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Assembly
California Legislature

MERVYN M. DYMALLY
ASSEMBLYMEMBER, FIFTY-SECOND DISTRICT

CHAIR
BUDGET SUBCOMMITTEE No. 2
EDUCATION FINANCE

COMMITTEES
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RECEIVED
APR 25 2006
COMMISSION ON
STATE MANDATES

Ms. Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, California 95814

RE: **April 26, 2006 Hearing**
Reconsideration of *Mandate Reimbursement Process*, 05-RL-4204-02

Dear Ms. Higashi:

As Chair of the Assembly Budget Subcommittee on Education Finance I was deeply troubled to discover recently that a local government budget trailer bill from last year, AB 138, would seriously jeopardize the ability of school districts to obtain reimbursement for state mandates. Members of my budget subcommittee, the Assembly Budget Subcommittee #4 chair and other members of the Legislature were not made aware that the bill would fundamentally redefine the terms under which local governments and school districts could receive reimbursement for mandates. More specifically, members of the Legislature were not aware that specific provisions of AB 138 would allow the Commission on State Mandates (COSM) to revisit and eliminate the Mandate Reimbursement Process (MRP) for schools, which has stood for nearly 30 years.

My committee is working collaboratively with the education community, representatives of local government and other interested parties to repeal the unintended consequences of sections 7 and 17 of AB 138. It is my understanding that the Governor's Office is aware of the serious issues with these provisions of the bill and has agreed with the Education Coalition to discuss undoing the drastic effects of these sections. I believe the Administration is equally concerned about protecting the ability of school districts and other local governments to continue to obtain reimbursements for costs associated with participating in the state's mandate process.

I intend to address this issue in my committee and expect that we will take action to eliminate the negative impacts of sections 7 and 17 of AB 138. Furthermore, I have spoken with Assemblyman Rudy Bermudez, chair of the Budget Subcommittee #4 and it is my understanding that he intends to take a similar action in his committee to ensure a clear message is sent as to the legislature's intent in this matter.

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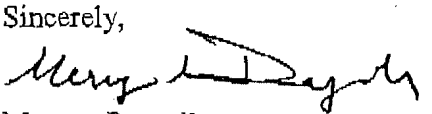
I understand that COSM intends to rule on the reconsideration of the MRP mandate on April 26, 2006, and that COSM staff is recommending the elimination of mandate reimbursements to local governments and school districts based on their interpretation of section 7 of AB 138. Since the Legislature will act shortly to clarify its intent with regard to the definition of reimbursable mandates, I urge COSM to either reject the staff recommendation to eliminate the long-standing decision to reimburse MRP costs, or in the alternative to reschedule this matter for your May 25, 2006 hearing to allow sufficient time for COSM to receive further guidance from the Legislature.

It would be both confusing and a great disservice to school districts and local government agencies if COSM acts to eliminate the MRP mandate now only to be directed by the Legislature to again reconsider and reverse a couple months later. I anticipate this matter will be resolved legislatively in a manner that avoids such a result.

Sincerely,



Mervyn Dymally
Member of the Asssembly, 52nd District
Chair, Budget Subcommittee No.2