

COMMISSION ON STATE MANDATES

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July 8, 2008

Mr. Allan Burdick
MAXIMUS
4320 Auburn Blvd.
Suite2000
Sacramento, CA 95841

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

Ms. Nancy Gust
County of Sacramento
711 G Street
Sacramento, CA 95814

And Interested Parties and Affected State Agencies (See Enclosed Mailing List)

RE: Adopted Statement of Decision and Timeline for Submission of Proposed Parameters and Guidelines or Reasonable Reimbursement Methodology

Crime Statistic Reports for the Department of Justice, 02-TC-04, 02-TC-11

Statutes 1980, Chapter 1340 (SB 1447); Statutes 1982, Resolution Chapter 147 (SCR 64); Statutes 1984, Chapter 1609 (SB 1472); Statutes 1989, Chapter 1172 (SB 202); Statutes 1992, Chapter 1338 (SB 1184); Statutes 1993, Chapter 1230 (AB 2250); Statutes 1995, Chapters 803 and 965 (AB 488 and SB 132); Statutes 1998, Chapter 933 (AB 1999); Statutes 1999, Chapter 571 (AB 491); Statutes 2000, Chapter 626 (AB 715); Statutes 2001, Chapters 468 and 483 (SB 314 and AB 469); and California Department of Justice, Criminal Justice Statistics Center, Criminal Statistics Reporting Requirements and Requirements Spreadsheet, March 2000
City of Newport Beach and County of Sacramento, Claimants

Dear Mr. Burdick, Mr. Everroad, and Ms. Gust:

The Commission on State Mandates adopted the attached Statement of Decision on June 26, 2008.

State law provides that reimbursement, if any, is subject to Commission approval of parameters and guidelines or a jointly developed reasonable reimbursement methodology for reimbursement of the mandated program; adoption of a statewide cost estimate or statewide estimate of costs that is reported to the Legislature; a specific legislative appropriation for such purpose; a timely-filed reimbursement claim; and review and payment of the reimbursement claim by the State Controller's Office.

The responsibilities of the test claimant and Commission, and the rights of the parties and other state agencies are specified in statute and the Commission's regulations. Upon adoption of the Statement of Decision, the successful test claimant must submit proposed parameters and guidelines or jointly develop a draft reasonable reimbursement methodology and statewide estimate of costs with the Department of Finance. A more detailed description of these responsibilities and rights follows:

MAILED: FAXED: _____
DATE: 7/8/08 INITIAL: E.A
CHRON: _____ FILE: _____
WORKING BINDER: _____

Parameters and Guidelines and Statewide Cost Estimate

- **Claimant's Submission of Proposed Parameters and Guidelines.** Pursuant to Government Code section 17557 and California Code of Regulations, title 2, sections 1183.1 et seq., the claimant is responsible for submitting proposed parameters and guidelines to the Commission by **August 7, 2008**. For guidance in preparing and filing a timely submission see Government Code section 17557 and California Code of Regulations, title 2, sections 1183.1 et seq. Also, the claimant may include a "reasonable reimbursement methodology," a formula for reimbursing local agency costs mandated by the state in the Proposed Parameters and Guidelines. (See Gov. Code, § 17518.5 and Cal. Code Regs., tit. 2, 1183.13.)
- **Review of Proposed Parameters and Guidelines.** Within ten days of receipt of completed proposed parameters and guidelines, Commission staff will send copies to the Department of Finance, Office of the State Controller, affected state agencies, and interested parties who are on the enclosed mailing list. Interested parties may propose a "reasonable reimbursement methodology" pursuant to Government Code section 17518.5. All recipients will be given an opportunity to provide written comments or recommendations to the Commission within 15 days of service. The claimant and other interested parties may submit written rebuttals. (See Cal. Code Regs., tit. 2, § 1183.11.)
- **Adoption of Parameters and Guidelines.** After review of the proposed parameters and guidelines and all comments, Commission staff will recommend the adoption of the claimant's proposed parameters and guidelines or adoption of an amended, modified, or supplemented version of the claimant's original submission. (See Cal. Code Regs., tit. 2, § 1183.12.)
- **Review of Statewide Cost Estimate.** Commission staff may develop the statewide cost estimate based on initial reimbursement claims filed with the Office of the State Controller, application of a reasonable reimbursement methodology, or use a different methodology based on recommendations from the test claimant, the Department of Finance, or other interested parties. Before presenting a statewide cost estimate to the Commission for adoption, Commission staff shall disclose to the parties and interested parties the methodology, basis for any assumptions made, and sources of any data used to develop the estimate. (See Cal. Code Regs., tit. 2, § 1183.3.)
- **Adoption of Statewide Cost Estimate.** At least ten days prior to the next hearing, Commission staff shall issue a final staff analysis and a staff recommendation for adoption of the statewide cost estimate.

Reasonable Reimbursement Methodology and Statewide Estimate of Costs

- **Test Claimant and Department of Finance Submission of Letter of Intent.** Within 30 days of the Commission's adoption of a Statement of Decision on a test claim, the test claimant(s) and the Department of Finance may notify the executive director of the Commission in writing of their intent to follow the process described in Government Code sections 17557.1–17557.2 and section 1183.30 of the Commission's regulations to develop a *reasonable reimbursement methodology* and *statewide estimate of costs* for the initial claiming period and budget year for reimbursement of costs mandated by the state. The

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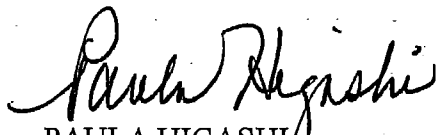
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letter of intent shall include the date on which the test claimant and the Department of Finance will submit a plan to ensure that costs from a representative sample of eligible claimants are considered in the development of a reasonable reimbursement methodology.

- **Test Claimant and Department of Finance Submission of Plan.** Pursuant to the letter of intent, the test claimant and the Department of Finance shall submit an original and two copies of the *jointly developed plan* for development of a reasonable reimbursement methodology and statewide estimate of costs to the Commission.
- **Test Claimant and Department of Finance Submission of Draft Reasonable Reimbursement Methodology and Statewide Estimate of Costs.** Pursuant to the plan, the test claimant and the Department of Finance shall submit an original and two copies of the *Draft Reasonable Reimbursement Methodology and Statewide Estimate of Costs* to the Commission. See Government Code section 17557.1 for guidance in preparing and filing a timely submission. Any filings made pursuant to Government Code section 17557.1 shall be simultaneously served on the other parties and interested parties on the mailing list.
- **Review of Proposed Reasonable Reimbursement Methodology and Statewide Estimate of Costs.** Upon receipt of the jointly developed proposals, Commission staff shall notify all recipients that they shall have the opportunity to review and provide written comments or recommendations concerning the draft reasonable reimbursement methodology and proposed statewide estimate of costs within fifteen (15) days of service. Claimants, state agencies, and interested parties shall submit an original and two copies of any written responses to Commission staff and shall simultaneously serve a copy on the other parties and interested parties. The test claimant and Department of Finance may submit written rebuttals to Commission staff and simultaneously serve a copy on the other parties and interested parties.
- **Adoption of Reasonable Reimbursement Methodology and Statewide Estimate of Costs.** At least ten days prior to the next hearing, Commission staff shall issue review comments and a staff recommendation on whether the Commission should approve the draft reasonable reimbursement methodology and adopt the proposed statewide estimate of costs pursuant to Government Code section 17557.2.

Please contact Nancy Patton at (916) 323-8217 if you have any questions.

Sincerely,


PAULA HIGASHI
Executive Director

Enclosures: Statement of Decision and Government Code Sections 17557.1—17557.2