033 applications have been filed.

11 Items 8 and 9 were on the consent calendar.

12 For Item 10, on January 4th, the Legislature
13 reconvened for the 2022/2023 legislative session. Staff
14 will monitor for any legislation that affects the
15 mandates process.

16 Next is Item 11. And Chief Legal Counsel Camille
17 Shelton will please turn on her video and microphone and
18 present the Chief Legal Counsel Report.

19 MS. SHELTON: Good morning.

20 Since the last Commission's meeting, we do have a
21 couple of new filings.

22 First, the State has filed a petition for review
23 with the California Supreme Court in the case of
24 *Department of Finance, State Water Resources Control*
25 *Board versus the Commission on State Mandates and the*

1 County of San Diego. That one is dealing with the
2 discharge of stormwater runoff test claim.

3 The State's petition seeks review on the fee
4 authority issues as well as the Court's earlier
5 decision, finding that the activities are mandated by
6 the State and not by federal law.

7 We also have a new lawsuit to report. This one is
8 filed by the *County of Los Angeles versus Commission on*
9 *State Mandates and the State Controller's Office,*
10 dealing with the consolidated incorrect reduction claims
11 on municipal stormwater and urban runoff discharges.

12 That case was filed on January 6th, and we do have
13 a trial setting conference scheduled for April 13th.

14 And that's all I have to report for today.

15 CHAIRPERSON MILLER: Thank you.

16 Any questions for Ms. Shelton?

17 (No response.)

18 CHAIRPERSON MILLER: Thank you.

19 Ms. Halsey.

20 MS. HALSEY: Hello. I have actually a lot to
21 report today.

22 Since the Commission's last meeting, we have hired
23 five new staff members: An attorney; a program analyst,
24 procurement; a program analyst, accounting; and an
25 associate budget analyst; and an office technician.

1 First, Ms. Anna Barich, if you will turn on your
2 camera.

3 Ms. Barich is our new Commission counsel, and she
4 learned her law degree from UC Davis, where she also
5 received an Intellectual Property Certificate and served
6 as editor of the UC Davis *Business Law Journal*.

7 Anna comes to us from a small boutique firm in
8 Santa Rosa, where she served as lead attorney for an
9 administrative hearing; researched and wrote memos on
10 land use and environmental issues, such as CEQA
11 questions, local government land use approval
12 procedures, and timber harvesting plans; and drafted
13 project descriptions and draft resolutions for projects
14 that required environmental approval from local
15 governments; and she negotiated with county counsel
16 regarding building code violations.

17 Anna's first day with the Commission was Friday,
18 January 6, 2023.

19 Next is Nikki Baker. And Nikki, if you will please
20 turn on your camera as well.

21 She's the new Commission Program Analyst,
22 Procurement, and she's worked for the State since 2018.
23 Her prior experience includes work as a Management
24 Services Technician at the Department of Industrial
25 Relations, where she performed a number of

1 administrative functions. And then she promoted to
2 Staff Services Analyst, where she performed accounting
3 and procurement functions. And the appointment to the
4 Commission is a promotion for Nikki.

5 Ms. Baker earned her bachelor's degree in Fine Arts
6 at Arizona State University in theater and film.

7 And Nikki's first day with the Commission was
8 Thursday, January 5th, 2023.

9 Next is Christina Losno. Christina, please turn on
10 your camera.

11 And she is our new Governmental Program Analyst,
12 Accounting. And she's worked for the State since 2013.

13 And her first State position was as an Office
14 Technician at the Department of Housing and Community
15 Development, where she was responsible for providing
16 administrative and technical support to the Director's
17 Office.

18 Christina then promoted to a Management Services
19 Technician at the Department of Industrial Relations,
20 Office of Self-Insurance Plans, where she performed
21 accounting and requisition functions.

22 Finally, Ms. Losno promoted to a position of Staff
23 Services Analyst for the California Department of Public
24 Health, where she worked in the Exams Unit, which is HR.

25 And she applied to the Commission, in part, due to

1 her desire to get back to working with numbers, such as
2 accounting. Fortuitous for us, since we need an
3 accountant.

4 As with Nikki, the appointment to the Commission is
5 a promotion for Christina. And Christina's first day
6 with the Commission was Thursday, January 5th, 2023.

7 Next is Gursharan Singh, the Commission's new
8 Associate Budget Analyst. And he is new to State
9 service, coming to us from the Heritage Hotel Group.
10 While working for Heritage, he performed financial
11 reports, monthly spending forecasts, revenue and expense
12 budgets, costs analyses and spending trends, and other
13 business-related data analysis.

14 His job involved communicating with management to
15 determine their intended spending levels and prepare,
16 analyze, and distribute budget summary documents to
17 management. In that capacity, he prepared monthly,
18 quarterly, and year-end financial reports and prepared
19 and compiled bank loan packages.

20 Prior to his work for Heritage, Gursharan worked
21 for One Stop, LLC, where he prepared, analyzed, and
22 produced budgets and financial statements.

23 Mr. Singh earned his MBA in Business from Wesley
24 Professional University and his bachelor's in Computer
25 Application of from Guru Nanak College.

1 Gursharan's first day with the Commission was
2 yesterday, Thursday, January 26, 2023.

3 Finally, last but not least, is Alexandra Peace.
4 She's our Commission's new Office Technician. So she's
5 one of the people that the members might have most
6 contact with. She has worked for the State for over
7 three years, earlier in her career. Her first position
8 was as a Seasonal Clerk with the Department of
9 Rehabilitation, where she performed a number of clerical
10 and receptionist duties. Then she promoted to the
11 Office of Statewide Health Planning and Development,
12 OSHPD, as an Office Technician, General, where she
13 performed receptionist and general clerical duties and
14 provided secretarial support to the Project Manager and
15 served as the division's Training Coordinator,
16 Attendance Coordinator, Travel Coordinator, and
17 reconciled invoices for payments.

18 Finally, Alexandra promoted to Office Technician,
19 Typing, at the Department of Health Care Services, where
20 she provided receptionist duties and general clerical
21 support to hearing officers and staff.

22 After working for the State, Ms. Peace worked for
23 Apple as a Mac IOS Technical Support Customer Care
24 Advisor. And immediately before coming to the
25 Commission, Ms. Peace worked for Meals on Wheels as an

1 Administrative Assistant, where she performed a variety
2 of clerical and support functions, including data entry
3 and receptionist duties. And she worked as a caregiver
4 for In-Home Support Services, where she provided in-home
5 domestic personal care services to allow individuals to
6 remain safely in their homes and prevent the need for
7 out-of-home care.

8 We are delighted to have her and all of our new
9 staff join our team.

10 Alexandra's first day was Monday, December 19th,
11 2022.

12 CHAIRPERSON MILLER: Yay. Please join me in
13 welcoming everyone. Really, really excited you're all
14 here. Thank you for serving the State and for being on
15 the team of -- of really understanding the huge
16 importance of mandates for the State, for local
17 governments. And we're really grateful you're here and
18 look forward to getting to know you and working with you
19 and also being a resource, should you need anything. So
20 thank you very much.

21 MS. HALSEY: Thank you, everybody. Thank you,
22 staff.

23 Yes, we are more than delighted. It's been -- it's
24 been quite -- quite a lot of work to get our new staff
25 recruited, and you all recently met Soroush, who is our

1 new HR Analyst. He came on just a few months ago. He
2 did all the -- all these packages. So really, really
3 wonderful beginning for his work at the Commission. He
4 really accomplished a lot with Heidi and myself and
5 our -- and the rest of our team over the last few months
6 to recruit our new staff. So we're very happy.

7 Moving on to budget. The Governor introduced his
8 proposed 2023/2024 budget on January 10, 2023. The
9 Commission's 2023/2024 operating budget, as proposed by
10 the Governor, is 3,292,000 and is broken down as
11 2,835,000 for personnel services, and 457,000 for
12 operating expenses and equipment. And this is a
13 decrease of \$14,000 from last year's appropriation.

14 And the Governor's budget also includes
15 \$154,151,000 for local assistance or local
16 agency-mandated programs. This is an increase of
17 \$85,475,000 over last year's budget.

18 It is assumed that this increase is to fund
19 increased annual costs for existing mandated programs,
20 as well as the initial and annual costs for racial and
21 identity profiling, sexual assault evidence kits
22 testing, and Los Angeles Municipal Stormwater and Urban
23 Runoff Discharges Program.

24 And finally, moving on to our workload update.
25 After this hearing, there are 40 pending test claims, 38

1 of which are regarding stormwater NPDES permits. There
2 is also one request for amendment of parameters and
3 guidelines and one parameters and guidelines active and
4 pending.

5 And then on inactive status, pending the outcome of
6 litigation, there is one more parameters and guidelines
7 regarding stormwater.

8 The Commission currently expects to complete all of
9 the currently pending test claims by approximately the
10 December 5th, 2025, Commission meeting, depending on
11 staffing and other workload. However, some of the test
12 claims may be heard and decided earlier than currently
13 indicated if they're consolidated for hearing.

14 And that is all I have.

15 CHAIRPERSON MILLER: Great. Thank you so much.
16 Very busy at work indeed -- that's incredible -- over
17 the last four weeks. So thank you, thank you, thank
18 you, for all of that. And welcome, again, to your team.

19 Any questions for Ms. Halsey on anything in the
20 Executive Director's Report?

21 (No response.)

22 CHAIRPERSON MILLER: Nope. Any public comments?

23 (No response.)

24 CHAIRPERSON MILLER: Seeing none, the Commission
25 will now meet in closed executive session, pursuant to

1 Government Code section 11126(e), to confer with and
2 receive advice from legal counsel for consideration and
3 action, as necessary and appropriate, upon the pending
4 litigation listed on the published notice and agenda;
5 and to confer with and receive advice from legal counsel
6 regarding potential litigation.

7 The Commission will also confer on personnel
8 matters, pursuant to Government Code section
9 11126(a)(1).

10 And we will reconvene in this same open session
11 link in approximately 15 minutes.

12 Ms. Palchik, I will get you in one minute.

13 Mr. Adams, Ms. Palchik did send a closed session
14 link to each of the board members' calendars with a
15 link. It will show up on your calendar at noon, I
16 think, but it's the same link now.

17 Mr. Adams.

18 MEMBER ADAMS: I did not see a link for the closed
19 session, so I will start looking.

20 CHAIRPERSON MILLER: Okay.

21 So Ms. Palchik, if you don't mind, it should be
22 listed on your calendar at 12 noon, I believe. Is that
23 correct, Ms. Palchik? Yep. You got it. Perfect.

24 So we will see you on the link, and we'll come back
25 in about 15 minutes. Thank you very much, everyone.

1 Thank you for attending. And we'll be back shortly.

2 (Closed session was held from

3 10:49 a.m. to 10:58 a.m.)

4 CHAIRPERSON MILLER: The Commission met in closed
5 executive session, pursuant to Government Code section
6 11126(e) to confer with and receive advice from legal
7 counsel for consideration and action, as necessary and
8 appropriate, pending upon -- upon the pending -- excuse
9 me -- litigation listed on the published notice and
10 agenda, and also to confer with and receive advice from
11 legal counsel regarding potential litigation.

12 The Commission also conferred on personnel matters,
13 pursuant to Government Code section 11126(a)(1).

14 With no further business to come before the
15 Commission, I will entertain a motion to adjourn,
16 please.

17 MEMBER NASH: So moved.

18 CHAIRPERSON MILLER: Great. Thank you very much.

19 And I will second.

20 The -- Ms. Olsen [sic] moved; Gayle Miller seconded
21 to adjourn the meeting.

22 Ms. Halsey, do you want to call a quick roll.

23 MS. PALCHIK: Excuse me, Ms. Miller. I believe
24 that was Ms. Nash who --

25 CHAIRPERSON MILLER: Oh. Excuse me. Thank you,

1 Ms. Palchik.

2 Ms. Nash moved.

3 MS. HALSEY: Okay. And call the roll?

4 CHAIRPERSON MILLER: Please.

5 MS. HALSEY: Mr. Adams.

6 MEMBER ADAMS: Aye.

7 MS. HALSEY: Ms. Miller.

8 CHAIRPERSON MILLER: Aye.

9 MS. HALSEY: Mr. Morgan.

10 MEMBER MORGAN: Aye.

11 MS. HALSEY: Ms. Nash.

12 MEMBER NASH: Aye.

13 MS. HALSEY: Ms. Olsen.

14 MEMBER OLSEN: Aye.

15 MS. HALSEY: Ms. Paquin.

16 MEMBER PAQUIN: Aye.

17 MS. HALSEY: Mr. Walker.

18 MEMBER WALKER: Aye.

19 CHAIRPERSON MILLER: Great. The meeting is

20 adjourned.

21 Welcome, again, to the new team members. We're
22 really excited to have you on board at the Commission on
23 State Mandates.

24 Welcome, again, to the Controller and Ms. Paquin.

25 And I hope that 2023 is off to a great start for

1 everyone and look forward to a productive year.

2 Thank you. Have a great day, everyone.

3 (Proceedings concluded at 11:01 a.m.)

4 ---o0o---

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

I, KATHRYN S. SWANK, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing proceedings, heard via Zoom, were reported in shorthand by me, Kathryn S. Swank, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said proceedings nor in any way interested in the outcome of said proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand this 26th day of February 2023.



KATHRYN S. SWANK, CSR
Certified Shorthand Reporter
License No. 13061