

Item # 8

Revised Proposed Statewide Cost Estimate

Public Utilities Code Sections 21670 and 21670.1

Statutes of 1994, Chapter 644

Statutes of 1995, Chapter 66

Statutes of 1995, Chapter 91

Airport Land Use Commissions/Plans

Executive Summary

The Commission adopted the parameters and guidelines for this claim on December 17, 1998.

Public Utilities Code sections 21670 and 21670.1, as amended by Statutes of 1994, Chapter 644, Statutes of 1995, Chapter 66, and Statutes of 1995, Chapter 91, require counties with an airport served by a scheduled airline or operated for the benefit of the general public to establish or re-establish an airport land use commission or designate alternative procedures to accomplish airport land use planning.

On July 31, 1997, the Commission on State Mandates adopted its Statement of Decision, finding that the test claim statutes impose a reimbursable state mandated program upon local agencies within the meaning of section 6, article XIII B of the California Constitution and Government Code section 17514. The Commission also found that the land use plan required by Public Utilities Code section 21675 is not reimbursable because it was a requirement prior to the operative date of Statutes of 1994, Chapter 644.

The reimbursement period for this mandate begins on January 1, 1995.

Summary of the Reimbursement Process

Not later than 60 days after receiving the Commission's adopted parameters and guidelines, the Controller must issue claiming instructions for each reimbursable state mandate. (Gov. Code, § 17558.)

Each eligible local agency or school district must submit claims for initial fiscal year costs to the Controller within 120 days of the issuance date for the claiming instructions. The Controller must pay any eligible claim within 60 days after the filing deadline for reimbursement claims or 15 days after the date the appropriation is effective (i.e., the subsequent claims bill), whichever is later. Any initial reimbursement claim filed after the filing deadline will be reduced by 10 percent of the amount allowed for a timely filed claim, not to exceed one thousand dollars (\$1000). The Controller may withhold payment of any late claim for initial reimbursement until the next deadline for funded claims unless sufficient funds are available after payment of all timely filed claims. Reimbursement claims submitted more than one year after the filing deadline will not be paid. (Gov. Code, § 17560.)

Interested Party Comments

Staff will report at the hearing.

Methodology

To arrive at the total statewide cost estimate, staff used data from the FAM-27 forms filed with the State Controller's Office (SCO) by San Bernardino County for January 1, 1995 through June 30, 1995, and fiscal years 1995-96 through 1997-98, inclusive. The County estimated claim totals of \$2000 each for future fiscal years.

The deadline for filing claims was July 7, 1999. According to the SCO, as of August 3, 1999, no other eligible claimants had filed claims.

Recommendation

Staff recommends that the Commission adopt the proposed statewide cost estimate of \$35,000 for costs incurred in complying with the provisions set forth in Public Utilities Code sections 21670 and 21670.1, as amended by Statutes of 1994, Chapter 644, Statutes of 1995, Chapter 66, and Statutes of 1995, Chapter 91.

Following is a breakdown of estimated total costs per fiscal year:

Fiscal year	Totals
1994-95 (6 months)	\$12,177
1995-96	\$9,607
1996-97	\$5,228
1997-98	\$1,930
1998-99	\$2,000
1999-00	\$2,000
2000-01	<u>\$2,000</u>
Total	\$34,942
Rounded Total	\$35,000

Statewide Cost Estimate Calculation

Public Utilities Code Sections 21670 and 21670.1
Statutes of 1994, Chapter 644
Statutes of 1995, Chapter 66
Statutes of 1995, Chapter 91

Airport Land Use Commissions/Plans

Mandate Background

The Commission adopted the Parameters and Guidelines for this claim on December 17, 1998.

Public Utilities Code sections 21670 and 21670.1, as amended by Statutes of 1994, Chapter 644, Statutes of 1995, Chapter 66, and Statutes of 1995, Chapter 91, require counties with an airport served by a scheduled airline or operated for the benefit of the general public to establish or re-establish an airport land use commission or designate alternative procedures to accomplish airport land use planning.

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Section 21671.5, subdivision (f), of the Public Utilities Code authorizes an airport land use commission to establish fee schedules. To the extent that reimbursable activities are claimed under this mandate where there are fees chargeable to a proponent of action, regulation, or permit for reviewing and processing and for providing copies of land use plans as required by section 21675, subdivision (d), of the Public Utilities Code, those fees shall be deducted from the amount claimed.

Funding received under the California Aid to Airports Program, including Project Ker-VAR 90-1 and Project SBd-VAR-90-1, that is applicable to reimbursable activities under the subject mandates shall also be deducted from the amount claimed.

The reimbursement period for this mandate begins on January 1, 1995.

Interested Party Comments

Staff will report at the hearing.

Eligible Claimants

Eligible Claimants include counties, cities, cities and counties, or other appropriately designated local government entities, except as provided by Public Utilities Code section 21670.2¹ which

¹ Los Angeles County is excluded as an eligible Claimant by section 21670.2, which states that sections 21670 and 21670.1 do not apply to that county.

are required by Public Utilities Code sections 21670 and 21670.1, to perform specific Airport Land Use.

Reimbursable Activities

- A. For each eligible Claimant, the direct and indirect costs of the following activities are eligible for reimbursement on a one-time basis:
1. Selection of the Method of Compliance
 - a. Analyze the enacted legislation and alternatives.
 - b. Coordinate positions of the county and affected cities within the county, providing information, and resolving issues.
 2. Establishment of one of the following methods:

METHOD 1 - Set up or restore an airport land use commission.

 - a. Establish and appoint the members.
 - b. Establish proxies of the members.

METHOD 2 - Determination of a designated body, pursuant to Public Utilities Code section 21670.1, subdivisions (a) and (b).

 - a. Conduct hearing(s) to designate the appropriate body.
 - b. Augment the body, if with two members with expertise in aviation.

METHOD 3 –Establishment of an alternative process, pursuant to Public Utilities Code section 21670.1, subdivision (c).

 - a. Develop, adopt and implement the specified processes.
 - b. Submit and obtain approval of the processes or alternatives from the Department of Transportation, Division of Aeronautics.

METHOD 4 - Establishment of an exemption, pursuant to Public Utilities Code sections 21670 (b) or 21670.1, subdivisions (d) and (e).

 - a. Determine that a commission need not be formed and meet the specified conditions.

If an eligible claimant, which has selected and established an exemption as specified under 21670 (b) or 21670.1, subdivisions (d) or (e), determines that the exemption no longer complies with the purposes of Public Utilities Code section 21670 (a), activities to select the Method of Compliance and to establish Method 1, 2 or 3 are eligible for reimbursement.
- B. For each eligible claimant, per diem for Commission members of up to \$100 for each day actually spent in the discharge of official duties and any actual and necessary expenses incurred in connection with the performance of duties as a member of the Commission.

The airport land use planning process described in Public Utilities Code section 21675 is *not* reimbursable.

Assumptions

Staff made the following assumptions:

- The claiming data is accurate, although unaudited.
- With the exception of the San Bernardino County, there will not be any late or future claims filed.²

Methodology

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Statewide Cost Estimate	\$35,000

² A representative from DMG Maximus stated that, although a few claims might be filed, he is not currently aware of any. At this time, the fiscal impact is unknown. However, if the Legislature appropriates the amount of the statewide cost estimate and actual claims exceed this amount, the State Controller's Office will prorate the claims. If the deficiency funds are not appropriated in the Budget Act, the Controller will report this information to the legislative budget committees and the Commission on State Mandates. The Commission will then include the deficiency in its report to the Legislature in order to ensure that it is included in the next claims bill.

³ See footnote 4.