

Hearing: June 12, 2026

Item 1
Proposed Minutes

COMMISSION ON STATE MANDATES

Location of Meeting: California Department of Food and Agriculture (CDFA),
First Floor Auditorium, 1220 N Street, Sacramento, California, 95814 and via Zoom
February 13, 2026

Present: Member Michele Perrault, Chairperson
Representative of the Director of the Department of Finance
Member Deborah Gallegos, Vice Chairperson
State Controller
Member Lee Adams
County Supervisor
Member Karen Greene Ross
Public Member
Member Monica Jimenez
Representative of the State Treasurer
Member Renee Nash
School District Board Member
Member Alexander Powell
Representative of the Director of the Office of Land Use and Climate
Innovation

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

Chairperson Perrault called the meeting to order at 10:03 a.m. Executive Director Gmur called the roll. Members Adams, Gallegos, Greene Ross, Jimenez, Nash, Perrault, and Powell, all indicated that they were present.

ELECTION OF OFFICERS AND SUBCOMMITTEE APPOINTMENTS

Executive Director Gmur presented the first portion of the first item, for the election of the chair and vice chair of the Commission.

Chairperson Perrault asked for nominations for chairperson. Member Adams made the motion to nominate Joe Stephenshaw, the Director of Finance, as chairperson. Chairperson Perrault asked if there were any other nominations. There was no response. Member Greene Ross seconded the motion. Executive Director Gmur called the roll. The Director of Finance was elected chairperson by a vote of 7-0.

Chairperson Perrault asked for nominations for vice chairperson. Member Adams made the motion to nominate Fiona Ma, the State Treasurer, as vice chairperson. Chairperson Perrault asked if there were any other nominations or motions. There was no response. Chairperson Perrault asked if there was a second. Member Greene Ross and Member Gallegos seconded the motion. Executive Director Gmur called the roll.

Fiona Ma, the State Treasurer, was elected vice chairperson by a vote of 7-0.

Executive Director Gmur introduced the second portion of this item, for the nomination of members to the Personnel, Legislation, and Litigation subcommittees. Executive Director Gmur stated that the membership for 2025 of the Personnel Subcommittee was Joe Stephenshaw, Director of the Department of Finance, and Fiona Ma, State Treasurer; for the Legislation Subcommittee, Malia Cohen, State Controller, and Lee Adams, County Supervisor, and Samuel Assefa, Director of the Office of Land Use and Climate Innovation, alternate; and for the Litigation subcommittee, Fiona Ma, State Treasurer, Renee Nash, School District Board Member, and Maila Cohen, State Controller, alternate.

Chairperson Perrault requested nominations for the Personnel Subcommittee. Chairperson Perrault made the motion to nominate the Personnel Subcommittee as stated by Executive Director Gmur. Chairperson Perrault asked if there were any other nominations. There was no response. Member Adams seconded the motion. Executive Director Gmur called the roll. Joe Stephenshaw, Director of the Department of Finance, and Fiona Ma, State Treasurer, were elected to serve on the Personnel Subcommittee by a vote of 7-0.

Executive Director Gmur stated that the membership for 2025 of the Legislation subcommittee was the State Controller, Malia Cohen, Lee Adams, County Supervisor, and Samuel Assefa, Director of the Office of Land Use and Climate Innovation, alternate. Chairperson Perrault requested nominations to the Legislation Subcommittee. Member Nash made the motion to nominate the Legislation Subcommittee as stated by Executive Director Gmur. Chairperson Perrault asked if there were any other nominations. There was no response. Member Greene Ross seconded the motion. Executive Director Gmur called the roll. Maila Cohen, State Controller, Lee Adams, County Supervisor, and Samuel Assefa, Director of the Department of the Office and Land Use and Climate Innovation, alternate, were elected to serve on the Legislation Subcommittee by a vote of 7-0.

Executive Director Gmur stated the membership for 2025 of the Litigation Subcommittee was the State Treasurer, Fiona Ma, Renee Nash, School District Board Member, and the State Controller, Malia Cohen, alternate. Chairperson Perrault requested nominations to the Litigation Subcommittee. Member Greene Ross made the motion to nominate the Litigation Subcommittee as stated by Executive Director Gmur. Chairperson Perrault asked if there were any other nominations. There was no response. Member Powell seconded the motion. Executive Director Gmur called the roll. Fiona Ma, State Treasurer, Renee Nash, School District Board Member, and Malia Cohen, State Controller, alternate, were elected to serve on the Litigation subcommittee by a vote of 7-0.

APPROVAL OF MINUTES

Chairperson Perrault asked if there were any objections to or additional corrections of the December 5, 2025 minutes. There was no response. Chairperson Perrault asked if there was any public comment on this item. There was no response. Chairperson Perrault stated that there were no public comments in the room. Assistant Executive Director Supachana stated that there were no public comments online. Member Powell

made the motion to adopt the minutes. Chairperson Perrault seconded the motion. Executive Director Gmur called the roll. The Commission voted to adopt the December 5, 2025 minutes by a vote of 6-0 with Member Nash abstaining.

PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA

Chairperson Perrault asked if there was any public comment. There was no response. Chairperson Perrault stated that there were no public comments in the room. Assistant Executive Director Supachana stated that there were no online public comments.

HEARINGS AND DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 7 (GOV. CODE, § 17551, 17557, 17559, and 17570) (action)

Executive Director Gmur stated that there were no items proposed for consent and swore in the parties and witnesses participating in the Article 7 portion of the hearing.

TEST CLAIMS

- Item 3 *Stops: Notification by Peace Officers, 24-TC-03*
Statutes 2022, Chapter 805, Section 5 (AB 2773); Vehicle Code Section 2806.5
County of Los Angeles, Claimant

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

Fernando Lemus and Tiffany Walston appeared on behalf of the County of Los Angeles. Chris Hill and Kaily Yap appeared on behalf of the Department of Finance.

Following statements by Mr. Lemus, Ms. Walston, and Ms. Yap, Chairperson Perrault asked if there were any public comments on this item. There was no response. Assistant Executive Director Supachana stated that there were no online public comments. Chairperson Perrault asked if there were any questions from the Members. There was no response. Chairperson Perrault asked if there was a motion on this item. Member Powell made the motion to adopt the staff recommendation. Member Adams seconded the motion. Executive Director Gmur called the roll. The Commission voted to adopt the Proposed Decision by a vote of 7-0.

- Item 4 *Child Physical Abuse and Neglect Exams, 24-TC-05*
Statutes 2023, Chapter 841 (AB 1402); Penal Code Section 11171(f), Effective January 1, 2024
County of Santa Clara, Claimant

Senior Commission Counsel Laura Dougherty presented this item and recommended that the Commission adopt the Revised Proposed Decision to partially approve the Test Claim.

Rajiv Narayan appeared on behalf of the County of Santa Clara. Chris Hill and Kaily Yap appeared on behalf of the Department of Finance.

Following discussion between Mr. Narayan, Senior Commission Counsel Dougherty,

Chief Legal Counsel Shelton, Member Greene Ross, Ms. Yap, Member Adams, Member Powell, Member Gallegos, Member Nash, and Chairperson Perrault, Chairperson Perrault asked if there were any public comments on this item. There was no response. Chairperson Perrault stated that there were no public comments in the room and asked if there were any online. Assistant Executive Director Supachana stated that there were no online public comments. Chairperson Perrault asked if there was a motion. Member Nash made the motion to adopt the staff recommendation. Chairperson Perrault seconded the motion. Executive Director Gmur called the roll. The Commission voted to adopt the Revised Proposed Decision by a vote of 5-1 with Member Adams voting no and Member Jimenez abstaining.

PARAMETERS AND GUIDELINES

Item 5 *California Regional Water Quality Control Board, Los Angeles Region, Order No. R4-2012-0175, 13-TC-01 and 13-TC-02*

California Regional Water Quality Control Board, Los Angeles Region, Order No. R4-2012-0175, Part VI.E.1.c. and Attachments M, O, Q, and P, Which Incorporate by Reference Part VI.E.3.

Cities of Agoura Hills, Bellflower, Beverly Hills, Carson, Cerritos, Commerce, Downey, Huntington Park, Lakewood, Manhattan Beach, Norwalk, Pico Rivera, Rancho Palos Verdes, Redondo Beach, ~~San Marino, Santa Clarita,~~ Santa Fe Springs, Signal Hill, South El Monte, Vernon, Westlake Village, and Whittier, Claimants

Chief Legal Counsel Camille Shelton presented this item and recommended that the Commission adopt the Revised Proposed Decision and Parameters and Guidelines.

Howard Gest appeared on behalf of the County of Los Angeles, Los Angeles County Flood Control District, and the Cities of Agoura Hills, Bellflower, Beverly Hills, Carson, Cerritos, Commerce, Downey, Huntington Park, Lakewood, Manhattan Beach, Norwalk, Pico Rivera, Rancho Palos Verdes, Redondo Beach, Santa Fe Springs, Signal Hill, South El Monte, Vernon, Westlake Village, and Whittier. Chris Hill and Kaily Yap appeared on behalf of the Department of Finance.

Following statements by Mr. Gest and Ms. Yap, Chairperson Perrault asked if there were any public comments on this item. There was no response. Chairperson Perrault stated that there were no public comments in the room. Assistant Executive Director Supachana stated that there were no online public comments. Chairperson Perrault asked if there were any questions from the Members. There was no response. Chairperson Perrault asked if there was a motion. Member Adams made the motion to adopt the staff recommendation. Member Nash seconded the motion. Executive Director Gmur called the roll. The Commission voted to adopt the Revised Proposed Decision and Parameters and Guidelines by a vote of 7-0.

Item 6 *Criminal Procedure: Discrimination, 24-TC-02*

Penal Code Sections 745(j)(3) and 1473(f) as Amended by Statutes 2022, Chapter 739 (AB 256), Sections 2 and 3.5, Effective January 1, 2023

County of Los Angeles, Claimant

Senior Commission Counsel Laura Dougherty presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Fernando Lemus and Tiffany Walston appeared on behalf of the County of Los Angeles. Chris Hill and Kaily Yap appeared on behalf of the Department of Finance.

Following statements by Mr. Lemus and Ms. Yap, Chairperson Perrault asked if there were any public comments on this item. There was no response. Chairperson Perrault stated that there was no public comment in the room. Assistant Executive Director Supachana stated that there were no online public comments. Chairperson Perrault asked if there were any questions from the Members. There was no response. Chairperson Perrault stated that there were no questions from the Members and asked if there was a motion. Member Powell made the motion to adopt the staff recommendation. Member Greene Ross seconded the motion. Executive Director Gmur called the roll. The Commission voted to adopt the Proposed Decision and Parameters and Guidelines by a vote of 7-0.

Item 7 *Internet Websites and Email Addresses, 24-TC-04*

Government Code Sections 50034(a)(1)-(2) & (b) As Added by Statutes 2023, Chapter 586 (AB 1637)

County of Santa Clara, Claimant

Commission Counsel Anna Barich presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Joshua Walden appeared on behalf of the County of Santa Clara. Chris Hill and Kaily Yap appeared on behalf of the Department of Finance.

Following statements by Mr. Walden and Ms. Yap, Chairperson Perrault asked if there was any public comment. There was no response. Chairperson Perrault stated that there was no public comment in the room. Assistant Executive Director Supachana stated that there were no online public comments. Chairperson Perrault asked if there were any questions from the Members. There was no response. Chairperson Perrault stated that there were no questions from the Members and asked if there was a motion. Member Nash made the motion to adopt the staff recommendation. Member Gallegos seconded the motion. Executive Director Gmur called the roll. The Commission voted to adopt the Proposed Decision and Parameters and Guidelines by a vote of 7-0.

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

REPORTS

Item 8 Legislative Update (info)

Program Office Technician David Chavez 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 April 2026, June 2026, and August 2026 Meetings (info)

Executive Director Gmur presented this item, congratulated Chief Information Officer Jason Rogers on his 25 years with the Commission, and described the Commission's recruitment for the Attorney III position, budget, and workload.

CLOSED EXECUTIVE SESSION PURSUANT TO GOVERNMENT CODE SECTIONS 11126 AND 11126.2 (info/action)

The Commission adjourned into closed executive session at 11:24 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):

There are no cases currently pending.

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).

1. Annual Evaluation of the Executive Director
2. Annual Evaluation of the Chief Legal Counsel

RECONVENE IN PUBLIC SESSION

At 11:46 a.m., the Commission reconvened in open session.

REPORT FROM CLOSED EXECUTIVE SESSION

Chairperson Perrault 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

Chairperson Perrault asked for a motion to adjourn. Member Adams made the motion to adjourn the meeting. Member Nash seconded the motion. Executive Director Gmur called the roll. The February 13, 2026, meeting was adjourned at 11:48 a.m., by a vote of 7-0.

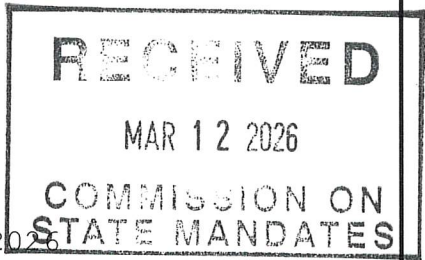
Juliana F. Gmur
Executive Director

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES

PUBLIC MEETING

FRIDAY, FEBRUARY 13, 2026

10:00 A.M.



ORIGINAL

MEETING HELD

AT 1220 N STREET

AUDITORIUM

SACRAMENTO, CALIFORNIA

AND

VIA ZOOM

VIDEO COMMUNICATIONS PLATFORM

REPORTER'S TRANSCRIPT OF PROCEEDINGS

STENOGRAPHICALLY REPORTED BY:

ALYSSA PACHECO
Certified Shorthand Reporter No. 13391

SWANK REPORTING INC.
Telephone (916) 390-7731
KathrynSwankCSR@sbcglobal.net

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A P P E A R A N C E S

COMMISSIONERS PRESENT

MICHELE PERRAULT
Representative for JOE STEPHENSHAW
Department of Finance
(Chairperson of the Commission)

MONICA JIMENEZ
Representative for FIONA MA
State Treasurer
(Vice Chairperson of the Commission)

ALEXANDER POWELL
Representative for SAMUEL ASSEFA, Director
Office of Land Use and Climate Innovation

LEE ADAMS III
Sierra County Supervisor
Local Agency Member

RENEE NASH
Eureka Union School District
School District Board Member

DEBORAH GALLEGOS
Representative for MALIA COHEN
State Controller

KAREN GREENE ROSS
Public Member

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COMMISSION STAFF

JULIANA GMUR
Executive Director

DENNIS SUPACHANA
Assistant Executive Director

CAMILLE N. SHELTON
Chief Legal Counsel

ANNA BARICH
Commission Counsel

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

COMMISSION STAFF
(Continued)

LAURA DOUGHERTY
Senior Commission Counsel

DAVID CHAVEZ
Office Technician

JASON ROGERS
Information Technology Specialist

HUSHAM HAROUN
Information Technology Specialist

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PUBLIC PARTICIPANTS

FERNANDO LEMUS
County of Los Angeles
(Items 3 and 6)

TIFFANY WALSTON
County of Los Angeles
(Items 3 and 6)

KAILY YAP
Department of Finance
(Items 3, 4, 5, 6 and 7)

CHRIS HILL
Department of Finance
(Items 3, 4, 5, 6 and 7)

RAJIV NARAYAN
County of Santa Clara
(Item 4)

HOWARD GEST
County of Los Angeles
(Item 5)

JOSHUA WALDEN
County of Santa Clara
(Item 7)

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6	10	San Marino, Santa Clarita,
11	17	covering our basis <u>bases</u>
14	24	straight <u>State</u>
20	23	agendised (phonetic) <u>agendized</u>
24	20	Before engaging the <u>in</u> questioning
28	17	THE COURT: <u>CHAIRPERSON PERRAULT:</u>
28	19	CHAIRPERSON PERRAULT: <u>MS. GMUR:</u>
50	25	new <u>no</u> shift of cost from the state
54	24	claimant to amended ed their claim
65	1	Yes. Six <u>Five</u> , one.
66	10	of <u>and</u> parameters and guidelines
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1 FRIDAY, FEBRUARY 13, 2026, 10:03 a.m.

2 ---oOo---

3 CHAIRPERSON PERRAULT: Good morning. I'm going to
4 go ahead and call the meeting of the Commission on State
5 Mandates to order at 10:03.

6 Welcome to our hybrid meeting. For those
7 participating in person, I have some housekeeping
8 information. On the table -- excuse me -- on the table
9 at the back of the room are paper copies of the meetings
10 revised notice, agenda, new filings, and witness list.
11 The electronic public hearing binder's also located there
12 on the laptop.

13 Please note that the room is microphoned, so
14 speakers and microphones on all devices must stay muted
15 for the duration of the meeting to eliminate feedback
16 noise.

17 When called up for an item, the parties and the
18 witnesses will please come to the table and sit at the
19 designated laptop.

20 The restrooms are located out the entrance door
21 and through -- and through the door on the left. The
22 men's restroom is located on the right, and the women's
23 restroom is at the end of the hallway to the right.

24 Finally, please take note of the emergency exits
25 in the room. In the event of an emergency, please exit 8

1 the door to my left, turn left, and go down the stairs.

2 For those participating remotely, the materials
3 for today's meeting, including the revised notice,
4 agenda, new filings and witness list are all available on
5 the Commission's website, www.csm.ca.gov, under the
6 "Hearings" tab.

7 When being sworn in at the beginning of the
8 hearing and when called for an item, the parties and
9 witnesses will please turn on their video and unmute
10 their microphone. At the conclusion of the item, please
11 turn off the video and mute the microphone.

12 In the event we experience technical difficulties
13 or the meeting is bumped offline, we will restart and
14 allow people to rejoin before commencing the meeting. If
15 we are unable to restart, a notice will be posted on the
16 commission's website listing items to be heard at the
17 next meeting.

18 Please remember to speak slowly and accurately for
19 the benefit of the court reporter and an accurate
20 transcript of the hearing.

21 Finally, before we begin, it is my pleasure to
22 introduce Monica Jimenez, counsel for the State
23 Treasurer's Office.

24 Juliana, will you please call the roll?

25 MS. GMUR: Mr. Adams.

1 MEMBER ADAMS: Here.

2 MS. GMUR: Ms. Gallegos.

3 MEMBER GALLEGOS: Here.

4 MS. GMUR: Ms. Greene Ross.

5 MEMBER GREENE ROSS: Here.

6 MS. GMUR: Ms. Jimenez.

7 MEMBER JIMENEZ: Here.

8 MS. GMUR: Ms. Nash.

9 MEMBER NASH: Here.

10 MS. GMUR: Ms. Perrault.

11 CHAIRPERSON PERRAULT: Here.

12 MS. GMUR: Mr. Powell.

13 MEMBER POWELL: Here.

14 MS. GMUR: Madam Chair, we have a quorum.

15 CHAIRPERSON PERRAULT: Thank you so much.

16 All right. Our next item is Item 1, election of

17 officers of Personnel, Legislation, Litigation

18 Subcommittee appointments.

19 MS. GMUR: Thank you.

20 CHAIRPERSON PERRAULT: Oh, I said your -- I said

21 your line.

22 MS. GMUR: That's fine. Thank you, Madam Chair.

23 CHAIRPERSON PERRAULT: Okay. Let's move right

24 into nominations, shall we? I'm going to be smooth about

25 this.

10

1 Are there nominations for chairperson, and is
2 there motion for election of the new chairperson?

3 MEMBER ADAMS: Madam Chair, I would make a motion
4 to nominate the Director of Finance, Joe Stephenshaw, as
5 our chair.

6 CHAIRPERSON PERRAULT: Okay. There's been a
7 nomination by Mr. Adams for Director Stephenshaw,
8 Department of Finance, to remain as chair.

9 Are there any other alternate nominations?

10 Okay. Seeing none, then, is there a motion for --
11 oh, do I need to go -- oh, yeah. But do I need a motion
12 first? He did a nomination.

13 MEMBER ADAMS: That's a motion, yeah.

14 MS. GMUR: A nomination goes directly to vote.

15 CHAIRPERSON PERRAULT: I didn't know that. I
16 thought we had to do two -- I thought we did two last
17 year, two -- two things. Okay. Just covering our basis.

18 We have a nomination, which is also a motion. Do
19 we have a second?

20 MEMBER GREENE ROSS: Second.

21 CHAIRPERSON PERRAULT: Okay. Second by Ms. Greene
22 Ross. Can we please have a roll call.

23 MS. GMUR: Mr. Adams.

24 MEMBER ADAMS: Aye.

25 MS. GMUR: Ms. Gallegos.

11

1 MEMBER GALLEGOS: Aye.

2 MS. GMUR: Ms. Greene Ross.

3 MEMBER GREENE ROSS: Aye.

4 MS. GMUR: Ms. Jimenez.

5 MEMBER JIMENEZ: Aye.

6 MS. GMUR: Ms. Nash.

7 MEMBER NASH: Aye.

8 MS. GMUR: Ms. Perrault.

9 CHAIRPERSON PERRAULT: Aye.

10 MS. GMUR: Mr. Powell.

11 MEMBER POWELL: Aye.

12 CHAIRPERSON PERRAULT: Okay. That motion carries.

13 Okay. Let's move now onto vice chairperson. Are

14 there nominations for vice chairperson, and is there a

15 motion for election of the new vice chairperson?

16 MEMBER ADAMS: Madam Chair, I make a motion to

17 nominate Fiona Ma, the State Treasurer, as vice chair.

18 CHAIRPERSON PERRAULT: Okay. We have a motion by

19 Mr. Adams for Treasurer Fiona Ma to be the vice

20 chairperson.

21 Are there any other alternate -- alternate

22 nominations?

23 Okay. Seeing none, then that will act as the

24 motion. Is there a second?

25 MEMBER GREENE ROSS: Second.

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MEMBER GALLEGOS: I second.

MEMBER GREENE ROSS: Oh.

CHAIRPERSON PERRAULT: Oh, okay. Well, second by Ms. Gallegos.

If we could please have a roll call.

MS. GMUR: Mr. Adams.

MEMBER ADAMS: Aye.

MS. GMUR: Ms. Gallegos.

MEMBER GALLEGOS: Aye.

MS. GMUR: Ms. Greene Ross.

MEMBER GREENE ROSS: Aye.

MS. GMUR: Ms. Jimenez.

MEMBER JIMENEZ: Aye.

MS. GMUR: Ms. Nash.

MEMBER NASH: Aye.

MS. GMUR: Ms. Perrault.

CHAIRPERSON PERRAULT: Aye.

MS. GMUR: Mr. Powell.

MEMBER POWELL: Aye.

CHAIRPERSON PERRAULT: All right. That motion carries and --

MS. GMUR: That brings us to the subcommittee appointments, Madam Chair..

CHAIRPERSON PERRAULT: Okay.

MS. GMUR: Last year, the subcommittee members as 13

1 elected were, for the Personnel Subcommittee, Joe
2 Stephenshaw, Director of Finance, and Fiona Ma, State
3 Treasurer.

4 For the Legislation Subcommittee, Malia Cohen,
5 State Controller, and Lee Adams, County Supervisor,
6 Samuel Assefa, Office of the -- of Land Use and Climate
7 Innovation, Alternate.

8 And for the Litigation Subcommittee, Fiona Ma,
9 State Treasurer, Renee Nash, school board -- School
10 District Board Member, and Malia Cohen, State Controller,
11 Alternate.

12 CHAIRPERSON PERRAULT: Thank you. We may need a
13 reminder as we move through but --

14 MS. GMUR: My pleasure.

15 CHAIRPERSON PERRAULT: -- appreciate that.

16 All right. So let's go ahead and take up the
17 Personnel Subcommittee appointment first.

18 So are there nominations to the Personnel
19 Subcommittee, and is there a motion for appointment of
20 the Personnel Subcommittee members?

21 Remind me. That is -- currently it is Director of
22 Finance and --

23 MS. GMUR: State --

24 CHAIRPERSON PERRAULT: -- straight --

25 MS. GMUR: -- Treasurer.

14

1 CHAIRPERSON PERRAULT: -- State Treasurer.
2 Okay. I'll go ahead and nominate both of those
3 individuals to remain on the Personnel Subcommittee.
4 Are there any alternate nominations?
5 Seeing none, we'll take that as a motion.
6 Is there a second?
7 MEMBER ADAMS: I will second.
8 CHAIRPERSON PERRAULT: Okay. Seconded by
9 Mr. Adams.
10 So if we could please have a vote.
11 MS. GMUR: Mr. Adams.
12 MEMBER ADAMS: Aye.
13 MS. GMUR: Ms. Gallegos.
14 MEMBER GALLEGOS: Aye.
15 MS. GMUR: Ms. Greene Ross.
16 MEMBER GREENE ROSS: Aye.
17 MS. GMUR: Ms. Jimenez.
18 MEMBER JIMENEZ: Aye.
19 MS. GMUR: Ms. Nash.
20 MEMBER NASH: Aye.
21 MS. GMUR: Ms. Perrault.
22 CHAIRPERSON PERRAULT: Aye.
23 MS. GMUR: Mr. Powell.
24 MEMBER POWELL: Aye.
25 CHAIRPERSON PERRAULT: Okay. That motion carries. 15

1 Let's go ahead and now and take up -- oh, sorry.

2 MS. GMUR: It is the Legislation Subcommittee
3 next. Those members, just as a reminder, are the State
4 Controller and Lee Adams, County Supervisor, Office of
5 Land Use and Climate Innovation as the alternate.

6 CHAIRPERSON PERRAULT: As the alternate. Okay.

7 Okay. Are there any nominations to the
8 Legislation Subcommittee? Is there a motion for
9 appointment of the Legislative Subcommittee members?

10 MEMBER NASH: I'll move that the committee remain
11 the same as it is.

12 CHAIRPERSON PERRAULT: Okay. Is there any
13 alternate nominations to that?

14 Seeing none, we'll take that up as a motion. Is
15 there any questions?

16 Okay. Is there a second?

17 MEMBER GREENE ROSS: Second.

18 CHAIRPERSON PERRAULT: Second by Ms. Greene Ross.

19 If we could please have a roll call.

20 MS. GMUR: Mr. Adams.

21 MEMBER ADAMS: Aye.

22 MS. GMUR: Ms. Gallegos.

23 MEMBER GALLEGOS: Aye.

24 MS. GMUR: Ms. Greene Ross.

25 MEMBER GREENE ROSS: Aye.

16

1 MS. GMUR: Ms. Jimenez.
2 MEMBER JIMENEZ: Aye.
3 MS. GMUR: Ms. Nash.
4 MEMBER NASH: Aye.
5 MS. GMUR: Ms. Perrault.
6 CHAIRPERSON PERRAULT: Aye.
7 MS. GMUR: Mr. Powell.
8 MEMBER POWELL: Aye.
9 CHAIRPERSON PERRAULT: Okay. That motion carries.
10 MS. GMUR: And finally, the Litigation
11 Subcommittee. Currently it is the State Treasurer,
12 Ms. Nash, School District Board Member, and the State
13 Controller, alternate.
14 CHAIRPERSON PERRAULT: Okay. Thank you so much.
15 Are there any nominations to the Litigation
16 Subcommittee, and is there a motion for the appointment
17 of the Litigation Subcommittee members?
18 MEMBER GREENE ROSS: I move to reelect the same
19 committee members.
20 CHAIRPERSON PERRAULT: Okay. Is there any
21 alternate nominations or objections?
22 Okay.
23 MR. SUPACHANA: Madam Chair, I --
24 CHAIRPERSON PERRAULT: Yes, Dennis.
25 MR. SUPACHANA: I hate to interrupt, but I noticed 17

1 that Member Ross's microphone may not be on on the --

2 CHAIRPERSON PERRAULT: Oh.

3 MR. SUPACHANA: -- desk, and we can't hear her --

4 CHAIRPERSON PERRAULT: Oh.

5 MR. SUPACHANA: -- properly.

6 CHAIRPERSON PERRAULT: Thank you.

7 Would you go ahead and just repeat that motion,
8 then, please --

9 MEMBER GREENE ROSS: Yes. I move to reelect the
10 committee -- subcommittee members.

11 CHAIRPERSON PERRAULT: Okay. Is that better? Can
12 everybody hear now? Yes? Okay. Great.

13 So we have a motion to continue with the current
14 committee members. Seeing no alternate nominations and
15 no objections, is there any comments?

16 Okay. Is there a second to that motion?

17 MEMBER POWELL: Second.

18 CHAIRPERSON PERRAULT: Okay. We have a second.

19 If we could please have a roll call.

20 MS. GMUR: Mr. Adams.

21 MEMBER ADAMS: Aye.

22 MS. GMUR: Ms. Gallegos.

23 MEMBER GALLEGOS: Aye.

24 MS. GMUR: Ms. Greene Ross.

25 MEMBER GREENE ROSS: Aye.

18

1 MS. GMUR: Ms. Jimenez.

2 MEMBER JIMENEZ: Aye.

3 MS. GMUR: Ms. Nash.

4 MEMBER NASH: Aye.

5 MS. GMUR: Ms. Perrault.

6 CHAIRPERSON PERRAULT: Aye.

7 MS. GMUR: Mr. Powell.

8 MEMBER POWELL: Aye.

9 CHAIRPERSON PERRAULT: All right. That motion
10 carries. Thank you so much. We are now moving on, I
11 believe, to Item 2.

12 So are there any objections or addition -- this is
13 the minutes. Are there any objections to or additional
14 corrections to the December 5th, 2025, minutes?

15 Okay. Seeing none, are there any public comments
16 on this item?

17 MR. SUPACHANA: Madam Chair, there are no online
18 public comments.

19 CHAIRPERSON PERRAULT: And we have none here in
20 the room.

21 Is there any further discussion?

22 Okay. Seeing none, is there a motion to approve
23 the minutes?

24 MEMBER POWELL: I will so move to approve the
25 minutes.

1 CHAIRPERSON PERRAULT: Okay. It has been moved.
2 Is there a seconded -- second? Excuse me.
3 I'll go ahead and second.
4 If we could please have a roll call.
5 MS. GMUR: Mr. Adams.
6 MEMBER ADAMS: Aye.
7 MS. GMUR: Ms. Gallegos.
8 MEMBER GALLEGOS: Aye.
9 MS. GMUR: Ms. Greene Ross.
10 MEMBER GREENE ROSS: Aye.
11 MS. GMUR: Ms. Jimenez.
12 MEMBER JIMENEZ: Aye.
13 MS. GMUR: Ms. Nash.
14 MEMBER NASH: Abstain.
15 MS. GMUR: Ms. Perrault.
16 CHAIRPERSON PERRAULT: Aye.
17 MS. GMUR: Mr. Powell.
18 MEMBER POWELL: Aye.
19 CHAIRPERSON PERRAULT: That motion carries.
20 And we will now go ahead and take up public
21 comments for those matters not on the agenda.
22 Is there anybody that would like to speak and
23 provide public comment on items not agendised (phonetic)
24 today?
25 I see none in the room. Is there any online? 20

1 MR. SUPACHANA: Madam Chair, there are no public
2 comments online.

3 CHAIRPERSON PERRAULT: Okay. Okay. Hearing none,
4 we'll go ahead now and move on to our next item.

5 MS. GMUR: The swearing-in. There are no items
6 proposed for consent of this meeting, so we're moving
7 directly to swearing-in.

8 Will the parties and witnesses for Items 3, 4, 5,
9 6, and 7, participating remotely, please be sure that
10 both your first and last names are listed on your Zoom
11 window for the benefit of the court reporter; turn on
12 your video, and unmute your microphone.

13 And the parties and witnesses participating in
14 person for Item 4 please approach the witness table.

15 And all parties and witnesses please rise.

16 Beginning with Item 3, on behalf of the claimant,
17 the County of Los Angeles, participating remotely, please
18 state your names for the record.

19 MR. LEMUS: Hi. My name is Fernando Lemus. I am
20 the claimant representative for the County of Los
21 Angeles.

22 MS. WALSTON: Hi. My name is Tiffany Walston,
23 Deputy County Counsel. I am the claimant.

24 MS. GMUR: And now for the Department of Finance,
25 participating remotely, please state your name for the

21

1 record.

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

3 MS. YAP: Kaily Yap, Department of Finance.

4 MS. GMUR: Thank you.

5 Item 4, on behalf of the claimant, the County of
6 Santa Clara, participating in person, please state your
7 name for the record.

8 MR. NARAYAN: Good morning. My name is Rajiv
9 Narayan, Deputy County Counsel for the County of Santa
10 Clara, and I will be the claimant representative.

11 MS. GMUR: And now for the Department of Finance,
12 participating remotely, please state your names for the
13 record.

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

15 MS. YAP: Kaily Yap, Department of Finance.

16 MS. GMUR: Item 5, on behalf of the claimants,
17 participating remotely, please state your names for the
18 record.

19 MR. GEST: Howard Gest on behalf of the claimants.

20 MS. GMUR: And now for the Department of Finance,
21 participating remotely, please state your names for the
22 record.

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

24 MS. YAP: Kaily Yap, Department of Finance.

25 MS. GMUR: Item 6, on behalf of the claimant,

22

1 County of Los Angeles, participating remotely, please
2 state your names for the record.

3 MR. LEMUS: My name is Fernando Lemus. I am the
4 claimant representative for the County of Los Angeles.

5 MS. WALSTON: Tiffany Walston, Deputy County
6 Counsel for the County of Los Angeles. I am the claimant
7 representative.

8 MS. GMUR: And now for the Department of Finance,
9 participating remotely, please state your names for the
10 record.

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

12 MS. YAP: Kaily Yap, Department of Finance.

13 MS. GMUR: Item 7, on behalf of the claimant,
14 County of Santa Clara, participating remotely, please
15 state your names for the record.

16 MR. WALDEN: Good morning. I'm Joshua Walden,
17 Deputy County Counsel of County of Santa Clara. I'm
18 representing the claimant for Item 7.

19 MS. GMUR: And now the Department of Finance,
20 participating remotely, please state your name for the
21 record.

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

23 MS. YAP: Kaily Yap, Department of Finance.

24 MS. GMUR: Thank you.

25 Do you solemnly swear or affirm that the testimony 23

1 which you are about to give is true and correct, based on
2 your personal knowledge, information, or belief?

3 (Affirmative responses.)

4 MS. GMUR: Thank you. We now ask the presenters
5 participating remotely for Items 4, 5, 6, and 7 to please
6 turn off their video and mute their microphones.

7 And those presenting in person, please return to
8 your seat.

9 Next is Item 3.

10 Senior Commission Counsel Laura Dougherty will
11 please present a proposed decision on Stops:
12 Notification By Peace Officers, 24-TC-03.

13 MS. DOUGHERTY: Good morning.

14 Item 3 is a test claim alleging new state-mandated
15 activities and costs resulting from Vehicle Code
16 Section 2806.5 as amended in 2022. This code section
17 makes new requirements of peace officers who make a
18 traffic or pedestrian stop and intend to question a
19 detained driver, passenger or pedestrian.

20 Before engaging the questioning about a criminal
21 investigation or traffic violation, the officer must
22 state the reason for the stop. The officer must also
23 document the reason for the stop on any resulting
24 citation or police report. Exception exists when the
25 officer reasonably believes that withholding the reason

24

1 for the stop is necessary to protect life or property
2 from imminent threat such as in cases of terrorism and
3 kidnapping. Prior law required documenting the reason
4 for the stop under code sections concerning DUIs, which
5 are specified in proposed decision, but the test claim
6 statutes requirements are otherwise newly required.

7 Commission staff finds the test claim statute
8 imposes a reimbursable state-mandated program within the
9 meaning of Article XIII B, Section 6 of the California
10 Constitution and Government Code Section 17514 and
11 recommends the Commission approve this test claim
12 beginning July 1st, 2023, and authorize staff to make any
13 technical non-substantive changes to the proposed
14 decision following the hearing.

15 Thank you.

16 CHAIRPERSON PERRAULT: Thank you.

17 If the parties and witnesses would please state
18 your name for the record on this item.

19 MR. LEMUS: Sure. My name's Fernando Lemus, and
20 I'm the claimant representative for the County of Los
21 Angeles. And I'm here to say that we -- the County of
22 Los Angeles agrees with the Commission's decision.

23 CHAIRPERSON PERRAULT: Okay. Hold on. Hold on
24 one second --

25 MR. LEMUS: Oh.

25

1 CHAIRPERSON PERRAULT: -- Mr. --
2 MR. LEMUS: Sorry.
3 CHAIRPERSON PERRAULT: -- Lemus. No, no --
4 MR. LEMUS: Didn't mean --
5 CHAIRPERSON PERRAULT: -- that's okay.
6 MR. LEMUS: -- to get ahead of you.
7 CHAIRPERSON PERRAULT: I --
8 MR. LEMUS: I apologize.
9 CHAIRPERSON PERRAULT: I appreciate your
10 efficiency.
11 Do I also have a Ms. Walston also on -- online?
12 MS. WALSTON: Yes. Tiffany Walston, Deputy County
13 Counsel for the County of Los Angeles, and I am the
14 claimant representative.
15 CHAIRPERSON PERRAULT: Thank you so much.
16 All right. Now I will go back to whoever would
17 like to -- to start.
18 Mr. Lemus, if you have comments, or Ms. Walston,
19 go right ahead.
20 MR. LEMUS: Sure. I -- I was just stating that
21 the County of Los Angeles, we agree with the Commission's
22 decision.
23 CHAIRPERSON PERRAULT: Thank you.
24 Ms. Walston?
25 MS. WALSTON: Thank you. Thank you. Yes, I also 26

1 agree with the Commission's decision finding that the
2 test claim legislation is a new requirement and does
3 mandate additional costs for the -- this county.

4 CHAIRPERSON PERRAULT: Thank you so much.

5 Okay. Let me go ahead and turn -- Mr. Hill or
6 Ms. Yap from the Department of Finance, do you have any
7 additional comments?

8 MS. YAP: Kaily Yap, Department of Finance.
9 Finance has no comments on this matter. Thank you.

10 CHAIRPERSON PERRAULT: Okay. Thank you so much.

11 This, again, is Item Number 3. Is there any
12 public comment on this item?

13 Seeing none in the room, is there any online?

14 MR. SUPACHANA: Madam Chair, there is no public
15 comments online.

16 CHAIRPERSON PERRAULT: All right. Let me bring it
17 back to the Commission.

18 Are there any comments from commissioners or
19 questions?

20 Okay. Seeing none, is there a motion?

21 MEMBER POWELL: I will move to adopt the proposed
22 decision.

23 CHAIRPERSON PERRAULT: Okay. Move by Mr. Powell.

24 Is there a second?

25 MEMBER ADAMS: I will second.

27

1 CHAIRPERSON PERRAULT: Seconded by Mr. Adams. If
2 we could please have a roll call.

3 MS. GMUR: Mr. Adams.

4 MEMBER ADAMS: Aye.

5 MS. GMUR: Ms. Gallegos.

6 MEMBER GALLEGOS: Aye.

7 MS. GMUR: Ms. Greene Ross.

8 MEMBER GREENE ROSS: Aye.

9 MS. GMUR: Ms. Jimenez.

10 MEMBER JIMENEZ: Aye.

11 MS. GMUR: Ms. Nash.

12 MEMBER NASH: Aye.

13 MS. GMUR: Ms. Perrault.

14 CHAIRPERSON PERRAULT: Aye.

15 MS. GMUR: Mr. Powell.

16 MEMBER POWELL: Aye.

17 THE COURT: All right. Thank you. That motion
18 carries.

19 CHAIRPERSON PERRAULT: We now ask the presenters
20 participating remotely for Item 3 to please turn off
21 their video, mute their microphones.

22 Next is Item 4. We now ask the presenters
23 participating remotely for Item 4 to please turn on their
24 video and unmute their microphones.

25 And those presenting in person, please come to the 28

1 table.

2 Senior Commission Counsel Laura Dougherty will
3 please present a revised proposed decision on child
4 physical abuse and neglect exams, 24-TC-05.

5 MS. DOUGHERTY: Good morning again.

6 Item 4 is a test claim alleging new state-mandated
7 activities and costs resulting from Penal Code
8 Section 11171(f), as amended in 2023. As of January 1st,
9 2024, this code section prohibits counties from billing a
10 child or the child's insurance for a child's physical
11 abuse or neglect medical exam.

12 An adjacent code section, Penal Code
13 Section 11171(g) created a system of state funding under
14 which county medical examiners are to submit invoices to
15 the California Office of Emergency Services; however, no
16 appropriation has been made. Prior to January 1st, 2024,
17 the counties billed the child's private insurance, if
18 available, and Medi-Cal or the state Victim Compensation
19 Board.

20 Commission staff recommends a partial approval of
21 this test claim, finding that Penal Code
22 Section 11171(f), as amended by the test claim statute,
23 imposes a reimbursable state-mandated program beginning
24 January 1st, 2024, on counties within the meaning of
25 Article XIII B, Section 6(c) of the California

1 Constitution only for the costs incurred for child
2 physical abuse and neglect exams when the child is
3 eligible for Medi-Cal or Victim Compensation Board
4 coverage. These costs were previously borne by the state
5 and have been shifted to the counties under Article XIII
6 B, Section 6(c). Reimbursement is not required to the
7 extent the legislature appropriates funds for child
8 physical abuse and neglect exams under Penal Code Section
9 11171(g).

10 All other costs alleged are recommended for
11 denial.

12 Staff recommends the Commission partially approve
13 this test claim and authorize staff to make any technical
14 non-substantive changes to proposed decision following
15 the hearing.

16 Thank you.

17 CHAIRPERSON PERRAULT: Thank you so much.

18 If the parties and witnesses for Item 4 would
19 please state your name for the record.

20 MR. NARAYAN: Good morning. My name is Rajiv
21 Narayan. I am here representing the County of Santa
22 Clara, claimant in this action.

23 CHAIRPERSON PERRAULT: I apologize. I was looking
24 on the screen and didn't realize you were right in front
25 of me.

1 Okay. Mr. Narayan, for the claimant, would you
2 like to begin?

3 MR. NARAYAN: Yes, I'd like to.

4 So I have some prepared remarks today, but before
5 that, I think it's important to express a deep amount of
6 gratitude to the Commission's staff and the Commission
7 for both putting together a very comprehensive proposed
8 decision and revised proposed decision that engages with
9 the issues. We submitted a number of comments, and we're
10 really grateful to the Commission staff for meeting us at
11 every stage to explain their reasoning. Of course, we
12 have some agreements that we'll go through today, but I
13 also want to express gratitude to the Commission for
14 wading through the many hundreds of pages and comments
15 and analyses that comprise the -- the test claim
16 decision.

17 So what I would like to do is provide a little bit
18 of background for the Commission about what the -- the
19 law does that will be helpful to understanding the scope
20 of my comments, and then I'll discuss what we believe to
21 be the key dispute between the claimant, County of Santa
22 Clara, and the Commission staff as to the revised
23 proposed decision.

24 So with that, let me first talk a little bit about
25 AB 1402. Counties provide child abuse exams to all child 31

1 victims who need them. That's a really important
2 function that we play. It's one that we take extremely
3 seriously. To that end, we agree with the proposed
4 decision where it states that fundamentally the rights of
5 children come first.

6 The duty that counties have across the state to
7 investigate and potentially prosecute or exercise child
8 welfare functions when there is a suspicion of child
9 abuse and neglect is one that we take extremely
10 seriously. That duty, as the test claim decision points
11 out, is mandated by a set of statutes that obligate
12 county public safety and child welfare agencies to act on
13 potential instances of child abuse and neglect.

14 So under the previous law, by which I mean before
15 AB 1402, counties were reimbursed for this important
16 duty, providing child abuse exams, through their fee
17 authority. We had the ability to bill Medi-Cal. We had
18 the ability to bill the Victims Compensation Board, and
19 we had the ability to bill private insurance. That's
20 part of what made our ability to provide the child abuse
21 exams a sustainable activity for counties across the
22 state.

23 So what did AB 1402 change? What AB 1402 does
24 principally is it prohibits counties from charging fees
25 for child abuse exams. Counties must now provide those

1 exams free of charge. We can't charge Medi-Cal. We
2 cannot charge the Victims Compensation Board, and we
3 can't charge private medical insurance. There's no more
4 fee authority. By removing the fee authority, this --
5 the AB 1402 bill furthers an important state policy by
6 making these exams more accessible to child victims by
7 which I mean that there's one less barrier to child
8 victims for getting these exams.

9 So AB 1402 didn't initially saddle counties with
10 the bill for these exams, at least not in design.
11 Rather, it stated that these exams would be reimbursed by
12 the state subject to appropriation by the legislature.
13 Altogether, AB 140 [sic] said the counties can't charge a
14 fee, that the state, in turn, would step in and take the
15 bill, and that it would be easier, more accessible for
16 children to get these incredibly important exams.

17 So what did the legislature do after AB 1402?
18 What happened is that when AB 1402 went into effect
19 starting on January 1st, counties stopped charging a fee,
20 pursuant to law, and continued providing these child
21 abuse exams, but then, unfortunately, the legislature
22 declined to appropriate funding to reimburse the cost of
23 child abuse exams. So counties still provide these
24 exams, but we absorb the cost of AB 1402 because there's
25 no reimbursement from the state. We deem that to be an 33

1 unfunded mandate under the State Constitution, and,
2 accordingly, we filed the test claim that is now before
3 the Commission.

4 So what's our dispute today? In large part we
5 think that the proposed decision gets most everything
6 right. We have one gripe which is that it recommends
7 partial approval and it narrows approval to child abuse
8 exams rendered to children who are covered by Medi-Cal or
9 whose costs would otherwise have been compensated by the
10 Victims Compensation Board. In other words, the test
11 claim decision says that there is no reimbursement under
12 the law for child abuse exams rendered to children who
13 are covered by private medical insurance. That's the
14 part that we disagree with. We disagree with it
15 strenuously, and it's important to us to explain why.

16 So the claimants, of course -- the County of Santa
17 Clara and counties across the state -- treat every child
18 the same. That's our ethical commitment and what the law
19 demands. The law mandates providing these exams to all
20 children regardless of insurance. This distinction
21 between insurance status does not appear anywhere in the
22 law. It doesn't appear in the duties that are imposed
23 upon public safety operators and child welfare agencies
24 to investigate and prosecute instances of child abuse.
25 It doesn't appear in Penal Code Section 11171 that

1 outlines the scope of these exams, doesn't appear
2 anywhere. Rather, it's the revised proposed decision
3 that distinguishes, discriminates, on the basis of
4 insurance status when it comes to recommending
5 reimbursement for one set of exams, you know, those who
6 would otherwise have been compensated by Medi-Cal and the
7 Victims Compensation Board, and not for another set of
8 exams, those that would have been compensated by private
9 insurance.

10 So what are we asking for? What we request is for
11 the Commission to direct staff to amend the revised
12 proposed decision to treat all child abuse exams equally
13 regardless of insurance status. In other words, what we
14 are asking for is for the amended proposed decision to be
15 a full approval rather than a partial approval.

16 I think what would be helpful is to zero in on
17 exactly what that legal dispute is between the county and
18 the revised proposed decision. What the proposed
19 decision says is that child abuse exams rendered to child
20 victims covered by private medical insurance do not
21 constitute a new program or higher level of service.
22 That's a phrase I'm sure the Commission has heard a lot,
23 so let me unpack that.

24 The revised proposed decision makes three claims
25 to support that determination.

1 First, it says that no new activity is required by
2 the test claim statute as to those exams rendered to kids
3 with private medical insurance.

4 Two, the state has not shifted costs which were
5 previously its responsibility.

6 And three, increased costs alone do not constitute
7 a reimbursable mandate.

8 We disagree with each of these, and it's important
9 for us to explain why.

10 So claim one, no new activity required by the test
11 claim statute as to exams rendered to kids with private
12 medical insurance.

13 The County of Santa Clara continues to argue that
14 the new activity in this test claim is providing these
15 exams free of charge. Plain and simple. This is the
16 same new activity, the same new program that the proposed
17 decision reimburses for child victims who do have
18 Medi-Cal coverage and whose costs would have been covered
19 by the Victims Compensation Board. It's difficult for us
20 to understand how one test claim statute can impose two
21 programs, one that is new and one that is not new. So we
22 believe that there is a new activity. It's one that
23 covers all child abuse exams regardless of insurance
24 status.

25 So claim number two, the state has not shifted

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1 costs which were previously its responsibility.

2 Again, the county would argue that the state has
3 shifted costs by declining to reimburse these exams after
4 acting -- after enacting, rather, AB 1402. The proposed
5 decision seems to argue that the fact that there -- there
6 was reimbursement prior to AB 1402 means that the state
7 previously took responsibility only for one set of exams,
8 those that were reimbursed by Medi-Cal and those that
9 were reimbursed by the Victims Compensation Board. We
10 disagree with that.

11 As the proposed decision itself states, child
12 abuse exams are mandated regardless of the child's
13 insurance status. The state didn't mandate these exams
14 and take responsibility for only one set of them. What
15 happened, instead, is that the state mandated all of
16 these exams and provided fee authority to counties so
17 that counties could recoup their costs under this mandate
18 from various sources: Medi-Cal, the Victims Compensation
19 Board, and private medical insurance. Where the state
20 actually assumed responsibility for these exams is with
21 the passage of AB 1402, the test claim statute, when it
22 declared that exams would be free and that the state
23 would reimburse them, subject to appropriation. That
24 assumption of responsibility itself does not discriminate
25 by a child's insurance status either.

37

1 Claim number three, the cost of child abuse exams
2 rendered to kids with private insurance alone are only
3 increase costs and don't constitute a reimbursable
4 mandate.

5 Here, again, it's unclear to the county how this
6 logic applies to exams rendered to child victims who have
7 private medical insurance and does not apply to exams
8 rendered to child victims who are covered by Medi-Cal or
9 the Victims Compensation Board. So in this case we would
10 ask why is it that AB 1402 only creates increased costs
11 for one set of exams and a fully reimbursable mandate for
12 another set of exams? Both exam sets, regardless of
13 insurance status, constitute the same new program, and,
14 moreover, they're not increased costs, but they all
15 constitute a higher level of service.

16 So to drill down even further on this point, the
17 county disagrees with how the proposed decision purports
18 to apply case law on this point. The proposed decision
19 cites the City of San Jose case which says, for the
20 record, at page 1816 -- and here I'm quoting --
21 Section 6, the State Constitutional provision, was not
22 intended to entitled local entities to reimbursement for
23 all increased costs resulting from legislative
24 enactments, but only those costs mandated by a new
25 program or an increased level of service imposed upon

1 them by the state, end quote. So far, so good. That's
2 what the revised proposed decision quotes.

3 However, that analysis in the City of San Jose
4 case goes further. The very next sentence states -- and
5 I'm quoting again -- Section 6 cannot be interpreted to
6 apply to general legislation which has an incidental
7 impact on local agency costs, end quote. For that
8 statement, the City of San Jose case relies on two other
9 cases, Lucia Mar Unified School District versus Honig in
10 1988 and the County of Los Angeles versus the State of
11 California from 1987. The relevant section of Lucia Mar
12 explains this principle by reference to the County of Los
13 Angeles decision. So to save time, I'm just going to
14 quote Lucia Mar at page 835. And, again, I'm quoting
15 here. In keeping with this principle, we recently held
16 in the County of Los Angeles that legislation requiring
17 local governments and other employers to increase certain
18 Workers' Compensation benefits did not invoke this
19 subvention requirement because the state mandate did not
20 provide for a program. We reasoned that the additional
21 expense to the local agency mandated by the legislation
22 arose as an incidental impact of a law which applied
23 generally to all state residents and entities, and this
24 type of expense was not what the voters had in mind when
25 they adopted Section 6 of Article XIII B, end quote.

1 So that principle, we would say, doesn't fit the
2 facts here. As we pled in the test claim, the increased
3 level of service is clear, providing exams that were
4 formerly billed free of charge to enhance access to child
5 abuse exams. The fact that these exams are free is not
6 incidental. That is the whole point of the test claim
7 statute. The fact that these exams are free is also not
8 general legislation. It doesn't apply to every entity in
9 the state. It applies particularly to counties that
10 provide these exams, that are mandated to provide these
11 exams.

12 The reason why the court of appeal in these
13 decisions focus on incidental impacts is found in the
14 text of the Constitution. So reimbursement is proper not
15 just for new programs, but also for an increased level of
16 service. What that means is that increased costs can and
17 often do constitute reimbursable mandates as long as they
18 come with an increased level of service. We have here an
19 increased level of service and increased level of service
20 for providing these child abuse exams in a way that
21 enhances access by removing the costs. That is not an
22 increased cost alone; it is an enhanced level of service.

23 So those are the brief points that underlie the
24 dispute that we have with the revised proposed decision
25 as to its findings on child abuse exams that are rendered 40

1 to kids with private medical insurance.

2 I do want to make two other points briefly, that
3 the revised proposed decision adds to the record.

4 The first is that in the revised proposed decision
5 there's a new argument that we saw for the first time
6 since we filed this test claim in December 2024. The
7 Commission staff argues that its hands are tied because
8 the counties test claim pled subdivision (f) of Penal
9 Code Section 11171 rather than all of Penal Code
10 Section 11171, as mandated by AB 1402. Just to be clear,
11 subdivision (f) is that subdivision that says you can no
12 longer charge for child abuse exams. So what the revised
13 proposed decision basically says is that if only the
14 county had pled the right test claim statute, the
15 Commission could have taken jurisdiction and made
16 findings on the activities required by the 2002 statute
17 and the costs incurred under the 2023 amendment. Because
18 the county didn't do this, the deadline for amending the
19 test claim has passed and the -- we can no longer
20 consider all of Section 11171. So we have some concerns
21 about that finding.

22 First, this argument, we believe, is inconsistent
23 with the proposed decision's findings about the
24 reimbursable mandate. The proposed decision says, and,
25 of course, the county agrees, that the underlying duty to 41

1 provide child abuse exams is not compelled by Penal Code
2 Section 11171 itself, but the full panoply of public
3 safety and child welfare laws that practically compel
4 counties to investigate claims of child abuse. The set
5 of laws the proposed decision references actually does
6 include Section 11171, so it appears that the proposed
7 decision does analyze the statute notwithstanding its
8 claim that the county failed to plead the entirety of
9 Section 11171.

10 In any case, the duty to investigate child abuse
11 and neglect extends to all cases of child abuse and
12 neglect. It does not discriminate on the basis of
13 insurance status. In other words, this new claim in the
14 revised proposed decision is one that we disagree with.
15 The Commission doesn't need to take jurisdiction of Penal
16 Code 11171 as a whole to find a reimbursable mandate for
17 child abuse exams rendered to kids covered by private
18 medical insurance. I mean, by the proposed decision's
19 logic, taking jurisdiction of Section 11171 would not
20 actually change the analysis here.

21 We have another more procedural concern about this
22 argument. The revised proposed decision seems to suggest
23 that the county should have pled the full statute when we
24 only pled a subdivision. We're a little disappointed by
25 that finding in the administrative record because the

1 county did, in fact, plead all of Penal Code
2 Section 11171 when we first filed the test claim in
3 December of 2024. We thought this was the best way to
4 capture the full effect of the statute as it was amended
5 by AB 1402.

6 On January 17, 2025, the Commission issued a
7 notice of incomplete test claim, informing the county
8 that its decision to plead the entirety of Section 11171
9 was inconsistent with the argument that we make in the
10 test claim narrative and where we describe costs of the
11 test claim statute. So relying on the good faith of the
12 Commission, we thought that the best way to revise the
13 test claim statute is just to narrow the focus to
14 subdivision (f) to clean up the issues, and more than a
15 year later, the revised proposed decision essentially
16 says that we chose to plead the wrong test claim statute,
17 which we find a little puzzling. And the reason why I'm
18 mentioning this isn't just to, you know, present a
19 procedural gripe; it's because that notice of incomplete
20 test claim doesn't actually appear on the public docket,
21 so it's important for us to -- to note this for the
22 record to acknowledge that there was a change in what the
23 test claim pleaded from its initial filing to its
24 revision.

25 Last point because I've held you here long enough: 43

1 We informed the Commission in our -- our final
2 comment to the proposed decision that the distinction
3 between Medi-Cal and private medical insurance creates
4 uncertainty about Medi-Cal regulations, and this is
5 because Medi-Cal regulations include what folks call a
6 discriminatory billing provision which states that
7 providers like the county cannot -- quoting again here,
8 for the record -- We cannot submit a claim for
9 reimbursement for the rendering of health care services
10 to a Medi-Cal beneficiary in any amount greater or higher
11 than the usual fee charged by a provider to the general
12 public for the same service, end quote.

13 AB 1402 prohibits the county for charging the
14 general public anything for child abuse exams, so the
15 charge to private medical insurance is \$0. If the charge
16 to private medical insurance is \$0 and the proposed
17 decision approves reimbursement for exams rendered to
18 Medi-Cal beneficiaries, the Commission would
19 inadvertently put counties in the position of charging
20 private medical insurance nothing while seeking
21 reimbursement for services rendered to Medi-Cal
22 beneficiaries. We are concerned that this would seem to
23 violate the discriminatory billing provision which is to
24 say that it's unclear that we could even seek
25 reimbursement for any exams, period, with this poisoned

1 pill in the proposed decision that distinguishes
2 reimbursement on insurance status.

3 The revised proposed decision does deal with this
4 issue, but it says that the Commission doesn't have
5 jurisdiction to address Medi-Cal billing regulations,
6 and, quote, Such discussion is irrelevant given that the
7 test claim statute prohibits billing for exams. We are
8 concerned about that finding because this is a problem
9 created by the revised proposed decision by the proposed
10 decision itself. I want to be clear on this, that no
11 party has called for the distinction on the basis of
12 insurance status, certainly not the claimant, not the
13 Department of Finance, no other county, and no other
14 interested party. It -- it's a distinction that appears
15 for the first time in the proposed decision itself.

16 So to conclude, the county believes that the
17 proposed decision gets most everything right. We don't
18 want to take that away from the proposed decision, but we
19 do believe that it errs deeply as to the distinction
20 between Medi-Cal and private medical insurance. That
21 distinction, we believe, is unnecessary and inconsistent
22 with the remainder of the proposed decision, and it
23 creates legal uncertainties that threaten to jeopardize
24 all reimbursements across the board.

25 We respectfully request that the Commission direct 45

1 staff to amend the proposed decision so that it treats
2 all child abuse exams the same. Thank you.

3 CHAIRPERSON PERRAULT: Thank you so much.

4 Before I go to Department of Finance, let me bring
5 it back to Commission staff, or do you want to hold until
6 after -- until after Finance?

7 MS. DOUGHERTY: I -- I can comment at least
8 briefly to give some perspective --

9 CHAIRPERSON PERRAULT: Okay.

10 MS. DOUGHERTY: -- here.

11 CHAIRPERSON PERRAULT: Thank you. That would be
12 helpful.

13 MS. DOUGHERTY: This is -- this is an unusual test
14 claim. It's -- it's under Section 6(c) of Article XIII B
15 and we're almost always under Section 6(a). So there is
16 no finding of a new activity necessary to be under 6(c),
17 and there is no new activity here. The exams are the
18 same. They've been going on for over 20 years. We're
19 under 6(c) because we can now use that to recognize a
20 shift in costs in financial responsibility from the state
21 to the local governments, and the plain summary of this
22 test claim would be that there has been a shift from
23 where the state used to pay under Medi-Cal and the Victim
24 Compensation Board, but there is no shift from private
25 insurance to the counties that can be recognized under

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1 the State Constitution because private insurance is not
2 the state.

3 So that's -- that's a summary of -- of the key
4 distinction of this entire claim.

5 I could comment on other specifics right now, if
6 you like, or we could get back to that after Finance.

7 MS. SHELTON: Can I also just --

8 CHAIRPERSON PERRAULT: Yes.

9 MS. SHELTON: -- clarify the state of the law?
10 You know, before Section 6(c) was even added by the
11 voters in 2004, the only way the courts have found a
12 reimbursable state-mandated program is, one, if the state
13 is imposing new activities that constitute a new program
14 or a higher level of service. And, as Laura said, there
15 are no new activities here. Child abuse exams have been
16 the same since 2002.

17 The other way that they did allow for
18 reimbursement even before Prop 1A was if the state had
19 full administrative control of the program, meaning that
20 they fully implemented the program and also fully paid
21 for the program, and shifted that whole thing over to
22 local government. That was the case in Lucia Mar,
23 dealing with special ed -- certain class of special ed
24 cases, and then also with County of San Diego, dealing
25 with the medically indigent adult cases.

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1 There was a case dealing with the educational
2 Revenue Augmentation Fund, County of Sonoma, where the
3 counties were trying to raise the same shift argument
4 where in that case the legislation reduced certain tax
5 revenues of counties and shifted that portion of tax
6 revenues to satisfy the state's Prop 98 requirement.
7 There, the Court found, well, that's not a shift because
8 schools are paid for by both the state and school
9 district local money. So the decisions of Lucia Mar and
10 County of San Diego don't work.

11 So, at that point, there's when there was a
12 negotiated agreement for a resolution that went before
13 the voters to add Section 6(c) which says there is now a
14 new program or higher level of service for counties and
15 cities only whenever the state shifts partial costs over
16 to the -- to the counties. So you don't have to have new
17 activities, but if the state, before the enactment of the
18 test claim statute, passed the responsibility for a
19 partial -- a portion of those costs and they shifted over
20 to local government, then that portion would be eligible
21 for reimbursement.

22 So you can't -- there -- it's clear here there are
23 no new activities so -- and it's clear that the state did
24 not pay for private insurance before, so there's no way
25 for us to get to that point. And we can't do equity. If 48

1 there is an issue with Medi-Cal billing, that would have
2 to be something for legislation. It's not how Article
3 XIII, Section 6 works.

4 CHAIRPERSON PERRAULT: Thank you.

5 Ms. Greene Ross, you had a comment. Do you want
6 to make your comment now, or shall I have Department of
7 Finance do theirs first?

8 MEMBER GREENE ROSS: I just had a question.

9 CHAIRPERSON PERRAULT: Okay. Go right ahead.
10 Yes.

11 MEMBER GREENE ROSS: I guess I'm trying to under
12 -- wrap my head around everything you're saying but
13 getting back up to the actual statute and the history and
14 the reason for it, and it sounded to me like it was
15 requiring what claimant alleges, that they're not
16 supposed to bill for anything because the state's going
17 to pay. So, first of all, I don't understand why the
18 legislature, when they did that, didn't appropriate.

19 MS. SHELTON: It happens.

20 MEMBER GREENE ROSS: More finance? Yeah. I'd
21 like that answer, but I know it's not really relevant but
22 -- because here we are, but, again, I'm just trying to --
23 taking what you're saying, I still want to understand the
24 plain language of the statute, seems to have required
25 them not to bill for whoever was paying.

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1 MS. SHELTON: So the services are exactly the same
2 before and after. The only change was that they can't
3 bill directly or indirectly the victim, meaning they
4 can't bill the insurance anymore because the state was
5 supposed to pick up the tab. The state has not yet
6 picked up the tab. So the County of Los Angeles case
7 that the county was just mentioning, the 1987 case, you
8 know, in that case the Court made it a big deal that we
9 can no longer, with the enactment of Article XIII B,
10 Section 6 into the California Constitution, compared to
11 prior Revenue and Taxation Code statutes that addressed a
12 mandate scheme. The old Rev and Tax Code statutes did
13 equate increased costs with reimbursement under those
14 statutes, and the Supreme Court said, "No, they're not
15 the same. You cannot, you know, equate increased costs
16 with what a new program or higher level of service is --
17 is."

18 So here, we have no new activities. There's
19 nothing new that they're doing. The only -- we agree
20 they have increased costs, but increased costs alone, as
21 the courts have repeatedly said, does not mean that you
22 get reimbursement. You have to satisfy all the elements.
23 Here, under the portion that used to be paid for by
24 private insurance, there's no new activity, and there's
25 new shift of cost from the state because the state didn't 50

1 pay that before.

2 MS. GREENE ROSS: But they're legally prohibited
3 by the statute from billing private insurance?

4 MS. SHELTON: Correct.

5 MEMBER GREENE ROSS: So it sounds like a
6 legislative fix might be required.

7 MS. DOUGHERTY: That's exactly right. The -- the
8 solution that the claimant is seeking here is in the
9 legislature's hands or in the -- in the citizens' hands
10 to call their representatives and say, "Hey, this is
11 upsetting. Please -- please finish what you started."
12 That's where we are. Exactly.

13 MS. SHELTON: Yeah. Just -- Article XIII B,
14 Section 6 has to be applied as a question of law and not
15 a question of equity, and so we can't fix it as a matter
16 of equity.

17 CHAIRPERSON PERRAULT: Additional questions?
18 Okay.

19 Mr. Adams?

20 MEMBER ADAMS: I don't know if we're going to have
21 anymore staff --

22 CHAIRPERSON PERRAULT: Well --

23 MEMBER ADAMS: -- input before we --

24 CHAIRPERSON PERRAULT: Well, and I also still need
25 to go to the Department of Finance --

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1 MEMBER ADAMS: Yeah. So -

2 CHAIRPERSON PERRAULT: -- so --

3 MEMBER ADAMS: -- I'll wait.

4 CHAIRPERSON PERRAULT: Oh, you want to -- okay.

5 Let -- let -- let's do that. Let's -- and then -- and

6 then we can bring it back to the Commission for

7 additional questions.

8 Okay. Mr. Hill and Ms. Yap from Department of
9 Finance, do you have any comments?

10 MS. YAP: Finance has no comments on this matter.

11 Thank you.

12 CHAIRPERSON PERRAULT: Okay. Thank you so much.

13 Okay. Thank you. I just wanted to make sure we
14 got through all of our witnesses first. Now let me go
15 ahead and -- and bring it back to the Commission.

16 Mr. Adams, go ahead.

17 MEMBER ADAMS: Thank you.

18 First I want to say I am absolutely embarrassed
19 that we ever charged victims' insurance. I find that

20 just unbelievably outrageous that -- what victims go

21 through and then their private insurance was hit.

22 Unbelievable.

23 As I sit here as a county rep, what's frustrating

24 to me is that counties cannot escape these new costs

25 shift. I understand that these are not costs shift from 52

1 1

2 The state, but this legislation has closed a road
3 for the counties to get reimbursement, and I agree that
4 road should have never been opened. They should have
5 never been able.

6 I'm also, once again, frustrated that I understand
7 our sideboards, and as I've sat here for a number of
8 years, I don't know how to get somebody's attention that
9 these sideboards are awful. We're not the Commission on
10 State Mandates; we're the Commission on Sometimes State
11 Mandates. This is obviously something the state has put
12 in. The counties cannot escape it. They're getting the
13 costs, and then, again, it takes a legislative fix, and I
14 don't know at what point do I do a protest vote just to
15 try and get somebody's attention that this is not right.
16 This has to be changed.

17 MS. SHELTON: Can I also just mention -- because I
18 think that the county was maybe misunderstanding our
19 point in the revised proposed decision -- there is a
20 remedy here, and it's in Government Code Section 17551
21 which allows you to plead older statutes as long as
22 you're first incurring costs within one year of filing a
23 test claim.

24 So this would have changed had the county pled the
25 2002 statute as a whole because that's when 11171 was

1 added. Then we would have -- all of those activities
2 would be new. The child abuse activities would be new,
3 and we would be able to, you know, propose a decision
4 recommending reimbursement for all of it.

5 MEMBER ADAMS: Is the response to the comment that
6 they did plead it a certain way and it was suggested do
7 it a different way?

8 MS. SHELTON: No. They never pled the 2002
9 statute. That's the point we're making here. You know,
10 if -- I don't know what -- when our back-and-forth
11 between the completeness review -- that sounded like the
12 whole section, the whole code section, versus
13 subdivisions on the 2023 or 2024 statute. I'm talking
14 about pleading the 20 -- 2002 statute. They could have
15 done that, and that's the whole point when the
16 legislature amended 17551, to allow you to do that.
17 Whenever the legislature takes away money from you, you
18 can, you know, plead the old statute and, you know, say
19 that I -- "We just first incurred costs because of this
20 2023 statute." That was the whole point of that
21 amendment.

22 So there was a remedy, but there's nothing that we
23 can do about it anymore because the last chance for a
24 claimant to amended their claim was before the matter is
25 set for hearing, and the matter is set for hearing when 54

1 the draft goes out.

2 CHAIRPERSON PERRAULT: All right. Thank you.

3 Other comments from commissioners?

4 MEMBER POWELL: I have a --

5 CHAIRPERSON PERRAULT: Oh.

6 MEMBER POWELL: -- question. Sorry.

7 CHAIRPERSON PERRAULT: Okay. And then -- yes.

8 After Mr. Powell, we'll go to Ms. Gallegos.

9 Go ahead, Mr. Powell.

10 MEMBER POWELL: So I see -- maybe this is just the
11 error of reading statutes in a vacuum --

12 MR. SUPACHANA: Pardon my interruption. I cannot
13 hear Mr. Powell.

14 MEMBER POWELL: Sorry about that. In Section (g)
15 there is a sentence bolded helpfully that -- that says,
16 "The costs associated with these medical evidentiary
17 exams shall be funded by the state subject to
18 appropriation by the legislature," and that's a full
19 sentence. I -- I don't see in that section a discussion
20 about private insurance, be it Medicare or Medi-Cal or
21 Victim Compensation Board, and so I'm just a little
22 confused why that -- you know, "The costs associated with
23 these medical and evidentiary exams shall be funded" is
24 now, under the proposed decision, "not shall be funded
25 entirely."

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1 MS. SHELTON: I'm going to let Laura just explain
2 how this worked with the funding, and it was in forms
3 from Cal OES that are not actually pled, but they're part
4 of the program. But the legislature -- (g) is still
5 applicable. The legislature can still appropriate money,
6 and, you know, there's nothing that we can do about that.

7 MEMBER POWELL: If they appropriate money --

8 MS. SHELTON: Then the --

9 MEMBER POWELL: -- the county then can claim that
10 money for private insurance exams or if it's zero --

11 MS. SHELTON: Under -- no. Under the decision,
12 you're reimbursing the portion of when a child is --
13 was -- is eligible for Medi-Cal or Victims Compensation
14 payment for that.

15 If there's an appropriation from the legislature
16 for all of the child abuse and neglect exams, then
17 there's no reimbursement because they -- unless they
18 short it, unless they cut it short. We can't --

19 MS. DOUGHERTY: Was your question what would
20 happen if the legislature does appropriate funding?

21 MEMBER POWELL: Tomorrow they appropriate as much
22 money as necessary.

23 MS. DOUGHERTY: Then -- then all of the exams
24 could be reimbursed through Cal OES, as written.

25 MEMBER POWELL: But part of the issue --

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1 MS. DOUGHERTY: So --

2 MEMBER POWELL: -- is the -- the failure to
3 appropriate --

4 MS. DOUGHERTY: There's a --

5 MEMBER POWELL: -- funds?

6 MS. DOUGHERTY: The failure to appropriate is --
7 is the problem, so this claim came here, but being under
8 Section 6(c), we can only address what the state has
9 shifted from itself to the counties.

10 MS. SHELTON: And there's a lot of case law. We
11 can't force the legislature to make an appropriation.

12 CHAIRPERSON PERRAULT: Hold -- hold on.

13 Okay. Let -- let me go to Ms. Gallegos, please,
14 first, and then Mr. Adams.

15 MEMBER GALLEGOS: Yeah. Just a quick question.
16 Could you explain who is covered by the Victims
17 Compensation Board and why all participants or -- or
18 people who have had exams would not be covered by one of
19 the two, Medi-Cal or Victims Compensation Board?

20 MS. DOUGHERTY: My understanding of the Victim
21 Compensation Board is that it's sort of a -- a backup
22 system for children who, for whatever reason, are not
23 fully insured by Medi-Cal. But as far as the -- the
24 primary distinction in here between the private insurance
25 and anything the state covers is -- is statutory. It is 57

1 in the Welfare and Institutions Code that if the child
2 has private -- if anyone has private insurance, the state
3 will not be paying for their medical expenses. So the --
4 that line is just black and white.

5 Does that answer your question?

6 CHAIRPERSON PERRAULT: Mr. Adams.

7 MEMBER ADAMS: Just to comment on the legislative
8 appropriating money, they certainly have and then there's
9 also that little issue where in budgets the
10 administration will suspend mandate payments, which is
11 another frustrating accounting.

12 I would hope that this goes to -- to a court that
13 a judge would, at some point, say, "These should have
14 never been billed to private insurance. Never, never,
15 never. This was -- always should have been a public cost
16 and, therefore, darn it, State, you should be paying for
17 all of them now."

18 CHAIRPERSON PERRAULT: Thank you.

19 All right. Other comments? Ms. Nash.

20 MEMBER NASH: I just want to say I share
21 Mr. Adams' feelings and concerns and frustrations about
22 the situation. I understand the state of the law and
23 that our -- our hands are tied. I appreciate staff's
24 careful explanation of the law, but this is one where I'm
25 very frustrated.

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1 CHAIRPERSON PERRAULT: Okay. Other comments or
2 questions?

3 MEMBER GREENE ROSS: I third that motion. Thank
4 you.

5 CHAIRPERSON PERRAULT: Okay.

6 MR. NARAYAN: Honorable Chair, may I make a brief
7 comment? I'm happy to --

8 CHAIRPERSON PERRAULT: Very --

9 MR. NARAYAN: -- wait.

10 CHAIRPERSON PERRAULT: Very briefly, please. Very
11 briefly.

12 MR. NARAYAN: Okay. I just want to say that --
13 two principles here.

14 One is that that if this seems odd to the
15 Commission, it's because it is. At a very high level,
16 what's happening in the test claim statute is that
17 counties have a duty to do something. Previously there
18 was fee authority to do it. State takes away the fee
19 authority. We still have to do this activity because
20 it's a duty. We can no longer charge. It's a state
21 mandate.

22 In this case, if it seems like there is some sort
23 of a loophole that the legislature can only fix, that is
24 a correct reading of the problem here, and that problem
25 is unconstitutional. The fix is by the Commission, not

1 by the legislature because the legislature took away the
2 fee authority of counties and accrued to itself the
3 ability to pass on the costs to counties that have to
4 subsidize these exams. What we're arguing here is that
5 there is a new activity, there is a new program. That
6 new activity, that new program is providing these exams
7 free of charge. That was not something that counties had
8 to do prior to the enactment of AB 1402.

9 To the extent that the proposed decision tries to
10 characterize the test claim as Article XIII B, Section
11 6(c) issue, we disagree strenuously. That is one basis
12 upon which an activity can constitute an unfunded state
13 mandate, but it is not the primary basis. The primary
14 basis is the finding of a new program or higher level of
15 service. That's the way that the County of Santa Clara
16 pled the test claim statute. In the law there's this
17 principle that the plaintiff is the master of their
18 complaint. We pled this as a new activity and a new
19 program, not as a mere transfer of state responsibility.
20 We think that's happening too, but the primary issue here
21 is that there is a new program, there is a new activity,
22 and it's one that does not distinguish on the basis of
23 insurance status.

24 CHAIRPERSON PERRAULT: Thank you for being brief.

25 Let me just comment. I -- I'm not sure that I

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1 agree that this is a new activity. It's a new funding
2 source that has to -- responsibility for paying for that
3 activities, but the activity itself, in and of itself, I
4 don't think is new.

5 I will just note, you know -- again, you know,
6 I -- I echo and understand the frustration of my fellow
7 commissioners on this issue. Unfortunately, oftentimes
8 we see the legislature pass bills upon appropriation.
9 More times than not we would like to not see that happen,
10 but they do. Many times that that is -- you know,
11 there's -- there's some -- again, I won't get into the
12 politics and the tactics around that, but it happens
13 frequently. As you can imagine, there then becomes a
14 balance of if -- if the state was to fund every
15 legislation that came through upon appropriation, the
16 state -- it -- it's untenable. They couldn't. The state
17 doesn't have that -- that funding source.

18 So -- so I hear your frustration, and I think that
19 it -- it is an activity, and the legislature does
20 squarely have the responsibility during the -- the fiscal
21 budget process time to make -- you know, make the
22 appropriation of this a priority. I think that -- to
23 your point, Mr. Adams, you know, if they're going to pass
24 a bill that they believe ties the hands of counties, that
25 they should fight for that as part of the budget process, 61

1 but it's an unfortunate sort of impact that we're having
2 before us as a result, I think, of legislative activity
3 and -- and the budgetary -- overall budgetary process
4 that, you know, again, the legislature owns a portion of
5 along with administration.

6 But I -- but I will just say I don't -- I don't
7 personally believe this is a new activity and -- and
8 unfortunately I don't know -- you know, again, to
9 Ms. Nash's comments, you know, I think our hands are a
10 little bit tied. We have to make a rendering based on
11 what's within our purview to do so, and I --
12 unfortunately, I don't think this is something the
13 Commission can -- can stand behind as an actual mandate
14 because of new activity or otherwise. I do believe it's
15 something that the legislature, along with the
16 administration, has to work through to fund
17 appropriately.

18 So I'll just end with that. I don't know -- I
19 want to go back to our attorneys if we have any
20 additional last comments, otherwise I'm going to bring it
21 back for a motion.

22 MS. SHELTON: Madam --

23 MR. SUPACHANA: Madam Chair --

24 CHAIRPERSON PERRAULT: Yes.

25 MR. SUPACHANA: Sorry. I apologize.

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1 CHAIRPERSON PERRAULT: Yes. I'll just --

2 MR. SUPACHANA: Just --

3 CHAIRPERSON PERRAULT: Yes. Just one second --

4 MR. SUPACHANA: Thank you.

5 CHAIRPERSON PERRAULT: -- Dennis.

6 Yes.

7 MS. SHELTON: Oh, just to -- I want local
8 government to really understand 17551 and how it was
9 amended for your benefit to assist in these kinds of
10 cases when a program is old and the state takes away
11 money. You can plead that, and so just know that's
12 available. And, again, had that been done, we would have
13 been able to recommend approval for the whole thing.

14 CHAIRPERSON PERRAULT: Thank you so much. I
15 appreciate that.

16 Okay. Before I move it back to the Commission to
17 see if there's a motion, is there any public comments?
18 And, again, we are on Item 4. Are there any public
19 comments on Item 4? I see none in the room.

20 Are there any online, Dennis?

21 MR. SUPACHANA: No, there are no public comments
22 online, Madam Chair.

23 CHAIRPERSON PERRAULT: Thank you so much.

24 Okay. With that, are there any -- is there a
25 motion to approve staff recommendation or otherwise?

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1 MEMBER NASH: I'll make a motion to approve the
2 staff recommendation for the proposed test claim decision
3 in this case.

4 CHAIRPERSON PERRAULT: Okay. I have a motion by
5 Ms. Nash. Is there a second?

6 I will go ahead and second.

7 If we could please have a roll call.

8 MS. GMUR: Mr. Adams.

9 MEMBER ADAMS: No.

10 MS. GMUR: Ms. Gallegos.

11 MEMBER GALLEGOS: Aye.

12 MS. GMUR: Ms. Greene Ross.

13 MEMBER GREENE ROSS: I'm going to vote aye, but I
14 amend -- just hope Finance can help straighten this out
15 in the legislature.

16 MS. GMUR: Ms. Jimenez.

17 MEMBER JIMENEZ: Abstain.

18 MS. GMUR: Ms. Nash.

19 MEMBER NASH: Aye.

20 MS. GMUR: Ms. Perrault.

21 CHAIRPERSON PERRAULT: Aye.

22 MS. GMUR: Mr. Powell.

23 MEMBER POWELL: Aye.

24 CHAIRPERSON PERRAULT: What's that vote? I'm
25 sorry. It's all over the place. Does that motion carry? 64

1 MS. GMUR: Yes. Six, one.

2 CHAIRPERSON PERRAULT: All right. Sorry. I just
3 want to make sure.

4 All right. That motion carries. Thank you so
5 much.

6 MS. GMUR: We now ask the presenters participating
7 remotely for Item 4 to please turn off their video and
8 mute their microphones.

9 Those presenting in person, please return to your
10 seat.

11 Next is Item 5.

12 We now ask the presenters participating remotely
13 for Item 5 to please turn on their video and unmute their
14 microphones. Chief Legal Counsel Camille Shelton will
15 please present a revised proposed decision and parameters
16 and guidelines on California Regional Water Quality
17 Control Board Los Angeles region, Order Number
18 R4-2012-0175, 13-TC-01, and 13-TC-02.

19 MS. SHELTON: Good morning. The revised proposed
20 parameters and guidelines address state-mandated
21 activities arising from the stormwater permit adopted by
22 the Los Angeles Water Quality Control Board in 2012.

23 The Commission approved the test claim for
24 reimbursement beginning December 28th, 2012, and found
25 that the test claim permit imposes a partial reimbursable 65

1 state-mandated program for the pro rata costs to develop
2 and submit a watershed management plan or an enhanced
3 watershed management plan for only the US EPA-adopted
4 TMDLs.

5 The proposed parameters and guidelines identify
6 the reimbursable activities approved by the Commission
7 and the potential offsetting -- offsetting revenue
8 identified in the test claim decision.

9 Staff recommends that the Commission adopt the
10 revised proposed decision of parameters and guidelines
11 and authorize staff to make any technical non-substantive
12 changes to the proposed decision following the hearing.

13 Thank you.

14 CHAIRPERSON PERRAULT: Thank you so much.

15 Would the parties and witnesses please state your
16 name for the record.

17 MR. GEST: Howard Gest of Burhenn & Gest on behalf
18 of the claimants.

19 CHAIRPERSON PERRAULT: All right. Thank you,
20 Mr. Gest. You like to go ahead and begin with your
21 comments?

22 MR. GEST: Yes. Thank you.

23 Good morning, Madam Chair and members of the
24 Commission. First, I would like to thank Commission
25 staff and the Commission for adding the city of Irwindale 66

1 to the list of permittees mandated to comply with the San
2 Gabriel River and impaired tributaries, metals and
3 selenium TMDL. I do not represent the City of Irwindale,
4 but they are subject to that TMDL and should be included
5 in the list, and I thank the Commission staff and the
6 Commission for adding them to that list.

7 Claimants do not agree with certain aspects of the
8 parameters and guidelines. In particular, they do not
9 agree with the finding that they have fee authority after
10 January 1st, 2018, for mandated activities. However, we
11 recognize that this provision in the parameters and
12 guidelines follows the test claim's decision, and,
13 therefore, we will not argue it any further at this point
14 other than to state that we believe it's error for the
15 same reason that the test claim's decision on this point
16 was error.

17 Otherwise, I'm here to respond to any questions or
18 to respond to any additional arguments.

19 CHAIRPERSON PERRAULT: Thank you so --

20 MR. GEST: Thank you.

21 CHAIRPERSON PERRAULT: Thank you so much,
22 Mr. Gest.

23 Mr. Hill and Ms. Yap for Department of Finance, do
24 you have any comments?

25 MS. YAP: Finance has no comments on this matter. 67

1 Thank you.

2 CHAIRPERSON PERRAULT: Okay. Thank you so much.

3 Are there any public comments on this item?

4 I see none in the room.

5 MR. SUPACHANA: Madam Chair, there are no online
6 public comments.

7 CHAIRPERSON PERRAULT: Thank you so much.

8 I'll bring it back to the Commission members. Are
9 there comments or questions from the commissioners?

10 Okay. Seeing none, is there a motion to adopt
11 staff recommendation?

12 MEMBER ADAMS: Madam Chair, I'll so move.

13 CHAIRPERSON PERRAULT: Moved by Mr. Adams.

14 Is there a second?

15 MEMBER NASH: Second.

16 CHAIRPERSON PERRAULT: Second by Ms. Nash.

17 Can we please have a roll call.

18 MS. GMUR: Mr. Adams.

19 MEMBER ADAMS: Aye.

20 MS. GMUR: Ms. Gallegos.

21 MEMBER GALLEGOS: Aye.

22 MS. GMUR: Ms. Greene Ross.

23 MEMBER GREENE ROSS: Aye.

24 MS. GMUR: Ms. Jimenez.

25 MEMBER JIMENEZ: Aye.

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1 MS. GMUR: Ms. Nash.

2 MEMBER NASH: Aye.

3 MS. GMUR: Ms. Perrault.

4 CHAIRPERSON PERRAULT: Aye.

5 MS. GMUR: Mr. Powell.

6 MEMBER POWELL: Aye.

7 CHAIRPERSON PERRAULT: Thank you. That motion
8 carries.

9 We'll move to Item 6.

10 MS. GMUR: We now ask the presenters participating
11 remotely for Item 5 to please turn off their video and
12 mute their microphones.

13 Item 6. We now ask the presenters participating
14 remotely for Item 6 to please turn on their video and
15 unmute their microphones.

16 Senior Commission Counsel Laura Dougherty will
17 please present a proposed decision and parameters and
18 guidelines on criminal procedure, discrimination,
19 24-TC-01 -- 02.

20 MS. DOUGHERTY: These parameters and guidelines
21 address state-mandated activities arising from Penal Code
22 Sections 745(j)(3) and 1473(f), as amended by the test
23 claim statute which requires county public defenders to
24 represent indigent habeas corpus petitioners with
25 criminal judgments entered before January 1st, 2021, who 69

1 are alleging a violation of the Racial Justice Act.

2 Neither the claimant nor the Controller requested
3 changes to the draft expedited parameters and guidelines
4 or the draft proposed decision. The County of Santa
5 Clara requested additional reimbursement for public
6 defender work, and six counties requested additional
7 reimbursement for district attorney work, including
8 Contra Costa, Sonoma, San Francisco, Marin, Sacramento
9 and Stanislaus. However, Commission staff finds that
10 these requests exceed the scope of the mandate and
11 therefore recommend no changes to the proposed parameters
12 and guidelines.

13 Staff recommends that the Commission adopt the
14 proposed decision and parameters and guidelines with the
15 reimbursement period beginning July 1st, 2023, and
16 authorize staff to make any technical non-substantive
17 changes following the hearing.

18 Thank you.

19 CHAIRPERSON PERRAULT: Thank you.

20 Would the parties and witnesses please state your
21 name for the record.

22 MR. LEMUS: Sure. Fernando Lemus, County of Los
23 Angeles, claimant representative.

24 MS. WALSTON: Tiffany Walston, deputy county
25 counsel for the County of Los Angeles, and I am the

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1 claimant representative.

2 CHAIRPERSON PERRAULT: Thank you so much.

3 Mr. Lemus and Ms. Walston for the claimant, would
4 you like to begin?

5 MR. LEMUS: Sure. We -- we didn't have any
6 additional comments, so we're just here to say we didn't
7 have any additional comments.

8 CHAIRPERSON PERRAULT: Okay. Thank you so much.

9 Ms. Hill or Ms. -- sorry. Mr. Hill and Ms. Yap
10 from the Department of Finance, do you have any comments?

11 MS. YAP: Finance has no comments on this matter.
12 Thank you.

13 CHAIRPERSON PERRAULT: Thank you, Ms. Yap.

14 Are there any public comments on this item?

15 Seeing none in the room.

16 MR. SUPACHANA: Madam Chair, there are no online
17 public comments.

18 CHAIRPERSON PERRAULT: All right. Bringing that
19 back to commissioners, are there any comments or
20 questions, Commissioners?

21 Seeing none, is there a motion to approve staff
22 recommendation?

23 MEMBER POWELL: I'll move to approve.

24 CHAIRPERSON PERRAULT: Move by Mr. Powell.

25 Is there a second?

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1 MEMBER GREENE ROSS: Second.

2 CHAIRPERSON PERRAULT: Second by Ms. Greene Ross.

3 If we could please have a roll call.

4 MS. GMUR: Mr. Adams.

5 MEMBER ADAMS: Aye.

6 MS. GMUR: Ms. Gallegos.

7 MEMBER GALLEGOS: Aye.

8 MS. GMUR: Ms. Greene Ross.

9 MEMBER GREENE ROSS: Aye.

10 MS. GMUR: Ms. Jimenez.

11 MEMBER JIMENEZ: Aye.

12 MS. GMUR: Ms. Nash.

13 MEMBER NASH: Aye.

14 MS. GMUR: Ms. Perrault.

15 CHAIRPERSON PERRAULT: Aye.

16 MS. GMUR: Mr. Powell.

17 MEMBER POWELL: Aye.

18 CHAIRPERSON PERRAULT: Thank you. That motion

19 carries.

20 We'll move to Item 7.

21 MS. GMUR: We now ask the claimants

22 representatives for Item 7 to please -- Item 6 to please

23 turn off their videos and mute their microphones.

24 And those participating for Item 7, please turn on

25 your video and unmute your microphone.

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1 Commission Counsel Anna Barich will please present
2 a proposed decision and parameters and guidelines on
3 internet websites and email addresses 24-TC-04.

4 MS. BARICH: Good morning. These parameters and
5 guidelines address state-mandated activities arising from
6 Government Code Section 50034, as added by the 2023 test
7 claim statute. Mandated program requires cities and
8 counties to ensure their internet websites for use by the
9 public and public email addresses for their employees
10 utilize either a .gov first-level domain name or .ca.gov,
11 second-level domain name by January 1st, 2029, and to
12 ensure that any internet websites with non-compliant
13 domain names they continue to maintain after the deadline
14 redirect users to a website with a compliant domain name.

15 Standard definitions of the word "website" as well
16 as the rules of statutory construction support that the
17 legislation intended its ordinance for internet websites
18 for use by the public to extend to component files that
19 make up a website, including web pages, web applications,
20 or other related resources.

21 No substantive comments were filed on the draft
22 expedited parameters and guidelines nor on the proposed
23 decision and parameters and guidelines. The Controller
24 commented on the draft expedited parameters and
25 guidelines to recommend no changes.

1 Staff recommends that the Commission adopt the
2 proposed decision, parameters and guidelines with
3 reimbursement period beginning January 1st, 2024, and
4 authorize staff to make any technical non-substantive
5 changes to the proposed decision following the hearing.

6 Thank you.

7 CHAIRPERSON PERRAULT: Thank you so much.

8 Parties and witnesses, if you could please state
9 your names for the record.

10 MR. WALDEN: Joshua Walden on behalf of the
11 claimant, County of Santa Clara.

12 CHAIRPERSON PERRAULT: Thank you. Mr. Walden, for
13 the claimant, would you like to begin?

14 MR. WALDEN: Yes. Thank you. The county is
15 grateful to the Commission staff for its expedited work
16 on these parameters and guidelines and would respectfully
17 ask the Commission to adopt the proposed decision and
18 parameters and guidelines.

19 I have no further comments prepared this morning
20 but would be glad to answer any questions.

21 CHAIRPERSON PERRAULT: Thank you so much,
22 Mr. Walden.

23 Mr. Hill and Ms. Yap from the Department of the
24 Finance, would you like to make any comments?

25 MS. YAP: Finance has no comments on the

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1 recommendation. Thank you.

2 CHAIRPERSON PERRAULT: Thank you, Ms. Yap.

3 Are there any public comments on Item Number 7?

4 Seeing none in the room.

5 MR. SUPACHANA: Madam Chair, there are no online
6 public comments.

7 CHAIRPERSON PERRAULT: Thank you so much.

8 Let me go ahead and bring this back to
9 commissioners. Are there any comments or questions from
10 commissioners on Item 7?

11 Seeing none, is there a motion to adopt staff
12 recommendation for Item 7?

13 MEMBER NASH: So moved.

14 CHAIRPERSON PERRAULT: Moved by Ms. Nash.

15 Is there a second?

16 MEMBER GALLEGOS: I'll second.

17 CHAIRPERSON PERRAULT: Seconded by Ms. Gallegos.

18 If we could please have a roll call.

19 MS. GMUR: Mr. Adams.

20 MEMBER ADAMS: Aye.

21 MS. GMUR: Ms. Gallegos.

22 MEMBER GALLEGOS: Aye.

23 MS. GMUR: Ms. Greene Ross.

24 MEMBER GREENE ROSS: Aye.

25 MS. GMUR: Ms. Jimenez.

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1 MEMBER JIMENEZ: Aye.

2 MS. GMUR: Ms. Nash.

3 MEMBER NASH: Aye.

4 MS. GMUR: Ms. Perrault.

5 CHAIRPERSON PERRAULT: Aye.

6 MS. GMUR: Mr. Powell.

7 MEMBER POWELL: Aye.

8 CHAIRPERSON PERRAULT: Thank you so much. That
9 motion carries.

10 We'll now move on to Item Number 8.

11 MS. GMUR: Next, Program Office Technician David
12 Chavez will please present Item 8, the legislative
13 update.

14 MR. CHAVEZ: Good morning. The following are the
15 legislative updates since the last time the Commission
16 met.

17 First, SB 414, School accountability: Office of
18 the Education Inspector General: School financial and
19 performance audits: Charter school authorization,
20 oversight, funding, operations, and networks: Flex-based
21 instruction: Local educational agency contracting.

22 SB 414 was introduced by Senator Ashby. Among
23 other things to the Education Code regarding charter
24 schools, this bill amends Government Code Section 17518
25 and adds "charter school" to the definition of "local

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1 agency" as follows:

2 Local agency means any city, county, special
3 district, authority, charter school or other political
4 subdivision of the state.

5 There has been no new action on this bill.

6 Next, AB 96 -- AB 964, Commission on State
7 Mandates, state mandates.

8 AB 964 was introduced by Assembly Member Hadwick.
9 This bill amends Government Code Section 17558.5. This
10 bill would require the Controller to notify the claimant
11 in writing within 30 days of an adjustment that results
12 from an audit or review and now requires the Controller
13 to allow a local agency or school district, at the sole
14 direction of the local agency or school district, to
15 offset any reduced reimbursement as prescribed or to
16 remit funds to the Controller.

17 On January 31st, 2026, this bill died pursuant to
18 Article IV, Section 10(c) of the Constitution, and on
19 February 2nd, 2026, this bill was filed with the chief
20 clerk pursuant to Joint Rule 56.

21 Next, AB 1452, state mandates, claims.

22 AB 1452 was introduced by Assembly Member Ta.
23 This bill amends Government Code Section 17564. This
24 bill will change the minimum claim amount that requires
25 the state to reimburse a local government from \$1,000 to 77

1 \$800.

2 On January 31st, 2026, this bill died pursuant to
3 Article IV, Section 10(c) of the Constitution, and on
4 February 2nd, 2026, this bill was filed with the chief
5 clerk pursuant to Joint Rule 56.

6 Finally, AB 395, holidays.

7 AB 395 was introduced by Assembly Member Gabriel.
8 This bill amends Government Code Section 11131,
9 Bagley-Keene Open Meeting Act. Among other things, this
10 bill would require that a state agency shall make every
11 reasonable effort to avoid conducting any meeting,
12 conference or other function on a date for which the
13 state agency knows or has reason to know that members of
14 the public would be unable to participate or to be
15 present due to the ritual observance of a religious,
16 cultural, or ancestral holiday.

17 There has been no new action on this bill.

18 Staff will continue to monitor legislation for
19 bills that impact the mandates process.

20 Thank you.

21 CHAIRPERSON PERRAULT: Thank you.

22 MS. GMUR: Thank you, David.

23 Next, Chief Legal Counsel Camille Shelton will
24 please present Item 9, Chief Legal Counsel Report.

25 MS. SHELTON: Good morning. There are no pending 78

1 litigation cases currently, so I have nothing new to
2 report.

3 Thank you.

4 MS. GMUR: And thank you, Camille.

5 All right. And brings us to the Executive
6 Director's Report. I have four information items.

7 That's someone's cue. Personnel. We're waiting
8 for someone to turn on their camera. Thank you.

9 Jason Rogers. Last month, Jason celebrated
10 25 years with the Commission. He started as the one and
11 only IT specialist. Over the years, he has seen the
12 Commission through quite a few changes. He created
13 multiple dynamic databases, including the Commission's
14 Automated Tracking System, or CATS, which is used to
15 track all Commission matters. He designed and maintained
16 the Commission's website, set up electronic filing, and,
17 most recently, converted the Commission's meetings to
18 fully remote and then to the hybrid meetings we enjoy
19 today. He currently serves as the Commission's Chief
20 Information Officer.

21 Congratulations, Jason.

22 MR. ROGERS: Thank you for the kind recognition,
23 Juliana. It's been an honor working for the Commission
24 and serving the Commission. I'm very, very grateful to
25 be part of such a dedicated team, so thank you.

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1 MS. GMUR: Thank you.

2 Recruitment. The Commission's latest recruitment
3 for the Attorney III position has been posted and is
4 slated to close February 25th.

5 The Commission's budget. The Governor introduced
6 the proposed 2026-2027 budget on January 9, which
7 includes an operating budget of \$3.239 million and is
8 broken down as \$2.823 million for personnel services and
9 \$416,000 for operating expenses and equipment. This is
10 an increase of 28,000 from the total appropriation for
11 the 2025-2026 budget after adjustments for salaries and
12 benefits.

13 The Governor's budget also includes \$91.21 million
14 for local assistance or local agency-mandated programs, a
15 decrease of \$2.893 million from the 2025-2026 budget.

16 More detail is available in the Executive
17 Director's Report.

18 Workload. As of January 31st, there are 35
19 pending test claims, 31 of which are regarding NPDS
20 permits. In addition, there are four parameters and
21 guidelines, six statewide cost estimates, four incorrect
22 reduction claims, and a proposed amendments to parameters
23 and guidelines pending.

24 Tentative agenda items. This is a reminder to
25 please check the tentative agenda items on the Executive 80

1 Director's Report for pending caseload documents on the
2 Commission's website which are updated at least bimonthly
3 to see when something is tentatively set for hearing.

4 Draft proposed decisions on all test claims and
5 IRC matters are issued for review and comment at least
6 eight weeks prior to a hearing date and proposed decision
7 approximately two weeks before a hearing.

8 That's all I have, Madam Chair.

9 CHAIRPERSON PERRAULT: Thank you so much.

10 Comments or questions from commissioners on
11 Executive Director's Report, Legislative Report?

12 Seeing none.

13 Okay. All right. With that, we are going to go
14 ahead and move into closed session.

15 The Commission will meet in closed executive
16 session pursuant to Government Code Section 11126(e) to
17 confer with and receive advice from legal counsel for
18 consideration and action, as necessary and appropriate,
19 upon the pending litigation listed on the published
20 notice and agenda and to confer with and receive advice
21 from legal counsel regarding potential litigation.

22 The Commission will also confer on personnel
23 matters pursuant to Government Code Section 11126(a)(1),
24 and we will reconvene in open session in approximately
25 ten minutes.

1 Thank you so much.

2 (Closed session was held:

3 11:24 a.m. to 11:46 a.m.)

4 MS. GMUR: Madam Chair, we're back in open
5 session.

6 CHAIRPERSON PERRAULT: All right. Welcome back.
7 It's 11:47.

8 The Commission met in closed executive section
9 pursuant to Government Code Section 11126(e) to confer
10 with and receive advice from legal counsel for
11 consideration in action, as necessary and appropriate,
12 upon the pending litigation listed on the published
13 notice and agenda and to confer with and receive advice
14 from legal counsel regarding potential litigation.

15 The Commission also conferred on personnel matters
16 pursuant to Government Code Section 11126(a) (1).

17 With no further business to discuss, I will go
18 ahead and entertain a motion to adjourn.

19 MEMBER ADAMS: Madam Chair, I would so move.

20 CHAIRPERSON PERRAULT: So moved by Mr. Adams.

21 A second?

22 MEMBER NASH: Second.

23 CHAIRPERSON PERRAULT: Seconded by Ms. Nash. I
24 will go ahead and -- oh, roll call.

25 MS. GMUR: Mr. Adams.

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MEMBER ADAMS: Aye.

MS. GMUR: Ms. Gallegos.

MEMBER GALLEGOS: Aye.

MS. GMUR: Ms. Greene Ross.

MEMBER GREENE ROSS: Aye.

MS. GMUR: Ms. Jimenez.

MEMBER JIMENEZ: Aye.

MS. GMUR: Ms. Nash.

MEMBER NASH: Aye.

MS. GMUR: Ms. Perrault.

CHAIRPERSON PERRAULT: Aye.

MS. GMUR: Mr. Powell.

MEMBER POWELL: Aye.

CHAIRPERSON PERRAULT: All right. Thank you.

That motion carries.

We'll go ahead now and adjourn the meeting at
11:48. Thank you, everybody. Have a great weekend.

(Proceedings concluded at 11:48 a.m.)

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REPORTER'S CERTIFICATE

I, the undersigned, a Certified Shorthand Reporter of the State of California, do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth; that any witnesses in the foregoing proceedings, prior to testifying, were placed under oath; that a verbatim record of the proceedings was made by me using machine shorthand which was thereafter transcribed under my direction; further, that the foregoing is an accurate transcription thereof.

I further certify that I am neither financially interested in the action nor a relative or employee of any attorney or any of the parties.

IN WITNESS WHEREOF, I have this date, March 9, 2026, subscribed my name.



Alyssa Pacheco

CSR No. 13391