

ITEM 24
EXECUTIVE DIRECTOR'S REPORT
Commission Workload, Legislation, and Next Meeting/Hearing

I. WORKLOAD

A. Pending Caseload

Type of Action	November 22, 2005	September 15, 2005	November 18, 2004
Test Claims to be Heard and Determined	109	106	109
Test Claims to be Reconsidered	0	0	0
Test Claims to be Reconsidered Based on Court Action	1	1	0
Test Claims to be Reconsidered, as Directed by the Legislature	3	3	11
Incorrect Reduction Claims to be Heard and Determined	103	86	80
Proposed Parameters and Guidelines, and Amendments	32	32	31
Parameters and Guidelines to be Amended or Set Aside, as Directed by the Legislature	3	3	1
Statewide Cost Estimates to be Adopted	2	2	7
New Test Claim Filings to be Reviewed	0	0	0
New Incorrect Reduction Claim Filings to be Reviewed	0	7	0
Appeals of Executive Director's Decision	0	0	0
Regulatory Actions Pending	0	1	0

B. Rulemaking

The Commission rulemaking on Appeals of Executive Director decisions will be operative and effective on December 18, 2005. The 2006 rulemaking calendar will be on the January agenda for approval.

C. Workshop on Mandate Reform Legislation

On December 8, 2005, the Legislative Subcommittee is holding a workshop to discuss mandate reform proposals with interested persons.

II. PROPOSED LEGISLATION AND WORKSHOP REPORT (Information/Action)

At the September 27, 2005 meeting, the Commission discussed possible legislation to change the incorrect reduction claim and SB 1033 processes. Staff presented the following information on both processes:

1. Incorrect Reduction Claims (IRCs)

Unlike test claims, where one claimant files a test claim for all similar local entities, claimants are required to file individual IRCs for reimbursement claims that are reduced or adjusted by the State Controller for the same reasons.

- Could the IRC process be made more efficient for all parties if the process is modified to allow one claimant to file a “test” IRC when the State Controller reduces numerous reimbursement claims filed by numerous claimants, on the same program, and based on the same rationale?

2. Statute of Limitations for Filing IRCs

The statute of limitations for filing an IRC is three years from the date the State Controller notifies the claimant of an adjustment of a reimbursement claim and one year for test claims.

- Would reducing the statute of limitations to one year shorten the time it takes to adjudicate IRCs and pay claims?

3. SB 1033 Process – Findings of Significant Financial Distress

This year, the County of Butte applied to the Commission and received a finding of significant financial distress that allowed the County to vote to reduce its general assistance grants.

This is a very complex and expensive process that must be completed in a short time. The Commission spent nearly \$120,000 to complete the application within the 90-day timeline. The Commission made a one year finding of significant financial distress. In reality, the cost savings that could be realized by the county by reducing general assistance benefits is *significantly less* than the cost for the Commission to review the county application, conduct a hearing in the county, and prepare an analysis of the application and a statement of decision..

- Should the SB 1033 process be repealed or replaced?

On October 26, 2005, the Legislative Subcommittee met, and decided to meet with interested parties to discuss reforming the IRC and SB 1033 process and any other mandate reform proposals before finalizing a CSM proposal. On December 8, 2005, the Legislative Subcommittee is conducting a workshop with interested parties to discuss the mandate reform proposals. Discussions on alternatives to the SB 1033 process will be held separately with interested parties.

A report on the workshop will be made to the Commission and discussed at the December 9 meeting.

On November 10, 2005, Commission staff submitted spot bill proposals to the Governor’s Office, pending further meetings with the Legislative Subcommittee, interested parties, and discussion with the Commission.

III. NEXT HEARING AGENDA: January 26, 2006

A. Reconsideration Directed by the Legislature

School Accountability Report Cards I, 05-RL-9721-03 (97-TC-21)

B. Court Remand

Standardized Emergency Management Systems (SEMs), CSM-4506, County of San Bernardino, Claimant

C. Proposed Parameters and Guidelines and Proposed Amendments to Parameters and Guidelines

1. *Enrollment Fee Collection and Enrollment Fee Waivers*, 99-TC-13, 00-TC-15, Los Rios and Glendale Community College Districts, Claimants
2. *Handicapped and Disabled Students*, 00-PGA-03 and 04, Counties of Stanislaus and Los Angeles, Claimants
3. *High School Exit Exams*, 00-TC-06, Trinity Unified School District, Claimant

D. Parameters and Guidelines Amendments Directed by the Legislature or Amendments to Test Claim Statutes

1. *Emergency Procedures, Earthquake Procedures, and Disasters and Comprehensive School Safety*, 04-PGA-24 (CSM-4241, 98-TC-01, 99-TC-10)
2. *Animal Adoption*, 04-PGA-01 and 02 (98-TC-11)
3. *Lis Pendens*, 04-PGA-32 (SB 90-4018)
4. *Sex Offenders: Disclosure by Law Enforcement Officers (Megan's Law)*, 04-RL-9715-06 (97-TC-15)
5. *Annual Parent Notification*, 05-PGA-12 (CSM-4474, et al.)

E. Statewide Cost Estimates

1. *False Reports of Police Misconduct*, 00-TC-09, 00-TC-26, County of San Bernardino, Claimant
2. *Integrated Waste Management*, 00-TC-07, Santa Monica and Lake Tahoe Community College Districts, Claimants

F. Administrative

1. Election of Officers
2. Adoption of Rulemaking Calendar