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GOVERNOR



STATE OF CALIFORNIA COMMISSION ON STATE MANDATES

REPORT TO THE DIRECTOR DEPARTMENT OF FINANCE: WORKLOAD LEVELS AND BACKLOG

September 15, 2008

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INTRODUCTION

Commission on State Mandates

Article XIII B, section 6 of the California Constitution was approved in 1979 to require the state to reimburse local agencies and school districts for increased costs mandated by the state resulting from new statutes or executive orders passed by the California State Legislature, the Governor, or a state agency. To implement article XIII B, section 6, the Legislature created the Commission on State Mandates (Commission) to succeed the State Board of Control in making determinations whether new statutes or executive orders are state-mandated programs.¹ The Commission is also authorized to hear claims from local agencies and school districts that the State Controller has incorrectly reduced reimbursement claims.²

Commission Workload

The Commission's workload is backlogged due to budget reductions and statutes that imposed new program requirements upon the Commission.

In 2005, the Commission estimated it would take approximately seven years to complete its pending test claim workload. As a result, the Commission was provided with three limited-term positions and one permanent position to eliminate its test claim workload. The 2006 State Budget Act converted the Commission's limited-term positions to permanent status. We now estimate that it will take approximately 3.5 years to complete the test claim workload. In 2007-2008, the Commission left one staff counsel position vacant to reduce General Fund operations budgets by 1.5 percent, as ordered by Governor's Executive Order S-01-08. This position is also proposed for elimination in the proposed 2008-2009 State Budget. This action will increase the time it takes to eliminate the pending test claim workload.

There are 141 incorrect reduction claims pending before the Commission. In 2007-2008, the Commission completed 5 incorrect reduction claims. Additional incorrect reduction claims were not completed because the Commission is dedicating attorney staff to eliminating the test claim backlog.

Report to the Director, Department of Finance

The annual Budget Act requires the Commission on State Mandates to report to the Director, Department of Finance on workload levels and backlog. The 2006 State Budget Act states:³

The Commission on State Mandates shall, on or before September 15, 2007, and annually thereafter, submit to the Director of Finance a report identifying the workload levels and any backlog for the staff of the commission.

Following are tables identifying the Commission's overall pending workload, including separate tables showing test claim and incorrect reduction claim workload. The report also includes tables that show the Commission's elimination of workload during the past seven years.⁴

¹ Statutes 1984, chapter 1459, Government Code section 17500, et seq.

² Government Code section 17551.

³ See Statutes 2006, chapter 47, Item 8885-001-0001, Provision 2.

⁴ The tables do not reflect work completed by attorneys and administrative staff on litigation, and special projects, such as mandate reform and responding to audits performed by the Bureau of State Audits.

Table A. Pending Test Claims⁵
By Fiscal Year of Filing and Claimant Type

Filing Date by Fiscal Year	Total New Filings⁶	Pending School District Test Claims	Pending Local Agency Test Claims	Total Pending Test Claims
2001-2002	30	3	0	3
2002-2003	51	20	3	23
2003-2004	23	9	10	19
2004-2005	4	1	1	2
2005-2006	6	3	1	4
2006-2007	2	0	2	2
2007-2008	12	3	6	9
2008-2009	1 ⁷	1	0	1
Totals		40	23	63

Table B. Pending Incorrect Reduction Claims⁸
By Fiscal Year of Filing and Claimant Type

Filing Date by Fiscal Year	Total New Filings	Pending School District Claims	Pending Local Agency Claims	Total Pending Claims
2000-2001	17	0	1	1
2001-2002	7	2	0	2
2002-2003	75	0	72	72
2003-2004	7	1	0	1
2004-2005	5	3	1	4
2005-2006	30	27	2	29
2006-2007	2	1	1	2
2007-2008	28	23	3	26
2008-2009	4	4	0	4
Totals		61	80	141

⁵ See Exhibit A.

⁶ All test claims filed prior to 2001 are complete.

⁷ As of September 11, 2008. The filing period closed on June 30, 2009.

⁸ See Exhibit B.

Table C. Complete Pending Workload, September 11, 2008

Type of Action	September 11, 2008
Test Claims Determinations and Dismissals	63
Test Claims to be Reconsidered	0
Test Claims to be Reconsidered Based on Court Action	0
Test Claims to be Reconsidered, as Directed by the Legislature	0
Incorrect Reduction Claims to be Heard and Determined	141
Incorrect Reduction Claims to be Reconsidered Based on Court Action	0
Proposed Parameters and Guidelines, and Amendments	24 ⁹
Parameters and Guidelines to be Amended or Set Aside, as Directed by the Legislature or Court Action	1
Statewide Cost Estimates to be Adopted	14 ¹⁰
New Test Claim Filings to be Reviewed	0
New Incorrect Reduction Claim Filings to be Reviewed	0
Appeals of Executive Director's Decision	0
Regulatory Actions Pending	0

⁹ See Exhibits C and D.

¹⁰ See Exhibit E.

**Table D. Commission Decision Making
2001-2002 through 2007-2008**

	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Test Claims Determined	16	19	22	17	6	30	16
Test Claims Reconsidered	NA	NA	NA	5 ¹¹	9	1	2
Parameters and Guidelines and Amendments Adopted or Set Aside	16	7	20	6	43	24	11
Statewide Cost Estimates Adopted	10	10	3	14	2	7	3
Incorrect Reduction Claims Determined	3	70	10	0	0	0	5
Positions	17 ¹²	15 ¹³	9.7	9.7	13.6 ¹⁴	13.6 ¹⁵	13.6 ¹⁶

¹¹ Directed by the Legislature.

¹² The Chief Legal Counsel position was vacant for four months (July 1, 2001 through October 30, 2001).

¹³ Includes Staff Counsel III position that was authorized beginning in 2002-03 but never filled due to hiring freeze and then budget reductions.

¹⁴ The Chief Legal Counsel position was vacant for two months, one new Staff Counsel III (LT) position was vacant for 11 months, one Staff Counsel III (LT) position was vacant for five months, and one Staff Counsel III position was vacant for five months, one Staff Counsel position was vacant for two months, and one Staff Counsel was on Family Leave and a part time schedule for eight months.

¹⁵ One Staff Counsel position was vacant for 6 months; one Staff Counsel position was vacant for two months.

¹⁶ Includes one staff counsel position that was left vacant during fiscal year 2007-2008 to reduce General Fund operations budgets by 1.5 percent, as ordered by Governor's Executive Order S-01-08. This position is also proposed for elimination in the proposed 2008-2009 State Budget.

