

**Item 1**  
**Proposed Minutes**

**COMMISSION ON STATE MANDATES**

Location of Meeting: Park Tower, 980 9th Street, Suite 300,  
Sacramento, CA, 95814 and via Zoom  
July 26, 2024

Present: Member William Pahland  
Representative of the State Treasurer, Vice Chairperson  
Member Lee Adams  
County Supervisor  
Member Shannon Clark  
Representative of the Director of the Office of Planning and Research  
Member Deborah Gallegos  
Representative of the State Controller  
Member Renee Nash  
School District Board Member

Absent: Member Michele Perrault, Chairperson  
Representative of the Director of the Department of Finance

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**

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

**APPROVAL OF MINUTES**

Vice Chairperson Pahland asked if there were any objections or corrections of the May 24, 2024, minutes. There was no response. Vice Chairperson Pahland asked if there was any public comment on this item, if there were any questions from the members, or if there was any further discussion. Vice Chairperson Pahland asked for a motion. Member Adams made the motion to adopt the minutes. Vice Chairperson Pahland asked if there was a second to Member Adams' motion. Member Nash seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the May 24, 2024, hearing minutes by a vote of 5-0 with Member Perrault absent.

## **PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA**

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

## **CONSENT CALENDAR**

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

#### **STATEWIDE COST ESTIMATES**

- Item 7\* *California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2009-0030, Sections XI.4, XIII.1, XIII.4, XIII.7, XVIII.B.8, and XVIII.B.9, Adopted May 22, 2009, 09-TC-03*

Executive Director Halsey stated that Item 7 was proposed for consent. Vice Chairperson Pahland asked if there were any objections to the proposed consent calendar from the members of the board or members of the public. There was no response. Vice Chairperson Pahland asked for a motion to adopt the consent calendar. Member Nash made the motion to adopt the consent calendar. Vice Chairperson Pahland asked if there was a second. Member Clark seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the consent calendar by a vote of 5-0 with Member Perrault absent.

### **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 *Disclosure Requirements and Deferral of Property Taxation, 22-TC-06*  
Statutes 2022, Chapter 712 (SB 989); Revenue and Taxation Code Sections 2610.8 and 2636.1  
County of Los Angeles, Claimant

Senior Commission Counsel Eric Feller presented this item and recommended that the Commission adopt the Proposed Decision to approve this Test Claim.

Fernando Lemus and Tina McKendell appeared on behalf of the claimants. Chris Hill appeared on behalf of the Department of Finance.

Following statements by Mr. Lemus and Mr. Hill, Vice Chairperson Pahland asked if there was any public comment. There was no response. Vice Chairperson Pahland asked if there were any questions from the members. There was no response. Vice Chairperson Pahland asked if there was any further discussion on this item. There was no response. Vice Chairperson Pahland asked if there was a motion. Member Adams made the motion to adopt the staff recommendation. Member Nash seconded the motion. Vice Chairperson Pahland asked if there was any further discussion. There was no response. Executive Director Halsey called the roll. The Commission voted to adopt the Proposed Decision by a vote of 5-0 with Member Perrault absent.

## **PARAMETERS AND GUIDELINES**

- Item 4      *Public School Restrooms: Menstrual Products, 22-TC-04*  
Statutes 2021, Chapter 664 (AB 367); Education Code Section 35292.6; Effective January 1, 2022  
Hesperia Unified School District, Claimant

Executive Director Halsey stated that Finance informed Commission staff that they do not intend to speak on this item and the Controller did not provide any information about whether they would be participating. Senior Commission Counsel Eric Feller presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Arthur Palkowitz appeared on behalf of the claimant.

Following a statement by Mr. Palkowitz, Vice Chairperson Pahland asked if there was any public comment. There was no response. Vice Chairperson Pahland asked if there were any questions from the members. There was no response. Member Nash made the motion to adopt the staff recommendation. Vice Chairperson Pahland asked if there was a second. Member Clark 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 Perrault absent.

- Item 5      *Free Application for Federal Student Aid (FAFSA), 22-TC-05*  
Education Code Section 51225.7, as Added by Statutes 2021, Chapter 144 (AB 132, Section 10), Effective July 27, 2021  
Fresno Unified School District, Claimant

Executive Director Halsey stated that Finance informed Commission staff that they do not intend to speak on this item and the Controller did not provide any information about whether they would be participating. Senior Commission Counsel Elizabeth McGinnis presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Arthur Palkowitz appeared on behalf of the claimant.

Following a statement by Mr. Palkowitz, Vice Chairperson Pahland asked if there was any public comment. There was no response. Vice Chairperson Pahland asked if there were any questions from the members. There was no response. Vice Chairperson Pahland asked if there was a motion. Member Clark made the motion to adopt the staff

recommendation. Member Adams 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 Perrault 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 6 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 6 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 8 Legislative Update (info)

Program Analyst Jill Magee presented this item.

- Item 9 Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar (info)

Chief Legal Counsel Shelton presented this item.

- Item 10 Executive Director: Budget, Workload Update, and Tentative Agenda Items for the September 2024 and November 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 10:42 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 10:58 a.m., the Commission reconvened in open session.

### **REPORT FROM CLOSED EXECUTIVE SESSION**

Vice Chairperson Pahland 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**

Vice Chairperson Pahland asked for a motion to adjourn. Member Adams made the motion to adjourn the meeting. Member Clark seconded the motion. The July 26, 2024, meeting was adjourned at 10:59 a.m., by a vote of 5-0 with Member Perrault absent.

Heather Halsey  
Executive Director

STATE OF CALIFORNIA  
COMMISSION ON STATE MANDATES

PUBLIC MEETING

FRIDAY, JULY 26, 2024

10:10 A.M.

MEETING HELD

AT 980 9TH STREET

3RD FLOOR CONFERENCE ROOM

SACRAMENTO, CALIFORNIA

AND

VIA ZOOM

VIDEO COMMUNICATIONS PLATFORM

REPORTER'S TRANSCRIPT OF PROCEEDINGS

STENOGRAPHICALLY REPORTED BY:

Emily Samelson

California Certified Shorthand Reporter #14043

---

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

RECEIVED

AUG 19 2024

COMMISSION ON  
STATE MANDATES

ORIGINAL

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**

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

DEBORAH GALLEGOS  
Representative for MALIA COHEN  
State Controller  
(Via Zoom)

LEE ADAMS III  
Sierra County Supervisor  
Local Agency Member

RENEE NASH  
Eureka Union School District  
School District Board Member

SHANNON CLARK  
Representative for SAMUEL ASSEFA, Director  
Office of Planning and Research

---oO---

**COMMISSION STAFF**

HEATHER HALSEY  
Executive Director  
(Via Zoom)

CAMILLE N. SHELTON  
Chief Legal Counsel

DENNIS SUPACHANA  
Assistant Executive Director  
(Via Zoom)

ERIC FELLER  
Senior Commission Counsel  
(Via Zoom)

///

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

2 **COMMISSION STAFF CONTINUED**

3 JILL MAGEE  
4 Program Analyst  
5 (Via Zoom)

6 ELIZABETH MCGINNIS  
7 Senior Commission Counsel  
8 (Via Zoom)

9 ----o0o----

10 **PUBLIC PARTICIPANTS**

11 ARTHUR PALKOWITZ  
12 Law Offices of Arthur M. Palkowitz  
13 (Items 4 and 5)  
14 (Via Zoom)

15 FERNANDO LEMUS  
16 County of Los Angeles  
17 (Item 3)  
18 (Via Zoom)

19 TINE McKENDALL  
20 County of Los Angeles  
21 (Item 3)  
22 (Via Zoom)

23 CHRIS HILL  
24 Department of Finance  
25 (Item 3)  
(Via Zoom)

----o0o----



**ERRATA SHEET**

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

Page	Line	Correction
1	8	<u>3RD FLOOR CONFERENCE ROOM SUITE 300</u>
3	16	<u>TINE MCKENDALL</u> <u>TINA MCKENDELL</u>
10	14	<u>MEMBER ADAMS</u> <u>MS. HALSEY</u>
13	11	a <u>the</u> proposed consent calendar.
14	23	please <u>be</u> <u>ensure</u>
15	9	MS. <u>MCKENDALL</u> : <u>MCKENDELL</u> <u>McKendall</u> <u>McKendell</u>
16	20	natural disaster <u>to</u> transfer
17	17	<u>December</u> <u>September</u> 28
17	23	MS. <u>MCKENDALL</u> : <u>MCKENDELL</u> <u>McKendall</u> <u>McKendell</u>
20	21	to 12 <u>to</u> stock
21	4	<u>recently</u> <u>reasonably</u>
21	9	as <u>required</u> <u>requested</u> by Finance
21	13	<u>as a</u> <u>is a</u> clarifying edit
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**I N D E X**

ITEM NO.		PAGE
I.	Call to Order and Roll Call	8
II.	Approval of Minutes Item 1, May 24, 2024	10
III.	Public Comment for Matters Not on the Agenda (None)	
IV.	Proposed Consent Calendar for Items Proposed for Adoption on Consent Pursuant to California Code of Regulations, Title 2, Articles 7 and 8	13
V.	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 2	16
	Appeal of Executive Director Decisions (none)	
	B.	
	Test Claims	
	Item 3	16
	Disclosure Requirements and Deferral of Property Taxation, 22-TC-06	
	Statutes 2022, Chapter 712 (SB 989); Revenue and Taxation Code Sections 2610.8 and 2636.1	
	County of Los Angeles, Claimant	
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

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

ITEM NO. PAGE

C. Parameters and Guidelines

Item 4 Public School Restrooms: 20  
Menstrual Products,  
22-TC-04

Statutes 2021, Chapter 664  
(AB 367); Education Code  
Section 35292.6; Effective  
January 1, 2022

Hesperia Unified School  
District, Claimant

Item 5 Free Application for 23  
Federal Student Aid  
(FAFSA), 22-TC-05

Education Code Section  
51225.7, as Added by  
Statutes 2021,  
Chapter 144 (AB 132,  
Section 10), Effective  
July 27, 2021

Fresno Unified School  
District, Claimant

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 6 Assignment of County 25  
Application to Commission,  
a Hearing Panel of One or  
More Members of the  
Commission, or to a  
Hearing Officer

///

///

***I N D E X   C O N T I N U E D***

ITEM NO.		PAGE
VII.	Informational Hearings Pursuant to California Code of Regulations, Title 2, Article 8	
	A.    Statewide Cost Estimates	
	Item 7    California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2009-0030, Sections XI.4, XIII.1, XIII.4, XIII.7, XVIII.B.8, and XVIII.B.9, Adopted May 22, 2009, 09-TC-03	13
	B.    Reports	
	Item 8    Legislative Update	25
	Item 9    Chief Legal Counsel: New Filings, Recent Decisions, Litigation Calendar	26
	Item 10   Executive Director: Budget, Workload Update, and Tentative Agenda Items for the September 2024 and November 2024 Meetings	27
VIII.	Closed Executive Session Pursuant to Government Code Sections 11126 and 11126.2	28
	A.    Pending Litigation	
	B.    Potential Litigation	
	C.    Personnel	
IX.	Report from Closed Executive Session	28
	Adjournment	30
	Reporter's Certificate	31

---o0o---

1 Friday, July 26, 2024; 10:10 A.M.

2 ---o0o---

3 VICE CHAIRPERSON PAHLAND: The meeting of the  
4 Commission on State Mandates will come to order.

5 Welcome to our hybrid meeting. For those  
6 participating in person, I have some housekeeping  
7 information.

8 On the table near the wall are paper copies of the  
9 meeting notice and agenda, new filings, witness list,  
10 and consent calendar. The electronic public hearing  
11 binder is also located there on the laptop.

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

14 The restrooms are located out the door and down the  
15 hallway to the right. The women's room is across the  
16 open atrium. The key for both restrooms is on the table  
17 as you exit the conference room.

18 Finally, please take note of the emergency exits in  
19 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, [www.csm.ca.gov](http://www.csm.ca.gov) under the "Hearings" tab.

24 When being sworn in at the beginning of the 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 the microphone.

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

8 Please join me in welcoming new Commission designee  
9 from the Governor's Office of Planning and Research,  
10 Shannon Clark.

11 Ms. Clark is a land use counsel to OPR, where she  
12 works with the Legal, Legislative, and Planning --  
13 Legal, Legislative, and Planning and Community  
14 Development teams on issues related to CEQA, housing,  
15 transportation planning, and administrative law,  
16 including implementation of the CEQA Judicial  
17 Streamlining program.

18 Prior to working at OPR, Shannon was a deputy  
19 attorney general in the California Department of  
20 Justice's Environment section, where she litigated CEQA  
21 and other administrative law issues in both federal and  
22 state courts.

23 Welcome, Shannon.

24 Finally, please remember to speak slowly and  
25 accurately for the benefit of the court reporter and an

1 accurate transcript of the hearing.

2 Heather, will you please call the roll.

3 MS. HALSEY: Sure.

4 Member Perrault notified the Commission staff that  
5 she is unable to attend today's meeting.

6 Mr. Adams.

7 MEMBER ADAMS: Here.

8 MS. HALSEY: Ms. Clark.

9 MEMBER CLARK: Here.

10 MS. HALSEY: Ms. Gallegos.

11 MEMBER GALLEGOS: Here.

12 MS. HALSEY: Ms. Nash.

13 MEMBER NASH: Here.

14 MEMBER ADAMS: Mr. Pahland -- oh, please stay  
15 muted, and our microphone in the room will pick you up.

16 Mr. Pahland.

17 VICE CHAIRPERSON PAHLAND: Here.

18 All right. Next is Item 1.

19 Are there any objections to or additional  
20 corrections of the May 2024 minutes?

21 (No response.)

22 VICE CHAIRPERSON PAHLAND: All right. Hearing  
23 none, is there any public comment on this item?

24 (No response.)

25 VICE CHAIRPERSON PAHLAND: All right. Hearing

1 none, are there any questions from the members?

2 (No response.)

3 VICE CHAIRPERSON PAHLAND: Is there any further  
4 discussion?

5 (No response.)

6 VICE CHAIRPERSON PAHLAND: Okay. Can I have a  
7 motion?

8 MEMBER ADAMS: Mr. Chairman, I move the minutes.

9 VICE CHAIRPERSON PAHLAND: Thank you.

10 Can I have a second?

11 MEMBER NASH: I'll second that.

12 VICE CHAIRPERSON PAHLAND: Okay. We have a motion  
13 and a second.

14 All right. Can we please call the vote.

15 MS. HALSEY: Sure.

16 Mr. Adams

17 MEMBER ADAMS: Aye.

18 MS. HALSEY: Ms. Clark.

19 MEMBER CLARK: Aye.

20 MS. HALSEY: Ms. Gallegos.

21 MEMBER GALLEGOS: Aye.

22 MS. HALSEY: Ms. Nash.

23 MEMBER NASH: Aye.

24 MS. HALSEY: Mr. Pahland.

25 VICE CHAIRPERSON PAHLAND: Aye.



1 MS. SHELTON: Heather, our connection just went  
2 down.

3 VICE CHAIRPERSON PAHLAND: Yeah, I just lost the  
4 connection.

5 MS. HALSEY: Oh, no. Okay. Well, we'll pause the  
6 meeting for a moment.

7 (Off the record.)

8 VICE CHAIRPERSON PAHLAND: Thank you, everybody,  
9 for that, bearing with us through that brief  
10 interruption.

11 Just as a recap of recent events before the Wi-Fi  
12 went down and the meeting paused, we took roll and  
13 established a quorum.

14 And I think we also were able to get through the  
15 meeting minutes, and there was a vote, and the prior  
16 minutes were approved.

17 Then, let's see. Next --

18 MS. HALSEY: And now we --

19 VICE CHAIRPERSON PAHLAND: -- we're going to public  
20 comment with Executive -- go ahead. Go ahead, Heather.

21 MS. HALSEY: Now we'll take public comment for  
22 matters that are not on the agenda.

23 Please note the Commission may not take action on  
24 items not on the agenda. However, it may schedule  
25 consideration at future meetings. We invite the public

1 to comment on matters that are on the agenda as they're  
2 taken up.

3 VICE CHAIRPERSON PAHLAND: Is there any --

4 MR. SUPACHANA: I do not see any public comment,  
5 Mr. Chairman.

6 VICE CHAIRPERSON PAHLAND: I'm sorry.

7 MR. SUPACHANA: I do not see any.

8 VICE CHAIRPERSON PAHLAND: There is no public  
9 comment? All right.

10 All right. Then we will move to the next item.

11 MS. HALSEY: Next is a proposed consent calendar.  
12 Item VII is proposed for consent.

13 VICE CHAIRPERSON PAHLAND: Are there any objections  
14 to the proposed consent calendar from the members of the  
15 board or members of the public?

16 (No response.)

17 VICE CHAIRPERSON PAHLAND: Okay. Hearing none, is  
18 there a motion to adopt the proposed consent calendar?

19 MEMBER NASH: So moved.

20 VICE CHAIRPERSON PAHLAND: And is there a second?

21 MEMBER CLARK: Seconded.

22 VICE CHAIRPERSON PAHLAND: Thank you.

23 Okay. The motion to adopt the proposed consent  
24 calendar has been moved and seconded.

25 MS. HALSEY: Would you like me to call the roll?

1 VICE CHAIRPERSON PAHLAND: Yes. Please call the  
2 roll.

3 MS. HALSEY: Okay. Mr. Adams.

4 MEMBER ADAMS: Aye.

5 MS. HALSEY: Ms. Clark.

6 MEMBER CLARK: Aye.

7 MS. HALSEY: Ms. Gallegos.

8 MEMBER GALLEGOS: Aye.

9 MS. HALSEY: Ms. Nash.

10 MEMBER NASH: Aye.

11 MS. HALSEY: Mr. Pahland.

12 VICE CHAIRPERSON PAHLAND: Aye.

13 All right --

14 MS. HALSEY: Next is -- oh, sorry.

15 VICE CHAIRPERSON PAHLAND: I was just going to say  
16 the matter is approved.

17 MS. HALSEY: Go ahead. Go ahead.

18 VICE CHAIRPERSON PAHLAND: That's it. The matter  
19 is approved.

20 Please go to the next, Heather.

21 MS. HALSEY: Sure. Let's move to the swearing in.

22 Will the parties and witnesses for Items 3, 4, and  
23 5 participating remotely please be sure that both your  
24 first and last names are listed on your Zoom window for  
25 the benefit of the court reporter, turn on your video --

1 sorry -- unmute your microphone; the parties and  
2 witnesses participating in person approach the witness  
3 table; and all parties and witnesses please rise.

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

5 MS. HALSEY: Will the parties and witnesses for  
6 Item 3 please state your names for the record.

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

8 MR. LEMUS: Fernando Lemus, County of Los Angeles.

9 MS. MCKENDALL: Tina McKendall, County of  
10 Los Angeles.

11 MS. HALSEY: Thank you.

12 Will the parties and witnesses for Item 4 please  
13 state your names for the record.

14 MR. PALKOWITZ: Art Palkowitz on behalf of the  
15 claimant.

16 MS. HALSEY: And will the parties and witnesses for  
17 Item 5 please state your names for the record.

18 MR. PALKOWITZ: Art Palkowitz on behalf of the  
19 claimant.

20 MS. HALSEY: Thank you.

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

24 (Affirmative responses.)

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

1 For those participating remotely on Items 4 and 5,  
2 please turn off your video and mute your microphone.  
3 And those presenting in person for Items 4 and 5, please  
4 return to your seat.

5 Item 2 is reserved for appeals of Executive  
6 Director decisions. There are no appeals to consider  
7 for this hearing.

8 Next is Item 3. Senior Commission Counsel Eric  
9 Feller will please present a proposed decision on  
10 Disclosure Requirements and Deferral of Property  
11 Taxation, 22-TC-06.

12 MR. FELLER: Good morning. The test claim statute  
13 requires Los Angeles County and other counties that opt  
14 in to the program to defer property tax payments without  
15 penalty or interest for property owners claiming relief  
16 under Proposition 19 and its implementation statute  
17 until the County Assessor determines the owner's claim.

18 Proposition 19, adopted in November 2020, allows  
19 property owners who are over 55, severely disabled, or  
20 victims of a wildfire or natural disaster transfer the  
21 taxable base year value of their primary residence to a  
22 replacement primary residence anywhere in the state  
23 within two years of the sale of original primary  
24 residence to prevent or mitigate increased property  
25 taxes when the owners move or rebuild.

1 Under the test claim statute, deferment requests  
2 must be filed with the County within one year of  
3 receiving the first tax bill for the replacement  
4 property but before January 1, 2024. And the provisions  
5 sunsets on January 1, 2026.

6 The other part of the test claim statute which does  
7 not sunset requires L.A. County to print brief summaries  
8 on property tax bills about the availability of  
9 property -- of Proposition 19 base year value transfers  
10 and tax deferment availability under the test claim  
11 statute.

12 Staff finds that the test claim statute imposed a  
13 reimbursable state-mandated program on only the County  
14 of Los Angeles. Other counties that opt in to the  
15 program are not mandated by the State to comply.

16 Staff recommends the Commission approve this test  
17 claim, the reimbursement period beginning December 28,  
18 2022, and authorize staff to make any technical,  
19 nonsubstantive changes following the hearing.

20 VICE CHAIRPERSON PAHLAND: Parties and witnesses,  
21 please state your names for the record.

22 MR. LEMUS: Fernando Lemus, County of Los Angeles.

23 MS. MCKENDALL: Tina McKendall, County of  
24 Los Angeles.

25 MR. HILL: Chris Hill, California Department of

1 Finance.

2 VICE CHAIRPERSON PAHLAND: All right. Mr. Lemus  
3 and Ms. McKendall for the claimants, would you like to  
4 start?

5 MR. LEMUS: Yeah. We're just -- honestly, we're  
6 just here to say that we agree with the Commission's  
7 decision.

8 VICE CHAIRPERSON PAHLAND: Okay. Thank you.

9 Mr. Hill for the Department of Finance, do you have  
10 any comments?

11 MR. HILL: Thank you. The Department of Finance  
12 has no comment on the staff's recommendation, but we're  
13 here to answer any questions the Commission members may  
14 have.

15 VICE CHAIRPERSON PAHLAND: All right. Thank you.

16 Are there any public comments for this item?

17 MR. SUPACHANA: Mr. Chairman, I do not see any  
18 current public comments.

19 VICE CHAIRPERSON PAHLAND: Are there any questions  
20 from the members?

21 (No response.)

22 VICE CHAIRPERSON PAHLAND: All right. Hearing  
23 none, is there any further discussion on the item?

24 (No response.)

25 VICE CHAIRPERSON PAHLAND: Hearing none, is there a

1 motion?

2 MEMBER ADAMS: Mr. Chairman, I move the staff  
3 recommendation.

4 VICE CHAIRPERSON PAHLAND: Thank you.

5 MEMBER NASH: I'll second that.

6 VICE CHAIRPERSON PAHLAND: And I have my second.  
7 Thank you.

8 Okay. This has been moved and seconded.

9 Are you ready for the question, or is there further  
10 discussion?

11 (No response.)

12 VICE CHAIRPERSON PAHLAND: All right. Hearing  
13 none, Heather please call the roll.

14 Heather?

15 MS. SHELTON: Heather, you're muted.

16 MS. HALSEY: Sorry.

17 Mr. Adams.

18 MEMBER ADAMS: Aye.

19 MS. HALSEY: Ms. Clark.

20 MEMBER CLARK: Aye.

21 MS. HALSEY: Ms. Gallegos.

22 MEMBER GALLEGOS: Aye.

23 MS. HALSEY: Ms. Nash.

24 MEMBER NASH: Aye.

25 MS. HALSEY: Mr. Pahland.



1 VICE CHAIRPERSON PAHLAND: Aye.

2 MS. HALSEY: Thank you.

3 VICE CHAIRPERSON PAHLAND: All right. The matter  
4 has been approved. Thank you.

5 MR. FELLER: Thank you.

6 MS. HALSEY: Next, we asked -- sorry.

7 Finance informed the Commission staff that they do  
8 not intend to speak on this item, and the Controller did  
9 not provide any information about whether they would be  
10 participating.

11 Senior Commission Counsel Eric Feller will present  
12 a proposed decision and parameters and guidelines on  
13 Public School Restrooms: Menstrual Products, 22-TC-04.

14 At this time, we invite the parties and witnesses  
15 for Item 4 participating remotely to please turn on  
16 their video and unmute their microphones.

17 MR. FELLER: All right. Good morning again. These  
18 are the parameters and guidelines for the Menstrual  
19 Equity Act For All of 2021 that requires public schools  
20 that maintain any combination of classes from grades 6  
21 to 12 stock all women's restrooms, any all -- any  
22 all-gender restrooms, and at least one men's restrooms  
23 with an adequate supply of menstrual products at all  
24 times free of charge for pupils on or before the start  
25 of the 2023 school year, in addition to posting a notice

1 about the products' availability.

2 The proposed parameters and guidelines include the  
3 activities mandated by the test claim statute and the  
4 recently necessary activity to purchase and install or  
5 repair or retrofit dispensers to provide menstrual  
6 products.

7 Staff also finds that limiting the restrooms  
8 required to be stocked with menstrual products to pupil  
9 restrooms, as required by Finance, is inconsistent with  
10 the test claim statute and therefore denied but that  
11 stating reimbursement is not required to stock more than  
12 one men's restroom per school, as suggested by Finance,  
13 as a clarifying edit included in the proposed P&Gs.

14 So the proposed parameters and guidelines also  
15 require claimants to report specified information with  
16 their reimbursement claims in order to support the  
17 increased level of service and the actual cost claimed.

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

22 VICE CHAIRPERSON PAHLAND: Okay. Thank you.

23 Parties and witnesses, please state your names for  
24 the record.

25 MR. PALKOWITZ: Good morning. Art Palkowitz on

1 behalf of the claimant.

2 We do not have any comments regarding the proposed  
3 draft parameters and guidelines. Thank you.

4 VICE CHAIRPERSON PAHLAND: All right. Well, thank  
5 you.

6 Then is there any public comment on this item?

7 MR. SUPACHANA: Mr. Chairperson, there are no  
8 public comments.

9 VICE CHAIRPERSON PAHLAND: All right. Thank you.  
10 Are there any questions from the members?

11 MEMBER NASH: I would move approval.

12 VICE CHAIRPERSON PAHLAND: All right. So I have a  
13 motion.

14 And do I have a second?

15 MEMBER CLARK: I'll second.

16 VICE CHAIRPERSON PAHLAND: All right. Thank you.

17 All right. So we have a motion and a second.

18 Heather, please call the roll.

19 MS. HALSEY: Mr. Adams.

20 MEMBER ADAMS: Aye.

21 MS. HALSEY: Ms. Clark.

22 MEMBER CLARK: Aye.

23 MS. HALSEY: Ms. Gallegos.

24 MEMBER GALLEGOS: Aye.

25 MS. HALSEY: Ms. Nash.

1 MEMBER NASH: Aye.

2 MS. HALSEY: Mr. Pahland.

3 VICE CHAIRPERSON PAHLAND: Aye.

4 All right. The motion is carried.

5 MS. HALSEY: Thank you. Next is Item 5.

6 Finance informed the Commission staff they do not  
7 intend to speak on this item, and the Controller did not  
8 provide information about whether they would be  
9 participating.

10 Senior Commission Counsel Elizabeth McGinnis will  
11 present a proposed decision and parameters and  
12 guidelines on Free Application for Federal Student Aid  
13 (FAFSA), 22-TC-05.

14 MS. MCGINNIS: Hi. Good morning. These parameters  
15 and guidelines address state-mandated activities arising  
16 from Education Code Section 51225.7, which requires  
17 school districts to confirm that each grade 12 student  
18 complete at least one of two specified financial aid  
19 applications, unless the student opts out of the  
20 requirement or is deemed exempt by the school district,  
21 and to direct grade 12 students to services necessary to  
22 assist them in completing the appropriate financial aid  
23 application.

24 Draft expedited parameters and guidelines were  
25 issued to the parties which identified the activities

1 approved by the Commission for reimbursement beginning  
2 July 27th, 2021. No substantive comments were filed on  
3 the draft expedited parameters and guidelines.

4 Staff recommends that the Commission adopt the  
5 proposed decision and parameters and guidelines and  
6 authorize staff to make any technical, nonsubstantive  
7 changes to the proposed decision following the hearing.

8 Thank you.

9 MR. PALKOWITZ: Good morning. Art Palkowitz on  
10 behalf of the claimant.

11 We don't have any comments regarding the draft  
12 parameters and guidelines.

13 VICE CHAIRPERSON PAHLAND: All right. Thank you,  
14 Mr. Palkowitz.

15 Then, next, are there any public comments on this  
16 item?

17 MR. SUPACHANA: I do not see any public comments,  
18 Mr. Chairperson.

19 VICE CHAIRPERSON PAHLAND: Thank you.

20 Are there any questions from the members?

21 (No response.)

22 VICE CHAIRPERSON PAHLAND: Is there any further  
23 discussion? If not, can I have a motion?

24 MEMBER CLARK: I'll move.

25 VICE CHAIRPERSON PAHLAND: Thank you.

1 And a second?

2 MEMBER ADAMS: I will second.

3 VICE CHAIRPERSON PAHLAND: Thank you.

4 All right. So we have a motion and a second.

5 Heather, please call the roll.

6 MS. HALSEY: Mr. Adams.

7 MEMBER ADAMS: Aye.

8 MS. HALSEY: Ms. Clark.

9 MEMBER CLARK: Aye.

10 MS. HALSEY: Ms. Gallegos.

11 MEMBER GALLEGOS: Aye.

12 MS. HALSEY: Ms. Nash.

13 MEMBER NASH: Aye.

14 MS. HALSEY: Mr. Pahland.

15 VICE CHAIRPERSON PAHLAND: Aye.

16 The motion is carried.

17 MS. HALSEY: Item 6 is reserved for County  
18 applications for a finding of significant financial  
19 distress, or SB 1033 application. No SB 1033  
20 applications have been filed.

21 Next, Program Analyst Jill Magee will turn on her  
22 video and microphone and present Item 8, legislative  
23 update.

24 MS. MAGEE: Good morning. The following are the  
25 legislative updates since the last time the Commission

1 met.

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

5 On January 3rd, 2024, this bill was read for the  
6 first time.

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

9 On May 3rd, 2024, the assembly member's office  
10 confirmed that there are no plans for it to move forward  
11 at this time.

12 Staff will continue to monitor legislation for  
13 bills that impact the mandate's process. Thank you.

14 MS. HALSEY: Thank you, Jill.

15 Next is the Chief Legal Counsel Report. Camille  
16 Shelton will present this report, Item 9.

17 MS. SHELTON: Good morning. I just have one item  
18 to report.

19 We do have a hearing date scheduled for the one  
20 piece of litigation, City of San Diego versus Commission  
21 on State Mandates, challenging the lead sampling  
22 decision. That hearing is set for September 13th before  
23 the Sacramento County Superior Court.

24 Thank you.

25 MS. HALSEY: Thank you, Camille.

1 Next is Item 10, the Executive Director Report.

2 The Budget Act of 2024 was chaptered on June 29th,  
3 2024 -- or -- and June 26th, 2024. Sorry. It came in  
4 two bills. And the Commission's budget was adopted as  
5 proposed. However, the budget includes language  
6 requiring a 7.95 percent reduction in operating budget  
7 and also a sweep of vacant positions.

8 We expect budget letters soon that will detail how  
9 the Commission will be taking these cuts.

10 For workload: After this hearing, there are  
11 37 pending test claims, 35 of which are regarding  
12 stormwater.

13 There are two parameters and guidelines pending,  
14 including one regarding stormwater.

15 And there are five statewide cost estimates and one  
16 incorrect reduction claim pending.

17 Staff expects to complete all the currently pending  
18 test claims and IRCs by approximately the December 2026  
19 Commission meeting, depending on staff and workload.

20 For tentative agenda items, please see the full  
21 Executive Director's Report, and you will see the items  
22 we expect to hear in the next couple of hearings.

23 We also include a pending caseload document that's  
24 on our website, that we update at least bimonthly, that  
25 contains all of our caseload and when we expect the



1 individual items to be heard.

2 And that's all I have for my Executive Director  
3 Report today.

4 VICE CHAIRPERSON PAHLAND: Okay. Thank you.

5 So, next, the Commission will meet in Closed  
6 Executive Session, pursuant to Government Code Section  
7 11126(e). That is to confer with and receive advice  
8 from legal counsel for consideration and action, as  
9 necessary and appropriate, upon the pending litigation  
10 listed in the published notice and agenda; and to confer  
11 with and receive advice from legal counsel regarding  
12 potential litigation.

13 The Commission will also confer on personnel  
14 matters, pursuant to Government Code Section  
15 11126(a) (1).

16 We will reconvene in open session in approximately  
17 15 minutes.

18 (Closed session was held from 10:42 a.m. to  
19 10:58 a.m.)

20 VICE CHAIRPERSON PAHLAND: Okay. Thanks,  
21 everybody, for rejoining. The Commission just met in  
22 closed session, pursuant to Government Code Section  
23 11126(e) to confer with and receive advice from legal  
24 counsel for consideration and action, as necessary and  
25 appropriate, upon the pending litigation listed in the

1 published notice and agenda; and to confer with and  
2 receive advice from legal counsel regarding potential  
3 litigation.

4 The Commission also conferred on personnel matters,  
5 pursuant to Government Code Section 11126(a) (1).

6 With no further business to discuss, I will  
7 entertain a motion to adjourn.

8 Do I have a motion?

9 MEMBER ADAMS: Mr. Chairman, so moved.

10 VICE CHAIRPERSON PAHLAND: Thank you.

11 And do I have a second?

12 MEMBER CLARK: Seconded.

13 VICE CHAIRPERSON PAHLAND: Thank you.

14 So we have a motion and a second to adjourn the  
15 meeting.

16 Heather, please call the roll.

17 MS. HALSEY: Mr. Adams.

18 MEMBER ADAMS: Aye.

19 MS. HALSEY: Ms. Clark.

20 MEMBER CLARK: Aye.

21 MS. HALSEY: Ms. Gallegos.

22 MEMBER GALLEGOS: Aye.

23 MS. HALSEY: Ms. Nash.

24 MEMBER NASH: Aye.

25 MS. HALSEY: Mr. Pahland.

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

VICE CHAIRPERSON PAHLAND: Aye.

The motion carried. The meeting is hereby  
adjourned.

(Proceedings concluded at 10:59 a.m.)

---o0o---

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, EMILY SAMELSON, 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, to the best of my ability, in shorthand by me, Emily Samelson, 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 12th of August, 2024.



---

EMILY SAMELSON, CSR  
Certified Shorthand Reporter  
License No. 14043