--000--

ORIGINAL

PUBLIC HEARING

COMMISSION ON STATE MANDATES

--000--

RECEIVED

OCT 2 4 2006

TIME: 1:30 p.m.

COMMISSION ON STATE MANDATES

DATE: Wednesday, October 4, 2006

PLACE: State Capitol, Room 126

Sacramento, California

--000--

REPORTER'S TRANSCRIPT OF PROCEEDINGS

--000--

Reported by: Daniel P. Feldhaus

California Certified Shorthand Reporter #6949

Registered Diplomate Reporter, Certified Realtime Reporter

Daniel P. Feldhaus, C.S.R., Inc.

Certified Shorthand Reporters
8414 Yermo Way, Sacramento, California 95828
Telephone 916.682.9482 * Fax 916.688.0723
FeldhausDepo@aol.com

COMMISSIONERS PRESENT

VINCENT P. BROWN
(Commission Chair)
Representative for MICHAEL GENEST Director
Department of Finance

PAUL GLAAB
City Council Member
City of Laguna Niguel

FRANCISCO LUJANO
Representative for PHILIP ANGELIDES
State Treasurer

SEAN WALSH
Director
State Office of Planning and Research

AMY HAIR
Representative for STEVE WESTLY
State Controller

J. STEVEN WORTHLEY
Supervisor and Chairman of the Board
County of Tulare

--000--

COMMISSION STAFF PRESENT

PAULA HIGASHI Executive Director

CAMILLE SHELTON Chief Legal Counsel

DEBORAH BORZELLERI
Senior Commission Counsel
(Item 4)

ERIC FELLER
Commission Counsel
(Items 9 and 10)

NANCY PATTON
Deputy Executive Director

KATHERINE TOKARSKI Commission Counsel (Items 5, 6, 7, and 8)

--000--

PUBLIC TESTIMONY

Appearing Re Item 4:

For Claimant, Palos Verdes Estates:

JULIANA F. GMUR, Esq.
Manager, Cost Services
MAXIMUS
4320 Auburn Boulevard, Suite 2000
Sacramento, California 95841

JAMES B. HENDRICKSON
City Manager
City of Palos Verdes Estates
340 Palos Verdes Drive, West
Palos Verdes Estates, California

PUBLIC TESTIMONY

continued

Appearing Re Item 4: Continued

For California State Association of Counties SB 90:

ALLAN BURDICK Director California State Association of Counties SB 90 Service 4320 Auburn Boulevard, Suite 2000 Sacramento, California 95841

For Department of Finance:

SUSAN S. GEANACOU, Esq. Senior Staff Attorney Department of Finance 915 L Street Sacramento, California 95814

Appearing Re Items 5 and 6:

For Claimant, County of Orange:

JULIANA F. GMUR, Esq. Manager, Cost Services MAXIMUS

NEAL KELLEY Orange County Registrar of Voters County of Orange 1300 Building C South Grand Avenue Santa Ana, California 92705

For County of Solano:

DEBORAH SEILER Assistant Registrar of Voters County of Solano 675 Texas Street, Suite 2600 Fairfield, California 94533

PUBLIC TESTIMONY

continued

Appearing Re Items 5 and 6: Continued

For Department of Finance:

SUSAN S. GEANACOU, Esq. Senior Staff Attorney Department of Finance

CARLA P. CASTAÑEDA Finance Budget Analyst Department of Finance Education Systems Unit 915 L Street, Seventh Floor Sacramento, California 95814

Appearing Re Items 7 and 8:

For Claimant, County of San Bernardino:

BONNIE TER KEURST
Manager, Reimbursable Projects
County of San Diego
Auditor/Controller-Recorder
222 W. Hospitality Lane, Fourth Floor
San Bernardino, California 92415-0018

For Department of Finance:

SUSAN S. GEANACOU, Esq. Senior Staff Attorney Department of Finance

CARLA P. CASTAÑEDA Finance Budget Analyst Department of Finance Education Systems Unit

PUBLIC TESTIMONY

continued

Appearing re Items 9 and 10:

For Claimant, City of Newport Beach:

JULIANA F. GMUR, Esq. Manager, Cost Services MAXIMUS

GLEN EVERROAD
Revenue Manager
City of Newport Beach
3300 Newport Boulevard
Newport Beach, California 92658

For Department of Finance:

SUSAN S. GEANACOU, Esq. Senior Staff Attorney Department of Finance

CARLA P. CASTAÑEDA Finance Budget Analyst Department of Finance

--000--

ERRATA SHEET

		ERRATA SHEET
Page	Line	Correction
_3	11	should say Senior Commission Counsel
3	13	Should say Assistant &cutive Director
24	17	should read dates instead of "Stabs"
42	5	change "6000" to "2000"
<u>45</u>	5_	Add the word "For "at the baginning
		of the sentence.
45	16	Change the word "it" to "or"
45	24	Add the woord "to" after the
		word "As 4
		
		
		
		
		

INDEX

Procee	dings			Page
I.	Roll	Call .		. 11
II.	Appro	val of 1	Minutes	
	I.	tem 1	July 28, 2006	. 12
III.	Propos	sed Con	sent Calendar	
	Item :	2 (It	ems 11, 11A, 12 & 13)	. 12
IV.			ecutive Director Decisions California Code of Regulations	
	I	tem 3	Staff Report	. 13
V.	Pursua	ant to (Decisions on Test Claims, California Code of Regulations, oter 2.5, Article 7	
	Pι	ursuant	and Decisions on Test Claims to California Code of Regulations Section 1188.4	S
	Ιt	tem 4	Binding Arbitration, 01-TC-07 City of Palos Verdes	. 13
	В. Те	est Cla	ims	
	Ιt	tem 5	Fifteen-Day Close of Voter Registration, 01-TC-15 County of Orange	. 18
	It	tem 6	Proposed Statement of Decision Fifteen-Day Close of Voter Registration, 01-TC-15	
			County of Orange	. 40

INDEX

Proceedir	ngs 1	?age
V.	Hearings and Decisions on Test Claims, Pursuant to California Code of Regulations, Title 2, Chapter 2.5, Article 7	
	B. Test Claims continued	
	Item 7 Voter Identification Procedures, 03-TC-23 San Bernardino County	41
	Item 8 Proposed Statement of Decision Voter Identification Procedures, 03-TC-23 San Bernardino County	44
	Item 9 Mandate Reimbursement Process II 05-TC-05 City of Newport Beach	44
	Item 10 Proposed Statement of Decision Mandate Reimbursement Process II 05-TC-05 City of Newport Beach	48
VI.	Informational Hearing Pursuant to California Code of Regulations, Title 2, Chapter 2.5, Article 8	
	A. Adoption of Proposed Parameters and Guidelines and Proposed Parameters and Guideline Amendments	
	Item 11 Peace Officers Procedural Bill of Rights, 05-PGA-07 Department of Finance (Consent item)	12
	Item 11A Removal of Chemicals 03-PGA-04 Department of Finance	
	(Consent item)	12

I N D E X

Proceedings	Page
VI. Informational Hearing Pursuant to California Code of Regulations, Title 2, Chapter 2.5, Article 8	
B. Proposed Statewide Cost Estimates	
Item 12 Crime Victims Domestic Violence Incident Reports, 99-TC-08 County of Los Angeles (Consent item)	12
Item 13 Peace Officer Personnel Records: Unfounded Complaints	
Against Peace Officers and Discovery of Peace Officer Personnel Records 00-TC-25 Cities of Hayward & San Mateo	
(Consent item)	12
C. Staff Reports	
Item 14 Chief Legal Counsel's Report .	49
Item 15 Executive Director's Report .	49
VII. Public Comment	50
VIII. Closed Executive Session	51
IX. Report from Closed Executive Session	51
X. Adjournment of Hearing	52
	53
o0o- -	

Commission on State Mandates - October 4, 2006

1	BE IT REMEMBERED that on Wednesday, October 4,
2	2006, commencing at the hour of 1:30 p.m., thereof, at
3	the State Capitol, Room 126, Sacramento, California,
4	before me, DANIEL P. FELDHAUS, CSR #6949, RDR and CRR,
5	the following proceedings were held:
6	000
7	CHAIR BROWN: The hour of 1:30 having arrived,
8	I'd like to call to order the meeting of the Commission
9	on State Mandates.
10	Paula, would you call the roll?
11	MS. HIGASHI: Mr. Glaab?
12	MEMBER GLAAB: Present.
13	MS. HIGASHI: Ms. Hair?
14	MEMBER HAIR: Present.
15	MS. HIGASHI: Mr. Lujano?
16	MEMBER LUJANO: Present.
17	MS. HIGASHI: Ms. Olsen is absent for today's
18	meeting.
19	Mr. Walsh?
20	MEMBER WALSH: Present.
21	MS. HIGASHI: Mr. Worthley?
22	MEMBER WORTHLEY: Here.
23	MS. HIGASHI: And Mr. Brown?
24	CHAIR BROWN: Present.
25	MS. HIGASHI: Thank you very much.
- 1	

Commission on State Mandates - October 4, 2006

```
The first item on today's agenda is the minutes
 1
 2
      of our last meeting, Item 1.
 3
               MEMBER WALSH: Move to approve.
 4
               MEMBER WORTHLEY:
                                 Second.
 5
               CHAIR BROWN: Do we call roll or just by
 6
      acclamation here?
 7
               All those in favor, say "aye."
 8
               (A chorus of "ayes" was heard.)
 9
               CHAIR BROWN: Opposed?
10
               (No audible response)
11
               CHAIR BROWN: Abstentions?
12
               (No audible response)
13
               CHAIR BROWN: The motion passes.
14
               MS. HIGASHI: Thank you very much.
15
               Item 2 is the proposed Consent Calendar, which
16
     consists of items 11, 11A, 12, and 13.
17
               You have a list on a pink sheet of paper that
18
     you should have before you.
19
               MEMBER WALSH: Move to approve.
20
               CHAIR BROWN: Second? Do I have a second?
21
               MEMBER HAIR: Yes.
22
               CHAIR BROWN: All those in favor, say "aye."
23
               (A chorus of "ayes" was heard.)
24
               CHAIR BROWN: Opposed?
25
               No?
```

1	(No audible response)
2	CHAIR BROWN: Abstentions?
3	(No audible response)
4	CHAIR BROWN: The motion passes.
5	MS. HIGASHI: Thank you very much.
6	Under Item 3, there are no appeals to consider
7	today.
8	This brings us now to the hearing portion of our
9	meeting, and we have a couple of test claim issues and
10	one reconsideration issue.
11	I'd like to ask all of the parties and witnesses
12	that are here today that plan to testify on any of the
13	hearing items to please stand.
14	Do you solemnly swear or affirm that the
15	testimony which you are about to give is true and
16	correct, based upon your personal knowledge, information,
17	or belief?
18	(A chorus of "I do's" was heard.)
19	MS. HIGASHI: Thank you very much.
20	Our first item, 4, will be presented by our
21	Commission Counsel Deborah Borzelleri.
22	MS. BORZELLERI: Good afternoon. This item is a
23	request for reconsideration made by the chairperson to
24	reconsider the Commission's Statement of Decision adopted
25	on July 28th, 2006, regarding the Binding Arbitration

test claim.

Reconsideration of prior decisions is a two-step process. The first step is procedural -- that's what we're doing today -- where the Commission decides whether or not to grant the actual request.

If the request is granted, the second step is a substantive review of the merits of the prior decision, which would be scheduled for the December hearing. So we're not discussing the merits today.

The Binding Arbitration test claim statute deals with labor relations between local agencies and their law enforcement officers and firefighters, and provides that where an impasse in labor negotiations has been reached, and if the employee organization so requests, the parties would be subject to binding arbitration.

The statute was declared unconstitutional in 2003. So we were looking at the period between 2001 and 2003.

The Commission adopted a Statement of Decision at the July 28th hearing, denying reimbursement for activities because the test claim statute does not constitute a new program or higher level of service.

At the hearing, however, the claimant significantly modified the test claim by withdrawing its request for reimbursement for costs to litigate the test claim

1 statute and costs for increased employee compensation 2 that could result from the binding arbitration process. 3 At this stage, the only issue before the Commission is whether it should grant the request for reconsideration. 4 5 The Commission has the following options: One, approve the request, finding that the 6 7 reconsideration is appropriate to determine whether the 8 prior final decision is contrary to law. 9 Two, deny the request, finding that the 10 requester has not raised issues that merit 11 reconsideration, or 12 Three, take no action, which has the legal 13 effect of denying the request. 14 Staff is recommending that the Commission 15 approve the request, finding that the reconsideration is 16 appropriate to determine at a subsequent hearing on the 17 merits if the prior final decision is contrary to law; 18 and if so, to correct that error of law, five affirmative 19 votes of the Commission are required to approve the request. 20 21 Would the parties please state your name for the 22 record? 23 MS. GMUR: Juliana Gmur on behalf of Palos 24 Verdes Estates. 25 MR. HENDRICKSON: James B. Hendrickson, City

Commission on State Mandates - October 4, 2006

1	Manager of the City of Palos Verdes Estates.
2	MR. BURDICK: Allan Burdick on behalf of the
3	CSAC SB 90 Service.
4	MS. GEANACOU: Susan Geanacou, Department of
5	Finance.
6	CHAIR BROWN: Who is going to speak first?
7	MS. GMUR: Well, I'll take the opportunity to
8	say that we do support the draft of the staff analysis in
9	this case. I'd like to see a reconsideration of this
10	matter.
11	CHAIR BROWN: Thank you.
12	MR. BURDICK: May I add something?
13	Chairman Brown, first, I'd like to welcome you
14	back to the mandate business.
15	CHAIR BROWN: No comment.
16	MR. BURDICK: A few years away and the process
17	hasn't changed a whole lot.
18	Members, the only comment I would like to make
19	is the fact that withdrawn was the cost of binding
20	arbitration to the members, and that was done
21	particularly since we weren't able to identify any
22	situations where the binding arbitration process actually
23	went to the point of an arbitrator awarding fees. So
24	this would not preclude, I'm assuming, somebody in the
25	past, if that should happen and there should be a change

Commission on State Mandates - October 4, 2006

1	in the court decision which would determine that it is
2	constitutional, and since the statute allows for people
3	to file within one year after incurring costs, that if
4	somebody did incur costs, they may be returning to the
5	Commission for that particular point. But at this time,
6	there were no agencies that we know of that incurred any
7	costs that were awarded by an arbitrator.
8	Thank you.
9	CHAIR BROWN: No comments?
10	MR. HENDRICKSON: No. They have said everything
11	that needs to be said on our behalf.
12	Thank you.
13	CHAIR BROWN: The Department of Finance?
14	MS. GEANACOU: Yes. Susan Geanacou, Department
15	of Finance.
16	The Department supports the request for
17	reconsideration so that the issues raised in the request
18	can be fully addressed by the staff.
19	CHAIR BROWN: Are there any questions of any
20	members?
21	(No audible response)
22	CHAIR BROWN: If not, I'd certainly entertain a
23	motion.
24	MEMBER WALSH: Move to reconsider.
25	CHAIR BROWN: Second?
1	

Commission on State Mandates – October 4, 2006

1	MEMBER WORTHLEY: Second.
2	CHAIR BROWN: All those in favor, say "aye."
3	(A chorus of "ayes" was heard.)
4	CHAIR BROWN: Opposed?
5	(No audible response)
6	CHAIR BROWN: No?
7	Abstentions?
8	(No audible response)
9	CHAIR BROWN: The motion passes.
10	MR. BURDICK: Thank you very much.
11	MS. GMUR: Thank you.
12	MS. HIGASHI: This brings us to the first test
13	claim on today's agenda, Item 5. This item will be
14	presented by Commission Counsel Katherine Tokarski.
15	MS. TOKARSKI: Good afternoon. This item is
16	Fifteen-Day Close of Voter Registration.
17	Prior law allowed voters to newly register to
18	vote, reregister, or change their address with county
19	elections officials until the twenty-ninth day before
20	an election. After that date, voter registration closed
21	until the conclusion of the upcoming election.
22	Statutes 2000, Chapter 899, amended the Elections Code,
23	allowing new registrations or changes to voter
24	registrations through the fifteenth day prior to
25	an election.

The claimant seeks mandate reimbursement for costs incurred to register voters from the twenty-eighth through the fifteenth day before elections such as for implementation planning meetings, revising training programs, holding an informational media campaign, responding to additional inquiries about the new law, and providing additional personnel to accommodate the increased workload.

Staff finds that most of the statutory
amendments by Statutes 2000, Chapter 899, do not mandate
a new program or higher level of service on elections
officials within the meaning of Article XIII B,
Section 6. Processing and accepting voter registration
affidavits and changes of address are not newly required
under the elections code. Elections officials have been
required to perform these activities long before the
enactment of Statutes of 2000, Chapter 899.
Staff finds that the amendment to Elections Code
section 13303, subdivision (c), added information to a
preexisting polling place notice, which does provide a
higher level of service to the public within an existing
program.

Following the release of the final staff .

analysis, staff received late filings from the claimant and from the County of Sacramento. Those documents,

Commission on State Mandates - October 4, 2006

1	along with the supplemental staff analysis, are in your
2	binders.
3	Staff recommends that the Commission adopt this
4	analysis and partially approve the test claim as
5	described in the conclusion at page 16 of the final staff
6	analysis.
7	Will the parties and representatives please
8	state your names for the record?
9	MS. GMUR: Juliana Gmur on behalf of the County
10	of Orange.
11	MS. SEILER: Deborah Seiler on behalf of Solano
12	County.
13	MR. KELLEY: Neal Kelley, Registrar of Voters
14	for Orange County.
15	MS. GEANACOU: Susan Geanacou, Department of
16	Finance.
17	MS. CASTAÑEDA: Carla Castañeda, Department of
18	Finance.
19	MS. GMUR: Commissioners
20	CHAIR BROWN: Okay, proceed.
21	MS. GMUR: Thank you so much.
22	All right, generally, when we come before you,
23	there are always two things we're looking for: Either
24	a new program or a higher level of service under an
25	existing program.

In this case, staff is saying that it's not a higher level of service; it's higher costs. It's the same program, the same services, higher costs. And they cite case law. And the case law talks about the fact that higher costs by themselves are not reimbursable. But those higher costs in those two cases were regarding general workers' compensation benefits and death benefits.

Now, the registrars of voters, they're not in the business of handing out benefits. They are in the business of handling elections. And so the staff points to that and says, "There's nothing new here. Registrar of voters, this is what you do. You're just doing more of what you normally do. Nothing new."

But if you extend that, you could say that peace officers, they do nothing new. They investigate, they take reports. Mental health clinicians, mental health departments, they do nothing new. They provide mental health services. School districts, education services, administer records, tests. Cities, counties, they provide services. So there's nothing new under the sun.

But I feel for the staff on this because this one is really hard to conceptualize. A test claimant comes before you. It's usually pretty clear: They're looking for the "who" -- Who gets the service? Who is

providing the service? -- or the "what" -- What form are we filling out? What form or process must we follow? In this case, it's neither the "who" nor the "what," it's the "when."

Now, it's kind of like somebody running to catch an airplane. If they came up with a new rule that said you don't have to board at the gate; you can wait until the plane has been taxied out. They're on the runway. We'll wheel some stairs out there, and you can jump on board.

Now, in that case, the Department of Finance would say, "Where are the new passengers? It's the same list of passengers. It's just spread over a longer period of time." Because that's kind of what they've said in this case: Where are the new voters?

But that's concentrating on the "who" again and not the "when."

For those people on board that airplane, that crew, they've got certain things they have to do before takeoff. And for them, the big issue is not that there are passengers on board, but when the passengers come on board.

And so, too, for our election folks here, they are providing a higher level of service based on, yes, a very small change in the law. But if you work in an area

that is as calendar-driven and timeline-dependent as their world is, then that small change is definitely a higher level of service.

I'm going to introduce to you some folks now who can actually speak on that more than I can.

Mr. Neal Kelley, he is our test claimant from the county; but we're going to lead off with Deborah Seiler. She is here and she is from the County of Solano, and she will tell you about that higher level of service that she has had to provide.

MS. SEILER: Thank you, Mr. Chairman, Members of the Commission. I'm Deborah Seiler. I'm the assistant registrar of voters in the County of Solano; and I also serve as co-chair of our California Association of Clerks and Election Officials legislative committee.

Actually, my background, I have a substantial background with the State. I was the assistant to the Secretary of State for elections and political reform for -- I was in the Secretary of State's office for eleven years and served as the chief elections person in that office.

I was also the chief consultant to the Assembly Elections and Reapportionment Committee, and served as one of the commissioners to the State's Fair Political Practices Commission. I was appointed by former

Secretary of State, March Fong Eu.

I've also been the editor and publisher of a monthly newsletter on election issues for about ten years. I no longer do the newsletter.

So I do have a substantial background and, in addition, have served on many international election observation missions throughout the world.

So I have been with Solano County now for two years. And I'd like to speak to this issue of the higher level of service.

I guess I would liken it to a stream running into the ocean. If you all of a sudden put a dam in the stream, the stream is still going to the ocean, but it's going to the ocean in a significantly different fashion. And the effect of this close of registration being set to what we call "E-minus" -- we work in "E-minus" states -- being set at E-minus-15, or 15 days before the election, has a profound effect on our offices in a number of very specific areas.

First of all, one of the things that we're doing at the time that we would ordinarily be finished with voter registration, when it was formerly at 29 days before the election, after that time period, what we were doing is we were putting together the rosters of voters that go out to the polling places. Those rosters we were

putting together in time to give to our precinct inspectors to go out to the polling places.

Now, because of the late registrations, we're not able to compile the rosters at the time that we need to get them out to the precinct inspectors. So we've had to come up with alternate methods of delivering those rosters rather than just when the inspectors come in for the training class. So we now have either personal delivery or other mechanisms where staff is delivering it or we have roving inspectors that we have to hire to send out those rosters.

The other issue with the rosters is that particularly in very busy elections -- and a number of counties experienced this in the November of 2004 election, very hotly contested election -- the registration levels were off the charts for all of us. And we had tremendous difficulty getting -- due to the later close of registration, we had tremendous difficulty even getting those names entered into our files and getting those names on the rosters.

In some cases, we did not. In some cases, the counties failed to get the names on the rosters.

The consequence of that was that voters came into the polling place and had to vote provisional ballots, which is the requirement under the law for a person whose name

is not on the roster.

So that provisional voting process then actually contributed to the amount of time that it took us to perform the canvass and the amount of staff that we had to have.

One of the big effects of this later close of registration, too, is on the absentee ballot processing.

Ordinarily, our supervisors and lead people in the absentee processing area -- in the voter registration area, excuse me -- would sort of morph into the absentee processing area. So the curtain would fall at 29 days before the election, and then that 29 days before the election is also the commencement of the absentee voting period. And so then that staff would finish up with the voter registration and then go in and start processing, getting the absentees out in the mail and processing those that had returned.

No longer can the same staff be used for the absentee voting process. We have to have a whole new set of people, managers, supervisors, and expertise now to come in and do the absentee processing because our voter registration people who had done it in the past are busy. They're still engaged in voter registration activities. So that's had a huge influence on our whole staffing process.

One of the biggest impacts also with respect to the absentee process is that now we have a setup -- as a result of this new law, we have a situation where the absentee voting period starts before the close of registration.

What does that mean for voter registration? It means that a person who is, for example, a permanent absentee voter -- and we have many more permanent absentee voters now than we used to. In Solano County, it's up to almost 40 percent of our electorate who votes absentee. So you've got all of these people to whom we send at 29 days, because that's the beginning of the absentee period, we send them their permanent absentee ballot.

At E-minus-15, between 29 days and 15 days, those same people can move and reregister to vote; and they do.

So, now, we send them their first ballot. Then they reregister to vote at the fifteen-day close. Any we have to send them a second ballot -- a second absentee ballot. So we have to go back -- and, obviously, we can't let them vote twice.

So now we're going into this huge retrieval, storage, tracking process, to make sure that these absentee voters who are being able to register at a later

point in time are not duplicate voters.

So this is a major impact on our whole process.

And in addition, this is just one more thing that

carries over into our canvass process, because these are

all things that we have to account for in the canvass

process.

So those are a few examples of the profound impact that this change has really had on our operation.

MR. KELLEY: Good afternoon, Mr. Chair and fellow Commission Members. Thank you for the opportunity to speak today.

Ms. Seiler and counsel have made some persuasive arguments. I'm afraid I don't have any of the great analogies that they had for you, but it's kind of a little bit dry for you.

I wanted to go over just a few things that we have done since the implementation of this fifteen-day change.

We notify every voter who registers, as Deborah pointed out, from E-28 to E-15, via a postcard, where they can obtain a sample ballot, and that their registration was completed.

We also have hired additional staff to process those registration forms. And Deborah touched on that just a little bit.

In the presidential vote for Orange County, we processed 46,000 registration forms from E-28 to E-15. And that was significant because we had to bring on a tremendous amount of extra help and additional staff to cover that increase in registration.

Now, you could probably make the argument that perhaps those individuals would have registered before E-28, but I think a lot of them now wait until that time period just before E-15 to register. So that's been a significant impact.

Also, the printing of sample ballots. Because we must provide sample ballots for all of those who register late, we have to essentially make a guess as to how many individuals are going to register so that we can print the sample ballot. So that's an increased cost to provide enough sample ballots for those individuals we think will register during that time period.

In addition to all of that, we've incurred a substantial amount of overtime for all the reasons

Ms. Seiler pointed out, not just inputting that data in those registration forms, but making sure during the canvass period that we're covering all the issues she brought up. In addition to those individuals who change their registration and want a different type of ballot, that's significant, and that happens quite a bit in

1 Orange County. So with that, I want to thank you for the time. 2 3 CHAIR BROWN: Okay, thank you very much. The Department of Finance? 4 5 MS. CASTAÑEDA: Carla Castañeda, the Department of Finance. 6 7 We concur with the staff analysis. understand that the crunch timeline of changing the 8 deadline from the 29th to the 15th; but we do believe 9 10 that all the activities are still the same with the 11 exception of amending that notice to let voters know 12 where they're going and where they can get sample ballots. 13 14 MS. GEANACOU: If I may, Chair? 15 Susan Geanacou, Department of Finance. 16 Just one comment I wish to add, is that the 17 manner of the county's adjustment to performing their 18 preexisting preelection duties are not mandated by the 19 test claim statutes. That's, I think, something that 20 needs to be emphasized for the Commission members today. 21 They did point out some examples of adjustments they'd 22 made, but those adjustments are not mandated by the test 23 claim statutes. 24 CHAIR BROWN: Thank you. 25 Questions of the Members?

MEMBER WORTHLEY: I checked with our registrar, and she had a similar story from what we've heard here this morning about the need for overtime help.

To me, this is a very simple issue. If I hired somebody whose one and only job was to take in voter registration applications, and I hired them the day after an election, and their job ran from then until the 28th day prior to the election, I would pay that person a certain sum of money for providing those services.

The State comes along and mandates that they have to work two additional weeks. Therefore, my costs go up. Why? Because of the enhanced service which is provided: I'm giving two more weeks of service. Two weeks I didn't have to give before, I now have to give because it was mandated by the state.

The argument was made that this additional cost is only a cost. But this is a cost that comes about because of one reason: Enhanced service. That's the reason why banks increase their hours. That's the reason why grocery stores increase their hours. The more hours they're open, the more business they have. And that's considered enhanced service.

To me, this is very simply an enhanced service that's been mandated by the state. I don't see how you can call it anything else but enhanced service.

Commission on State Mandates – October 4, 2006

1 It's not a new program. Agreed. We've always 2 been in this responsibility; we will continue to be in 3 this responsibility. But when the State mandates that 4 we have to do it in a fashion that causes us to increase 5 our costs to provide this enhanced service, the State should be responsible for paying. It's very simple, in 6 7 my mind. 8 CHAIR BROWN: Questions from other Members? 9 (No audible response) 10 CHAIR BROWN: I just have one question. And it 11 goes to the points that the Department of Finance raise. 12 During the change in time period from 30 to 13 15 days, is there any documentation that the number of 14 registrations has increased on a trend-line basis due to 15 the change in the time frames? 16 MR. KELLEY: I don't have any data to provide 17 you from Orange County at this point; but I can tell 18 you that during the presidential, that period of 19 registration during that two-week period was significantly higher than the previous presidential. 20 21 But in terms of increased registration, our registration 22 numbers are actually decreasing slightly in Orange 23 County. 24

CHAIR BROWN: And that goes to a point. It could be an anomaly based on whatever the election cycle

might be.

12.

From my standpoint, if there's not adequate documentation that the actual registrations have increased, I find it very difficult, notwithstanding the shift in time periods, that the workload is the same and has not increased.

MS. SEILER: I think it's the method of the workload that we're trying to point out to you. That is, that due to the method of having to put this at a completely different cycle, with different staff, with additional staff, that it has been an increased cost for us.

MS. SHELTON: If I can, just to add a couple of things from case law. There aren't too many higher-level-of-service cases that have been decided by the courts. One of them, though, is Long Beach Unified
School District v. The State of California. And that case was a higher level of service regarding racial desegregation, where you had existing federal law, and the state came and required additional requirements imposed. And the court said that was a higher level of service.

In the process, to find a higher level of service is requiring a finding that the State is mandating new requirements on the local agencies and

school districts.

Here, if you just take a look at the legislation, I think there is an example on page 8, all the Legislature did was change the number "29" to the number "15." The Legislature did not change any of the mandated activities.

The activities that are performed by the counties, are activities they've decided to perform or felt necessary to perform in order to comply with the legislation.

And, yes, I'm sure there are increased costs.

But those activities have not been expressly mandated by
the state which is required for a reimbursement finding.

MEMBER WORTHLEY: Well, time is money. I mean, that's a very -- that's axiomatic. We're requiring additional time. It requires additional money.

Even if there was a representation made by the increase in Orange County today. Even if you only had a few people come in, it still affects the sequencing of events. You still have to have people available to receive and process these applications, if it was only ten.

The point is, before, you had a point in time where you could say, "This is when it ends." And as was stated before -- and I've seen this happen in our own

Daniel P. Feldhaus, CSR, Inc. 916.682.9482

elections office -- if you were to graph the activity level in an elections office, as you get closer to the election, it goes like this (indicating).

We are now taking a responsibility, just at the time when it's getting extremely busy in elections offices, and adding additional responsibilities to the elections office. Now, it's that much more difficult to try to deal with these additional responsibilities. It does result in the need for additional people, as was pointed out. People who morphed into other responsibilities in the elections office have to be, again, left to this particular role and responsibility of accepting these applications; whereas before, they would move on to a different responsibility level.

It's an additional cost -- it's an enhanced service. And if it's not an enhanced service, you might ask yourself, then why did the Legislature change the law? What was the purpose of changing the law if it wasn't considered an enhanced service? There certainly would be no reason for it.

CHAIR BROWN: Mr. Burdick?

MR. BURDICK: Chairman Brown and Members, again,
Allan Burdick representing CSAC SB 90 service. It seems
like there's a couple of points here that maybe have been
missed or maybe you haven't discussed. One of the things

mibbed of maybe you haven to a

that we've got into defining was what is a reimbursable state mandate, and does it implement a public policy. And, boy, it sure seems to me that that providing people more time to register is a public policy. What they're doing is they're implementing a public policy that is mandated on.

The second thing is this discussion about what are they required to do? Were these things that have been explained by these two professionals in this business? You know, are these things which essentially are optional?

Now, let me tell you, first of all, election departments are not the highest-funded department in a county government. They're General Fund departments; and very often, you know, they're lucky to get every dime they can to maintain whatever level of service they can do to meet their requirements.

And the way the law is intended to be is, is it reasonably necessary for these people to do that in order to be able to carry it out? And they've made the decision that it's reasonably necessary to do it.

I think they will tell you they didn't do this because, you know, they thought it would be fun -- a nice, extra frill or something. They looked at it, they looked at the law, they're professionals; and they said,

you know, put together a plan to implement that legislation.

And I think finally is the fact that this is the first time we've had this really kind of serious discussion about what is being done and the implications and so forth. And, obviously, there's nobody here from the Secretary of State's office who could participate in the discussion to provide state advice to you. But as you know, the next step in the process is parameters and guidelines, in which you then sit down and try to work out what is eligible and what is not eligible. That does then come back to the Commission for its consideration.

So it seems to me I would hope the Commission would look at this and say, "This is a perfect example of something we should send to the parameters—and—guidelines stage. We should not limit them by the decision we made today," because I think there's agreement that there is some level of mandate there. The question is the scope of it. To send it back to parameters and guidelines, have it come back to you, after you've had the Secretary of State participate, after you've had the Department of Finance have the benefit of that discussion and make its decision, I think that you'd have a much more sound decision than trying to

1 grapple with this today when you're getting this -- a lot of this stuff is relatively new information for you. 2 3 Thank you very much. CHAIR BROWN: Thank you, Mr. Burdick. 4 5 MS. SHELTON: I'd like to clarify that a test 6 claim finding is a question of law. The standard is not 7 whether or not it's reasonably necessary for counties to 8 perform those activities. We wouldn't dispute those 9 factual determinations made by each county. 10 The standard is whether or not the state has 11 mandated the counties to perform those activities. And 12 here, there is no evidence in the law at all that the 13 State has mandated any additional activities, other than 14 changing the dates in the statutes. 15 The activities that they're discussing here 16 cannot necessarily be discussed during the 17 parameters-and-guidelines phase because we're making a 18 finding. And this proposed decision makes a finding that 19 they are not mandated by the State. 20 During parameters and guidelines, the Commission 21 does have discretion to determine activities that are 22 reasonably necessary to comply with the mandated 23 activity. 24 But the only mandated activity in the proposed

decision is the activity to amend the polling place

1 notice. 2 So any additional activities that the Commission 3 includes in parameters and guidelines has to relate to 4 amending the polling place notice. And that would be 5 listed to that activity. 6 CHAIR BROWN: Thank you, Counsel. 7 Mr. Walsh? 8 MEMBER WALSH: Are there any other people who 9 want to testify in this dispute or --10 Yes, as a matter of fact. MS. GMUR: No surprise there. There is mandated activity. Again, I 11 12 said, it's really hard to conceptualize. I had to go 13 around this several times before I could see it myself. 14 It's not what you're doing; it's when you're doing it. 15 Just like Mr. Worthley stated, he said it's like a 16 business. If you're going to stay open on Saturday, your employer is requiring you to do the same thing you do 17 18 every other day of the week, you just have to do it now 19 on Saturday. The same, too, for our election folks. 20 service itself is the same, but the change of the date is 21 mandated as to when it is to be done. 22 CHAIR BROWN: Any further follow-ups or 23 questions? 24 Do we have a motion for the staff 25 recommendation?

MEMBER WALSH: Move to approve the staff
recommendation.
CHAIR BROWN: Do we have a second?
MEMBER HAIR: I'll second.
All those in favor, say "aye."
(A chorus of "ayes" was heard.)
CHAIR BROWN: Opposed?
MEMBER WORTHLEY: Nay.
Any abstentions?
(No audible response)
CHAIR BROWN: The ayes have it.
The staff recommendation is approved.
MS. HIGASHI: Item 6 will be presented by
Ms. Tokarski.
MS. TOKARSKI: Item 6 is the proposed Statement
of Decision for the item you just heard. The sole issue
is whether the proposed Statement of Decision accurately
reflects the Commission's decision on the Fifteen-Day
Close of Voter Registration test claim.
Staff recommends that the Commission adopt the
proposed Statement of Decision beginning on page 3, which
accurately reflects the staff analysis and recommendation
on this test claim. Minor changes, including those that
reflect the late filings, hearing testimony, and vote

1	of Decision.
2	CHAIR BROWN: Do we have a motion on that
3	recommendation?
4	MEMBER WALSH: So moved.
5	MEMBER GLAAB: Second.
6	CHAIR BROWN: All those in favor, say "aye."
7	(A chorus of "ayes" was heard.)
8	CHAIR BROWN: Opposed?
9	MEMBER WORTHLEY: No.
10	CHAIR BROWN: Abstentions?
11	(No audible response)
12	CHAIR BROWN: The ayes have it. The staff
13	recommendation approved.
14	MR. BURDICK: Thank you very much.
15	MS. GMUR: Thank you.
16	MS. HIGASHI: Item 7 is the claim on <i>Voter</i>
17	Identification Procedures. This item will also be
18	presented by Commission Counsel Katherine Tokarski.
19	MS. TOKARSKI: This test claim addresses an
20	amendment to Elections Code section 14310 regarding
21	counting provisional ballots. A provisional ballot is a
22	regular ballot that has been sealed in a special
23	envelope, signed by the voter, and then deposited in the
24	ballot box. Provisional ballots can be required for
25	several reasons to prevent fraud. For example, when poll

workers cannot immediately verify an individual's name on the official roster or if a voter requested an absentee ballot but instead comes to the polling place without bringing the absentee ballot.

Statutes of 6000, Chapter 260, amended Elections Code section 14310, subdivision (c)(1), to add a requirement that elections officials compare the signature on each provisional ballot envelope with the signature on the voter's affidavit of registration.

Staff finds that performing signature comparison for all provisional ballots cast is a reimbursable state-mandated program.

However, in a situation where a local government calls a special election that could otherwise have been legally consolidated with the next local or statewide election, the downstream costs for checking signatures on provisional ballots for that voluntarily-held election would not be reimbursable.

Staff recommends that the Commission adopt this analysis and partially approve the test claim as described in the conclusion at page 12 of the final staff analysis.

Will the parties please state their names?

MS. TER KEURST: Hi, I'm Bonnie Ter Keurst. I'm representing the County of San Bernardino.

1	MS. GEANACOU: Susan Geanacou, Department of
2	Finance.
3	MS. CASTAÑEDA: Carla Castañeda, Department of
4	Finance.
5	CHAIR BROWN: Okay.
6	MS. TER KEURST: I'm just here to support the
7	staff analysis. We're fine with it.
8	CHAIR BROWN: Finance?
9	MS. CASTENADA: We also agree with the staff
10	analysis.
11	CHAIR BROWN: Thank you.
12	Do we have a motion?
13	MEMBER WALSH: Move approval.
14	CHAIR BROWN: Second?
15	MEMBER GLAAB: Second.
16	CHAIR BROWN: All those in favor, say "aye."
17	(A chorus of "ayes" was heard.)
18	CHAIR BROWN: Opposed, say "nay."
19	(No audible response)
20	CHAIR BROWN: Any abstentions?
21	(No audible response)
22	CHAIR BROWN: The ayes have it.
23	MS. HIGASHI: While you're still on this,
24	Item 8, the proposed Statement of Decision.
25	Ms. Tokarski?
i	

1	MS. TOKARSKI: The sole issue before the
2	Commission is whether the proposed Statement of Decision
3	accurately reflects the Commission's vote on the Voter
4	Identification Procedures test claim.
5	Staff recommends that the staff adopt the
6	proposed Statement of Decision beginning on page 3, which
7	accurately reflects the staff analysis and recommendation
8	on this test claim. Minor changes, including those that
9	reflect the hearing testimony and vote count will be
10	included when issuing the final Statement of Decision.
11	CHAIR BROWN: Do we have a motion on that?
12	MEMBER WALSH: So moved.
13	MEMBER HAIR: Second.
14	CHAIR BROWN: All those in favor, say "aye."
15	(A chorus of "ayes" was heard.)
16	CHAIR BROWN: Opposed, say "nay."
17	(No audible response)
18	CHAIR BROWN: Any abstentions?
19	(No audible response)
20	CHAIR BROWN: The staff recommendation is
21	approved.
22	MS. HIGASHI: Item 9, this is a test claim on
23	Mandate Reimbursement Process II. This item will be
24	presented by Eric Feller, Commission Counsel.
25	MR. FELLER: Good afternoon. The test claim

statutes make various changes to the test claim filing requirements and put the requirements in statute. Test claim regulations concern the reasonable reimbursement methodology.

The reasons explained in the analysis, staff finds that the test claim statutes do not constitute a reimbursable state mandate because of the prohibition in Government Code section 17556, subdivision (f), which states the Commission shall not find costs mandated by the state if after a hearing, the Commission finds that, quote, the statute or executive order imposes duties that are necessary to implement, reasonably within the scope of, or expressly included in a ballot measure approved by the voters in a statewide or local election.

In this case, the statutes are necessary to implement it reasonably within the scope of Proposition 4, enacted in 1979, that added Article XIII B, Section 6, to the Constitution. The claimant's comments -- those are the goldenrod pages in your binder - state, first, the staff recommendation violates legislative intent; and second, the staff's application of Government Code section 17556 interferes with constitutionally-guaranteed rights.

As the claimant's first point, the supplemental analysis cites statutes to show that the legislative

1	intent has been considered in accordance with the
2	recommendation to deny this test claim.
3	As to claimant's arguments that staff's
4	application of 17556 violates claimant's constitutional
5	rights, the State Constitution bars an agency, such as
6	the Commission, from declaring a statute unenforceable or
7	unconstitutional, or refusing to enforce a statute on
8	that basis.
9	No other parties commented on the draft staff
10	analysis.
11	Staff recommends the Commission adopt the
12	analysis which denies the test claim.
13	Would the parties and witnesses please state
14	your names for the record?
15	MS. GMUR: I'm Juliana Gmur on behalf of City of
16	Newport Beach.
17	MR. EVERROAD: Glen Everroad, City of Newport
18	Beach.
19	MS. GEANACOU: Susan Geanacou, Department of
20	Finance.
21	MS. CASTAÑEDA: Carla Castañeda, Department of
22	Finance.
23	MS. GMUR: Commissioners, if I may?
24	CHAIR BROWN: Proceed.
25	MS. GMUR: Thank you.

1	You know, I'd like to thank you all for your
2	kind attention earlier today. We're going to make this
3	short and sweet. We have nothing more to add. We submit
4	on the pleadings.
5	CHAIR BROWN: Thank you very much.
6	Finance?
7	MS. CASTAÑEDA: Carla Castañeda, Department of
8	Finance.
9	We agree with the staff analysis that no
10	additional requirements were made.
11	MS. GEANACOU: No further comment.
12	CHAIR BROWN: Counsel, do you have anything to
13	add to this?
14	(No audible response)
15	CHAIR BROWN: I'd like to entertain a motion for
16	staff recommendation.
17	MEMBER WALSH: So moved.
18	CHAIR BROWN: Second?
19	MEMBER WORTHLEY: Second.
20	CHAIR BROWN: All those in favor, say "aye."
21	(A chorus of "ayes" was heard.)
22	CHAIR BROWN: Opposed, say "no."
23	MEMBER GLAAB: No.
24	CHAIR BROWN: Abstain?
25	MEMBER HAIR: I'm abstaining.

1	CHAIR BROWN: Could you give me a count on that?
2	MS. HIGASHI: It's four to one, with one
3	abstention.
4	CHAIR BROWN: Okay, the motion is approved.
5	Item 10. And this is
6	MS. HIGASHI: Mr. Feller.
7	MR. FELLER: Unless there are objections, staff
8	recommends the Commission adopt the proposed Statement of
9	Decision for the <i>Mandate Reimbursement II</i> test claim
10	which accurately reflects the Commission's decision.
11	Staff also recommends the Commission allow minor
12	changes to be made to the Statement of Decision,
13	including reflecting the witness's testimony and the vote
14	count that will be included in the final Statement of
15	Decision. And also the supplemental analysis in response
16	to the claimant's comments would be incorporated in the
17	Statement of Decision as well.
18	CHAIR BROWN: Okay, do we have a motion?
19	MEMBER WALSH: So moved.
20	CHAIR BROWN: A second?
21	MEMBER WORTHLEY: Second.
22	CHAIR BROWN: All those in favor, say "aye."
23	(A chorus of "ayes" was heard.)
24	CHAIR BROWN: Opposed, say no.
25	MEMBER GLAAB: No.

1	CHAIR BROWN: Abstentions?
2	(No audible response)
3	CHAIR BROWN: And I think the vote is the same,
4	and the motion is approved.
5	MS. HIGASHI: It's exactly the same vote.
6	MR. EVERROAD: Thank you.
7	MS. GMUR: Thank you very much.
8	MS. HIGASHI: Item 11 was adopted on Consent
9	Calendar.
10	Item 11A was adopted.
11	Item 12 and item 13 were all adopted on Consent
12	Calendar.
13	Our chief counsel has a very brief update.
14	MS. SHELTON: Actually, I have nothing new to
15	report.
16	CHAIR BROWN: Okay.
17	MS. HIGASHI: And then my report is at the end
18	of the binder, and it's a current depiction of our
19	pending caseload.
20	Also, just for the record, we did submit our
21	workload report to the Director of the Department of
22	Finance; and copies of it should have been sent to all
23	of you. But it's also available on the Commission's Web
24	site for anybody who wants to take a look at it. And
25	it's a much more detailed depiction of our workload than

1 just these numbers. 2 We have our report on final legislation. 3 the bill that we sponsored, as we had reported, I think, before, was signed by the Governor. And the other 4 5 mandate bills that we had been following did not make it 6 through the process. 7 Our tentative agenda, we're still working 8 through for the October 26th hearing. 9 There is one correction I wanted to make in 10 terms of some of the items that we had listed. There is 11 no pending item regarding Grossmont that will be taken up 12 at the next meeting. 13 And also I wanted to note that instead of 14 meeting on December 7th, we are changing our 15 December hearing to December 4th, and it will be in the 16 afternoon at 1:00 or 1:30. But details on that will be 17 forthcoming. 18 Thank you. 19 CHAIR BROWN: That concludes your report? 20 MS. HIGASHI: That concludes my report. 21 CHAIR BROWN: Are there any additional public 22 comments before the Commission? 23 MR. BURDICK: Did you say December 4? 24 CHAIR BROWN: December 4th. 25 If there are no additional public comments, I

1 assume I should read into the record. 2 MS. HIGASHI: Yes. 3 CHAIR BROWN: The Commission will meet in closed executive session pursuant to Government Code section 4 5 11126, subdivision (e), to confer with and receive advice 6 from legal counsel for consideration and action, as 7 necessary and appropriate, upon the pending litigation 8 listed on the published notice and agenda; and to confer 9 with and receive advice from legal counsel regarding 10 potential litigation. And pursuant to Government Code 11 section 11126, subdivision (a), and 17526, the Commission will also confer on personnel matters listed on the 12 13 public notice and agenda. 14 And if we could clear the room for the closed 15 session. 16 Thank you very much. 17 (The Commission met in closed executive 18 session from 2:15 p.m. to 2:30 p.m.) 19 CHAIR BROWN: We're back in open session. 20 The Commission met in closed session, executive 21 session, pursuant to Government Code section 11126, 22 subdivision (e), to confer with and receive advice from 23 legal counsel, for consideration and action, as necessary 24 and appropriate, upon the pending litigation listed on

the published notice and agenda, and potential

1	litigation, and Government Code section 11126,
2	subdivision (a), and 17526, to confer on personnel
3	matters listed on the published notice and agenda.
4	All required reports from the closed session
5	have having been made and with no further business, do
6	I have a motion to adjourn?
7	MEMBER WALSH: So moved.
8	CHAIR BROWN: And a second?
9	MEMBER WORTHLEY: Second.
10	CHAIR BROWN: All in favor?
11	(A chorus of "ayes" was heard.)
12	CHAIR BROWN: Thank you very much.
13	(Proceedings concluded at 2:31 p.m.)
14	00-
15	
16	
17	
18	
19	
20	
21	
22	
23	
24	
25	
l	l e la companya de l

REPORTER'S CERTIFICATE

I hereby certify that the foregoing proceedings were duly reported by me at the time and place herein specified;

That the proceedings were reported by me, a duly certified shorthand reporter and a disinterested person, and was thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for either or any of the parties to said deposition, nor in any way interested in the outcome of the cause named in said caption.

In witness whereof, I have hereunto set my hand on October 23, 2006.

Daniel P. Feldhaus California CSR #6949

Registered Diplomate Reporter Certified Realtime Reporter