



DEPARTMENT OF
FINANCE
OFFICE OF THE DIRECTOR

ARNOLD SCHWARZENEGGER, GOVERNOR

STATE CAPITOL ■ ROOM 1145 ■ SACRAMENTO CA ■ 95814-4998 ■ WWW.DOF.CA.GOV

October 14, 2009

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



Dear Ms. Higashi:

We reviewed the Commission on State Mandates (Commission) draft staff analysis of the proposed parameters and guidelines (Ps and Gs) for the *Tuition Fee Waivers Program* (02-TC-21).

As indicated in our March 25, 2009 response to the Commission's Statement of Decision, we question many of the Commission's conclusions that specified requirements of this test claim impose a new or higher level of service and result in a reimbursable state-mandate. Notwithstanding our objections, we request that Ps and Gs be clarified to indicate that the requirement for district governing boards to adopt rules and regulations relating to the method of payment and the method of refund of nonresident tuition is a one-time activity.

Further, although we have a fundamental disagreement on what imposes a new or higher level of service, there is no question that there is an existing, pre-mandate claim, baseline requirement for community college districts (Districts) to determine residency status and the associated resident or nonresident tuition fees for all students. Therefore, we request that the Ps and Gs explicitly state that any potential costs of the associated mandated activities per this test claim should be net of any costs incurred when meeting the existing baseline requirement for determining residency status and tuition fees for all students.

Additionally, we request that the Ps and Gs explicitly state that any potential costs for waiving fees of dependents of victims of the 9/11 terrorist attacks should be net of any costs incurred when meeting the existing baseline requirement for waiving fees for eligible students. Districts have an established practice for waiving fees; therefore, any extra costs that Districts incur for waiving fees for dependents of victims of the 9/11 attacks should be de minimis.

Finally, we note that the Ps and Gs should make clear that the Districts differentiate the costs of the baseline requirements for determining student residency status, the associated tuition fees, and waiving tuition fees from the costs of the specified mandated activities.

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As required by the Commission's regulations, a "Proof of Service" has been enclosed indicating that the parties included on the mailing list which accompanied your September 23, 2009 letter have been provided with copies of this letter via either United States Mail or, in the case of other state agencies, Interagency Mail Service.

If you have any questions regarding this letter, please contact Ed Hanson, Principal Program Budget Analyst at (916) 445-0328.

Sincerely,

A handwritten signature in black ink that reads "Jeannie Oropeza". The signature is written in a cursive style with a large initial "J".

JEANNIE OROPEZA
Program Budget Manager

Attachment

Attachment A

DECLARATION OF ED HANSON
DEPARTMENT OF FINANCE
CLAIM NO. CSM-02-TC-21

1. I am currently employed by the State of California, Department of Finance (Finance), am familiar with the duties of Finance, and am authorized to make this declaration on behalf of Finance.
2. We concur that the statutes, regulations and an executive order sections relevant to this claim are accurately quoted in the test claim submitted by claimants and, therefore, we do not restate them in this declaration.

I certify under penalty of perjury that the facts set forth in the foregoing are true and correct of my own knowledge except as to the matters therein stated as information or belief and, as to those matters, I believe them to be true.

10/14/09

at Sacramento, CA

Edmund J. Hanson

Ed Hanson

PROOF OF SERVICE

Test Claim Name: Tuition Fee Waivers
Test Claim Number: CSM-02-TC-21

I, the undersigned, declare as follows:

I am employed in the County of Sacramento, State of California, I am 18 years of age or older and not a party to the within entitled cause; my business address is 915 L Street, 7 Floor, Sacramento, CA 95814.

On 10.14.09, I served the attached recommendation of the Department of Finance in said cause, by facsimile to the Commission on State Mandates and by placing a true copy thereof: (1) to claimants and nonstate agencies enclosed in a sealed envelope with postage thereon fully prepaid in the United States Mail at Sacramento, California; and (2) to state agencies in the normal pickup location at 915 L Street, 7 Floor, for Interagency Mail Service, addressed as follows:

A-16
Ms. Paula Higashi, Executive Director
Commission on State Mandates
980 Ninth Street, Suite 300
Sacramento, CA 95814
Facsimile No. 445-0278

B-08
Mr. Jim Spano
State Controller's Office
Division of Audits
300 Capitol Mall, Suite 518
Sacramento, CA 95814

Mr. Douglas R. Brinkley
State Center Community College District
1525 East Weldon
Fresno, CA 93704

Mr. Doug Roberts
Contra Costa Community College District
500 Court Street
Martinez, CA 94553

B-29
Mr. Paul Steenhausen
Legislative Analyst's Office
925 L Street, Suite 1000
Sacramento, CA 95814

A-15
Ms. Carla Castaneda
Department of Finance
915 L Street, 11th Floor
Sacramento, CA 95814

A-15
Ms. Jeannie Oropeza
Department of Finance
Education Systems Unit
915 L Street, 7th Floor
Sacramento, CA 95814

Ms. Jolene Tollenaar
MGT of America
455 Capitol Mall, Suite 600
Sacramento, CA 95814

Ms. Harmeet Barschat
Mandate Resource Services
5325 Elkhorn Blvd., #307
Sacramento, CA 95842

Ms. Sandy Reynolds
Reynolds Consulting Group, Inc.
P.O. Box 894059
Temecula, CA 92589

A-15

Ms. Susan Geanacou
Department of Finance
915 L Street, Suite 1190
Sacramento, CA 95814

Mr. Robert Miyashiro
Education Mandated Cost Network
1121 L Street, Suite 1060
Sacramento, CA 95814

Mr. Steve Shields
Shields Consulting Group, Inc.
1536 36th Street
Sacramento, CA 95816

Mr. Thomas J. Donner
Santa Monica Community College District
1900 Pico Blvd.
Santa Monica, CA 90405-1628

Mr. David E. Scribner
Scribner & Smith, Inc.
2200 Sunrise Blvd., Suite 220
Gold River, CA 95670

Mr. Keith B. Petersen
SixTen & Associates
3841 North Freeway Blvd., Suite 170
Sacramento, CA 95834

Mr. Steve Smith
Steve Smith Enterprises, Inc.
2200 Sunrise Blvd., Suite 220
Gold River, CA 95670

Clovis Unified School District
1450 Herndon Avenue
Clovis, CA 93611-0599

Ms. Beth Hunter
Centration, Inc.
8570 Utica Avenue, Suite 100
Rancho Cucamonga, CA 91730

G-01

Mr. Erik Skinner
California Community Colleges
Chancellor's Office
1102 Q Street, Suite 300
Sacramento, CA 95814

B-08

Ms. Ginny Brummels
State Controller's Office
Division of Accounting & Reporting
3301 C Street, Suite 500
Sacramento, CA 95816

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct, and that this declaration was executed on 10.14.09 at Sacramento, California.



Annette Waite