

Item 1

Proposed Minutes

COMMISSION ON STATE MANDATES

Location of Meeting: Park Tower, 980 9th Street, Second Floor Conference Room,
Sacramento, CA, 95814 and via Zoom
May 24, 2024

Present: Member Michele Perrault, Chairperson
Representative of the Director of the Department of Finance
Member William Pahland
Representative of the State Treasurer, Vice Chairperson
Member Lee Adams
County Supervisor
Member Deborah Gallegos
Representative of the State Controller
Member Jennifer Holman
Representative of the Director of the Office of Planning and Research

Absent: Member Renee Nash
School District Board Member

Vacant: Public Member

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 Perrault called the meeting to order at 10:10 a.m. and welcomed back Executive Director Heather Halsey. Executive Director Halsey stated that Member Nash notified Commission staff that she was unable to attend the meeting and called the roll. Members Adams, Gallegos, Holman, Pahland, and Perrault, all indicated that they were present.

APPROVAL OF MINUTES

Chairperson Perrault asked if there were any objections or corrections of the March 22, 2024, minutes. Member Adams made a motion to adopt the minutes. Chairperson Perrault asked if there was any public comment. There was no response. Chairperson Perrault asked if there was any further discussion. There was no response. Chairperson Perrault asked if there was a second to Member Adams' motion. Member Gallegos seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the March 22, 2024, hearing minutes by a vote of 5-0 with Member Nash absent.

PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA

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

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

Executive Director Halsey 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 2 Appeal of Executive Director Decisions

Executive Director Halsey presented this item, stating that Item 2 is reserved for appeals of Executive Director decisions and that there were no appeals to consider for this hearing.

TEST CLAIMS

Item 3 *Free Application for Federal Student Aid (FAFSA), 22-TC-05*

Statutes 2021, Chapter 144, Section 10 (AB 132); Education Code Section 51225.7; Government Code Section 30035, Appendix A, Appendix B, Effective July 27, 2021

Fresno Unified School District, Claimant

Senior Commission Counsel Elizabeth McGinnis presented this item and recommended that the Commission adopt the Proposed Decision to partially approve this Test Claim.

Arthur Palkowitz, Kim Kelstrom, and Nancy Witrado appeared on behalf of the claimants. Chris Ferguson appeared on behalf of the Department of Finance.

Following statements by Mr. Palkowitz and Mr. Ferguson, Chairperson Perrault asked if there was any public comment. There was no response. Chairperson Perrault asked if there were any comments from the Commission. There was no response. Member Gallegos made the motion to adopt the staff recommendation. Member Pahland seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the Proposed Decision by a vote of 5-0 with Member Nash absent.

PARAMETERS AND GUIDELINES

Item 4 *California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2010-0033, 10-TC-07*

California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2010-0033, Sections IV; VI.D.1.a.vii; VI.D.1.c.i(8); VI.D.2.c; VI.D.2.d.ii(d); VI.D.2.i; VII.B; VII.D.2; VIII.A; VIII.H; IX.C; IX.D; IX.H; X.D; XII.A.1; XII.B; XII.H; XIV.D; XV.A; XV.C; XV.F.1; XV.F.4; XV.F.5; XVII.A.3; and Appendix 3, Section III.E.3., Adopted January 29, 2010

County of Riverside, Riverside County Flood Control & Water Conservation District, and Cities of Beaumont, Corona; Hemet, Lake Elsinore, Moreno Valley, Perris, and San Jacinto, Claimants

Senior Commission Counsel Elizabeth McGinnis presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

David Burhenn appeared on behalf of the claimants. Donna Ferebee appeared on behalf of the Department of Finance.

Following statements by Mr. Burhenn and Ms. Ferebee, Chairperson Perrault asked if there was any public comment. There was no response. Chairperson Perrault asked if there were any comments from the Commission. There was no response. Member Pahland made the motion to adopt the staff recommendation. Member Holman seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the Proposed Decision and Parameters and Guidelines by a vote of 5-0 with Member Nash absent.

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 5 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 presented this item, stating that Item 5 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.

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

REPORTS

- Item 6 Legislative Update (info)

Program Analyst Jill Magee presented this item.

- Item 7 Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar (info)

Chief Legal Counsel Shelton presented this item.

- Item 8 Executive Director: Budget, Workload Update, and Tentative Agenda Items for the July 2024 and September 2024 Meetings (info)

Executive Director Halsey presented this item and described the Commission's workload.

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

The Commission adjourned into closed executive session at 10:27 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):

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 11:24 a.m., the Commission reconvened in open session.

REPORT FROM CLOSED EXECUTIVE SESSION

Chairperson Perrault 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

Chairperson Perrault asked for a motion to adjourn. Member Holman made a motion to adjourn the meeting. Member Gallegos seconded the motion. The May 24, 2024 meeting was adjourned at 11:25 a.m., by a vote of 5-0 with Member Nash absent.

Heather Halsey
Executive Director

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES

PUBLIC MEETING

FRIDAY, MAY 24, 2024

10:00 A.M.

MEETING HELD
AT 980 9TH STREET

2ND FLOOR CONFERENCE ROOM

SACRAMENTO, CALIFORNIA

AND

VIA ZOOM

VIDEO COMMUNICATIONS PLATFORM

REPORTER'S TRANSCRIPT OF PROCEEDINGS

REPORTED BY:

KATHRYN S. SWANK

Certified Shorthand Reporter No. 13061

Registered Professional Reporter

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303 Paddock Court
Roseville, California 95661
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KathrynSwankCSR@sbcglobal.net

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COMMISSION ON
STATE MANDATES

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A P P E A R A N C E S

COMMISSIONERS PRESENT

MICHELE PERRAULT
Representative for Joe Stephenshaw
Department of Finance
(Chairperson of the Commission)

WILLIAM PAHLAND
Representative for FIONA MA
State Treasurer
(Vice Chairperson of the Commission)

DEBORAH GALLEGOS
Representative for MALIA COHEN
State Controller

LEE ADAMS III
Sierra County Supervisor
Local Agency Member

JENNIFER HOLMAN
Representative for SAMUEL ASSEFA, Director
Office of Planning & Research

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COMMISSION STAFF

HEATHER HALSEY
Executive Director
(Via Zoom)

CAMILLE N. SHELTON
Chief Legal Counsel

JILL MAGEE
Program Analyst

ELIZABETH MCGINNIS
Senior Commission Counsel
(Via Zoom)

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

2 *PUBLIC PARTICIPANTS*

3 DAVID BURHENN
4 Burhenn & Gest
5 (Item 4)
6 (Via Zoom)

7 DONNA FEREBEE
8 Department of Finance
9 (Item 4)
10 (Via Zoom)

11 CHRIS FERGUSON
12 Department of Finance
13 (Item 3)
14 (Via Zoom)

15 KIM KELSTROM
16 (Item 3)
17 (Via Zoom)

18 ARTHUR PALKOWITZ
19 Law Offices of Arthur M. Palkowitz
20 (Item 3)

21 NANCY WITRADO
22 (Item 3)
23 (Via Zoom)

24 ---o0o---

ERRATA SHEET

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Page	Line	Correction
<u>3</u>	<u>15</u>	<u>(Via Zoom)</u>
<u>13</u>	<u>15</u>	<u>presenting in item —or <u>four</u> in person</u>
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Fresno Unified School District, Claimant	

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C. Parameters and Guidelines

Item 4 California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2010-0033, 10-TC-07 17

California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2010-0033, Sections IV; VI.D.1.a.vii; VI.D.1.c.i(8); VI.D.2.c; VI.D.2.d.ii(d); VI.D.2.i; VII.B; VII.D.2; VIII.A; VIII.H; IX.C; IX.D; IX.H; X.D; XII.A.1; XII.B; XII.H; XIV.D; XV.A; XV.C; XV.F.1; XV.F.4; XV.F.5; XVII.A.3; and Appendix 3, Section III.E.3., Adopted January 29, 2010

County of Riverside, Riverside County Flood Control & Water Conservation District, and Cities of Beaumont, Corona; Hemet, Lake Elsinore, Moreno Valley, Perris, and San Jacinto, Claimants

VI. 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 5 Assignment of County Application to Commission, a Hearing Panel of One or More Members of the Commission, or to a Hearing Officer (none) 21

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1 FRIDAY, MAY 24, 2024, 10:10 A.M.

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3 CHAIRPERSON PERRAULT: So we're going to go ahead
4 and call the Commission on State Mandates meeting to
5 order at 10:10. This is, again -- welcome. This is our
6 hybrid meeting.

7 For those participating in person, I do have some
8 housekeeping information. On the table near the wall
9 are paper copies of the meeting notice and agenda, new
10 filings, witness list, and consent calendar. The
11 electronic public hearing binder is also located there
12 on a laptop.

13 When called up for an item, the parties and
14 witnesses will please sit at the witness tables.

15 The restrooms are located out the door and down the
16 hall to the left. The men's room is across the open
17 atrium. The code for both restrooms is posted on the
18 door as you exit the conference room. Finally, please
19 take note of the emergency exits in the room.

20 For those participating remotely, the materials for
21 today's meeting, including the notice, agenda, and
22 witness list, are all available on the Commission's
23 website, at www.csm.ca.gov under the "Hearings" tab.

24 When being sworn in at the beginning of hearing,
25 and when called for an item, the parties and witnesses

1 will please turn on their video and unmute their
2 microphone. At the conclusion of the item, please turn
3 off the video and mute your microphone.

4 In the event we do experience technical
5 difficulties, or the meeting is bumped offline, we will
6 restart and allow time for people to rejoin before
7 recommencing the meeting.

8 Heather, welcome back. And will you please call
9 the roll.

10 MS. HALSEY: Thank you. Yes.

11 Also I wanted to note for the record that Member
12 Nash has notified Commission staff that she is unable to
13 attend this meeting.

14 Mr. Adams.

15 MEMBER ADAMS: Here.

16 MS. HALSEY: Mr. Gall -- sorry. Ms. Gallegos.

17 MEMBER GALLEGOS: Here.

18 MS. HALSEY: Ms. Gallegos.

19 MEMBER GALLEGOS: Here.

20 MS. HALSEY: Ms. Holman.

21 MEMBER HOLMAN: Here.

22 MS. HALSEY: Mr. Pahlund.

23 MEMBER PAHLAND: Here.

24 MS. HALSEY: Ms. Perrault. Excuse me.

25 Ms. Perrault.

1 CHAIRPERSON PERRAULT: Here.

2 All right.

3 MS. HALSEY: Thank you.

4 CHAIRPERSON PERRAULT: Thank you. So we do have a
5 quorum.

6 Our next item is Item 1.

7 Are there any objections to or additional
8 corrections of the March 22nd, 2024, minutes?

9 (No response.)

10 CHAIRPERSON PERRAULT: Seeing none.

11 MEMBER ADAMS: Madam Chair, I move approval.

12 CHAIRPERSON PERRAULT: Excellent. Okay. We'll --
13 we'll take that into note.

14 But first, we'll just find out, is there any public
15 comments on this item?

16 (No response.)

17 CHAIRPERSON PERRAULT: Seeing none.

18 Any other further discussion?

19 (No response.)

20 CHAIRPERSON PERRAULT: Okay.

21 We have a motion by Commissioner Adams.

22 Do I have a second?

23 MEMBER GALLEGOS: I will second.

24 CHAIRPERSON PERRAULT: A second by Ms. Gallegos.

25 If we could please call the roll.

1 MS. HALSEY: Mr. Adams.

2 MEMBER ADAMS: Aye.

3 MS. HALSEY: Mr. Adams.

4 MEMBER ADAMS: Aye.

5 MS. HALSEY: Ms. Gallegos.

6 MEMBER GALLEGOS: Aye.

7 MS. HALSEY: Ms. Holman. Ms. Holman.

8 MEMBER HOLMAN: Aye.

9 MS. HALSEY: Mr. Pahlund.

10 MEMBER PAHLUND: Aye.

11 MS. HALSEY: Ms. Perrault.

12 CHAIRPERSON PERRAULT: Aye.

13 MS. HALSEY: And now we will take up public comment
14 for matters that are not on the agenda.

15 Please note that the Commission may not take action
16 on items not on the agenda. However, it may schedule
17 issues raised by the public for consideration at a
18 future time. We invite the public to comment on matters
19 that are on the agenda as they are taken up by the
20 Commission.

21 CHAIRPERSON PERRAULT: Do we have any public
22 comment?

23 (No response.)

24 CHAIRPERSON PERRAULT: Seeing none in the room, do
25 we have any online?

1 MS. HALSEY: No. I see none.

2 CHAIRPERSON PERRAULT: Okay. All right.

3 Excellent.

4 Then we'll go ahead and move on to the next item.

5 MS. HALSEY: Okay. Let's move to the swearing-in.

6 Will the parties and witnesses for Items 3 and 4,
7 participating remotely, please turn on your video and
8 unmute your microphones. The parties and witnesses
9 participating in person, approach the witness table.
10 And all parties and witnesses please rise.

11 Are there any parties and witnesses in person
12 today, Madam Chair?

13 CHAIRPERSON PERRAULT: No. It's showing green --
14 oh, there we are.

15 No. We have none -- no witnesses in the room.

16 MS. HALSEY: Okay. Great. Well, I see all -- all
17 of the remote ones standing now.

18 Will the parties and witnesses for Item 3 please
19 state your names for the record.

20 MS. KELSTROM: Kim Kelstrom.

21 MS. WITRADO: Nancy Witrado.

22 MR. PALKOWITZ: Arthur Palkowitz.

23 MR. FERGUSON: Chris Ferguson.

24 MS. HALSEY: Thank you.

25 And will the parties and witnesses for Item 4

1 please state your names for the record.

2 MR. BURHENN: Yes. David Burhenn, Burhenn and
3 Gest, for claimants.

4 MS. FEREBEE: Donna Ferebee, Department of Finance.

5 MS. HALSEY: Thank you.

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

7 MS. HALSEY: Will you please solemnly swear or
8 affirm that the testimony you are about to give is
9 correct -- true and correct based on your personal
10 knowledge, information, or belief?

11 (Affirmative responses.)

12 MS. HALSEY: Thank you. Please be seated.

13 For those participating for Item 4, please turn off
14 your video and mute your microphone. And those
15 presenting in item -- or in person, please return to
16 your seats.

17 Item 2 is reserved for appeals of Executive
18 Director decisions. There are no appeals to consider
19 for this hearing.

20 Next is Item 3. Senior Commission Counsel
21 Elizabeth McGinnis will please present a proposed
22 decision on Free Application for Federal Student Aid,
23 FAFSA, 22-TC-05.

24 MS. MCGINNIS: Hi. Good morning.

25 This test claim involves a statute that requires

1 school districts to confirm that each student in Grade
2 12 complete at least one of two specified financial aid
3 applications unless the student opts out or is deemed
4 exempt by the district; to direct students in Grade 12
5 to service, as necessary, to assist them in completing
6 the appropriate financial aid application; and to ensure
7 student and parent information, shared in connection
8 with the requirements of the statute, are handled in
9 compliance with applicable state and federal privacy
10 laws.

11 The test claim also includes a regulation which
12 sets forth a model opt-out form, an acceptable use
13 policy, for school districts to use when implementing
14 these requirements.

15 Staff finds that the test claim statute imposes a
16 reimbursable state-mandated program on school districts
17 for the activities listed in the proposed decision.

18 However, staff also finds that the requirement to
19 ensure that information shared under the statute is
20 handled in compliance with state and federal privacy
21 laws is not new, and, therefore, does not impose a new
22 program or higher level of service.

23 Staff further finds that the test claim regulation
24 does not impose any requirements on school districts,
25 and, thus, does not constitute a reimbursable

1 state-mandated program.

2 Accordingly, staff recommends that the Commission
3 adopt the proposed decision to partially approve this
4 test claim; and authorize staff to make any technical,
5 nonsubstantive changes following the hearing.

6 Thank you.

7 CHAIRPERSON PERRAULT: Thank you, Liz.

8 So for the parties and witnesses, if you could
9 please state your name for the record. Mr. Palkowitz,
10 Ms. Kelstrom, and Ms. -- I'm going to say that wrong.
11 I'm sorry -- Witrado, for the claimants, would you like
12 to begin?

13 MR. PALKOWITZ: Yes. Good morning. Thank you very
14 much.

15 On behalf of the claimants, we thank staff for
16 their support and filing documents and also for the
17 thorough job in their proposed decision.

18 We agree with the staff that the test claim statute
19 imposes new activities, that were not required before,
20 to assure that 12th graders/seniors, file the FAFSA form
21 or opt out if they are eligible.

22 We also agree with staff that maintaining the
23 privacy of this information was a preexisting duty and,
24 is, therefore, not a new activity and is not a
25 reimbursable activity.

1 And further, we agree with staff that the
2 regulation is not required and therefore is not also --
3 is not reimbursable.

4 If the Commission staff has any questions for me or
5 the representative of the claimants, we're available to
6 respond to those.

7 Thank you.

8 CHAIRPERSON PERRAULT: Thank you very much.

9 Mr. Ferguson, from the Department of Finance, did
10 you have any additional comments?

11 MR. FERGUSON: No additional comments.

12 CHAIRPERSON PERRAULT: Thank you.

13 Are there any public comments on this item?

14 (No response.)

15 CHAIRPERSON PERRAULT: I see none in the room.

16 I don't see any online.

17 Are there any comments from the Commission? Board
18 members?

19 (No response.)

20 CHAIRPERSON PERRAULT: Seeing none.

21 Okay. Is there a motion?

22 MEMBER GALLEGOS: I will move.

23 CHAIRPERSON PERRAULT: All right. Moved by
24 Ms. Gallegos.

25 Is there a second?

1 MEMBER PAHLAND: I will second.

2 CHAIRPERSON PERRAULT: All right. Second by
3 Mr. Pahland.

4 If we could please have a roll call.

5 MS. HALSEY: Mr. Adams.

6 MEMBER ADAMS: Aye.

7 MS. HALSEY: Ms. Gallegos.

8 MEMBER GALLEGOS: Aye.

9 MS. HALSEY: Ms. Holman.

10 MEMBER HOLMAN: Aye.

11 MS. HALSEY: Mr. Pahland.

12 MEMBER PAHLAND: Aye.

13 MS. HALSEY: Ms. Perrault.

14 CHAIRPERSON PERRAULT: Aye.

15 All right. That motion carries.

16 Thank you so much to the claimants and Department
17 of Finance.

18 MR. PALKOWITZ: Thank you very much.

19 MS. HALSEY: We now ask the presenters
20 participating remotely for Item 3 to please turn off
21 their video and mute their microphones.

22 Next is Item 4.

23 Senior Commission Counsel Elizabeth McGinnis will
24 present a proposed decision and parameters and
25 guidelines on California Regional Water Quality Control

1 Board, Santa Ana Region, order number R8-2010-0033.
2 10-TC-07.

3 At this time, we invite the parties and witnesses
4 for Item 4, participating remotely, to please turn on
5 your video and unmute your microphone.

6 MS. MCGINNIS: These parameters and guidelines
7 address state-mandated activities arising from the
8 stormwater permit issued on January 29th, 2010, for the
9 Riverside County Flood Control and Water Conservation
10 District, the County of Riverside, and cities within the
11 county, by the Santa Ana Regional Water Control Board.

12 Draft expedited parameters and guidelines were
13 issued to the parties which identified the activities
14 approved by the Commission for reimbursement until
15 December 31st, 2017, and potential offsetting revenue.

16 No substantive comments were filed.

17 Staff recommends that the Commission adopt the
18 proposed decision and parameters and guidelines; and
19 authorize staff to make any technical, nonsubstantive
20 changes to the proposed decision following the hearing.

21 Thank you.

22 CHAIRPERSON PERRAULT: Thank you, Liz.

23 Okay. If we could at least have the parties and
24 witnesses state your name for the record.

25 Mr. Burhenn for the claimant, would you like to

1 begin?

2 MR. BURHENN: Yes. Thank you.

3 And first, I would like to say how happy we are to
4 see Ms. Halsey back.

5 And I'm -- you know, it's -- it's a -- also
6 appreciate the opportunity to do the virtual hybrid
7 hearing, rather than having to fly early in the morning
8 to Sacramento.

9 Very briefly, Claimants -- I first want to thank
10 staff for the preparation of the Ps and Gs.

11 We also want to state, for the record, that we
12 reserve all arguments that we had made below, in the
13 test claim proceeding, and our participation today
14 should not represent any waiver of those positions or
15 arguments.

16 I have no substantive comments on the Ps and Gs,
17 but I'm available if any of the Commission members have
18 any questions.

19 Thank you.

20 CHAIRPERSON PERRAULT: Thank you so much.

21 Ms. -- excuse me. Ms. Ferebee, do you have any
22 other comments from the Department of Finance?

23 MS. FEREBEE: Yes. Donna Ferebee, Department of
24 Finance.

25 Finance has no comments on these proposed

1 parameters and guidelines.

2 Thank you.

3 CHAIRPERSON PERRAULT: Thank you very much.

4 Are there any public comments on this item?

5 (No response.)

6 CHAIRPERSON PERRAULT: Seeing none in the room, and
7 seeing none online, are there any comments or questions
8 from the Commission?

9 (No response.)

10 CHAIRPERSON PERRAULT: All right. Seeing none, I
11 will look for a motion.

12 MEMBER PAHLAND: I will move to adopt the staff
13 recommendation.

14 CHAIRPERSON PERRAULT: All right. Moved by
15 Mr. Pahland.

16 Is there a second?

17 MEMBER HOLMAN: I will second.

18 CHAIRPERSON PERRAULT: Second by Ms. Holman.
19 If we could please get a roll call.

20 MS. HALSEY: Mr. Adams.

21 MEMBER ADAMS: Aye.

22 MS. HALSEY: Ms. Gallegos.

23 MEMBER GALLEGOS: Aye.

24 MS. HALSEY: Ms. Holman.

25 MEMBER HOLMAN: Aye.

1 MS. HALSEY: Mr. Pahlund.

2 MEMBER PAHLAND: Aye.

3 MS. HALSEY: Ms. Perrault.

4 CHAIRPERSON PERRAULT: Aye.

5 Okay. That motion carries.

6 So Heather, Item 5.

7 MS. HALSEY: Item 5 is reserved for county
8 applications for a finding -- finding of significant
9 financial distress, or SB 1033 applications. No SB 1033
10 applications have been filed.

11 Next, Program Analyst Jill Magee will please turn
12 on her video and microphone and present Item 6, the
13 Legislative Update.

14 MS. MAGEE: Good morning. The following are the
15 legislative updates since the last time the Commission
16 met.

17 First, AB 1781, State mandates: claims. This
18 substantive spot bill would change the minimum mandate
19 reimbursement claim amount from \$1,000 to \$800.

20 On January 3rd, 2024, this bill was read for the
21 first time.

22 And on January 16th, 2024, it was referred to the
23 Assembly Committee on Local Government.

24 On May 3rd, 2024, the assembly member's office
25 confirmed that there are no plans for it to move forward

1 at this time.

2 Staff will continue to monitor legislation for
3 bills that impact the mandates process.

4 Thank you.

5 MS. HALSEY: Thank you, Jill.

6 Next, Chief Legal Counsel Camille Shelton will
7 present Item 7, the Chief Legal Counsel Report.

8 MS. SHELTON: Good morning.

9 We do not have any recent decisions or hearings on
10 the calendar, but we do have a new filing from the City
11 of San Diego, challenging the Commission's decision on
12 the remand of lead sampling.

13 MS. HALSEY: If the members have no questions on
14 the Chief Legal Counsel Report, I will present the
15 Executive Director's Report, which is Item 8.

16 The Commission's budget. Or -- as you know, the
17 Governor introduced his May revision on Friday, May the
18 10th. The Commission's operating budget has not yet
19 been heard in any committee this year. However,
20 portions of the local assistance portion of the
21 Commission's budget relating to mandate reimbursement
22 have been heard, including the proposal to add funding
23 to reimburse the new juveniles custodial interrogation
24 mandate.

25 For workload: After this hearing, there are 37

1 pending test claims, 34 of which are regarding
2 stormwater NPDES permits.

3 There are also three parameters and guidelines
4 pending, including one regarding stormwater.

5 There are four statewide cost estimates and one
6 incorrect reduction claim pending.

7 Staff expects to complete all the currently pending
8 test claims and IRCs by approximately the December 2026
9 Commission meeting, depending on staffing and other
10 workload.

11 However, some of the test claims may be heard and
12 decided earlier than currently indicated, if they are
13 consolidated for a hearing.

14 And that's all I have.

15 CHAIRPERSON PERRAULT: Thank you, Heather.

16 Okay. At this time, we will be adjourning into
17 closed session. The Commission will meet in Closed
18 Executive Session, pursuant to Government Code section
19 11126(e), to confer with and receive advice from legal
20 counsel for consideration and action, as necessary and
21 appropriate, upon the pending litigation listed on the
22 published notice and agenda; and to confer with and
23 receive advice from legal counsel regarding potential
24 litigation.

25 The Commission will also confer on personnel

1 matters, pursuant to Government Code section
2 11126(a)(1).

3 And we will reconvene in open session in
4 approximately 15 minutes. Thank you.

5 (Closed session was held from
6 10:27 a.m. to 11:24 a.m.)

7 CHAIRPERSON PERRAULT: We are returning from closed
8 session. Apologies. We had indicated only about a
9 15-minute closed session. We did run a little long.
10 So, again, those who may be online, thank you for your
11 patience.

12 So the Commission did meet in Closed Executive
13 Session pursuant to Government Code section 11126(e), to
14 confer with and receive advice from legal counsel for
15 consideration and action, as necessary and appropriate,
16 upon the pending litigation listed on the published
17 notice and agenda; and to confer with and receive advice
18 from legal counsel regarding potential litigation.

19 The Commission also conferred on personnel matters
20 pursuant to Government Code section 11126(a)(1).

21 With no further business to discuss, I will
22 entertain a motion to adjourn.

23 Do I have a motion?

24 MEMBER HOLMAN: I will move.

25 CHAIRPERSON PERRAULT: Moved by Ms. Holman.

1 MEMBER GALLEGOS: I will second.
2 CHAIRPERSON PERRAULT: And second by Ms. Gallegos.
3 And --
4 MS. HALSEY: Call the roll?
5 CHAIRPERSON PERRAULT: Yes. Please call the roll.
6 MS. HALSEY: Mr. Adams.
7 MEMBER ADAMS: Aye.
8 MS. HALSEY: Ms. Gallegos.
9 MEMBER GALLEGOS: Aye.
10 MS. HALSEY: Ms. Holman.
11 MEMBER HOLMAN: Aye.
12 MS. HALSEY: Mr. Pahlant.
13 MEMBER PAHLANT: Aye.
14 MS. HALSEY: Ms. Perrault.
15 CHAIRPERSON PERRAULT: Aye.
16 All right. The motion carried and the meeting is
17 adjourned at 11:25. Thank you all.

18 (Proceedings concluded at 11:25 a.m.)

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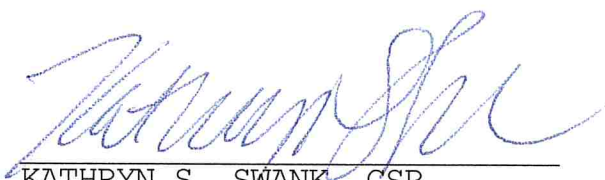
CERTIFICATE OF REPORTER

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 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 18th day of June 2024.



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

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