

Minutes

COMMISSION ON STATE MANDATES

Location of Meeting: Park Tower, 980 9th Street, Suite 300,
Sacramento, CA, 95814 and via Zoom
July 26, 2024

Present: Member William Pahland
Representative of the State Treasurer, Vice Chairperson
Member Lee Adams
County Supervisor
Member Shannon Clark
Representative of the Director of the Office of Planning and Research
Member Deborah Gallegos
Representative of the State Controller
Member Renee Nash
School District Board Member

Absent: Member Michele Perrault, Chairperson
Representative of the Director of the Department of Finance

Vacant: Public Member

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

Vice Chairperson Pahland called the meeting to order at 10:10 a.m. Executive Director Halsey stated that Member Perrault notified Commission staff that she was unable to attend the meeting and called the roll. Members Adams, Clark, Gallegos, Pahland, and Nash, all indicated that they were present.

APPROVAL OF MINUTES

Vice Chairperson Pahland asked if there were any objections or corrections of the May 24, 2024, minutes. There was no response. Vice Chairperson Pahland asked if there was any public comment on this item, if there were any questions from the members, or if there was any further discussion. Vice Chairperson Pahland asked for a motion. Member Adams made the motion to adopt the minutes. Vice Chairperson Pahland asked if there was a second to Member Adams' motion. Member Nash seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the May 24, 2024, hearing minutes by a vote of 5-0 with Member Perrault absent.

PUBLIC COMMENT FOR MATTERS NOT ON THE AGENDA

Vice Chairperson Pahland asked if there was any public comment. There was no response.

CONSENT CALENDAR

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

STATEWIDE COST ESTIMATES

- Item 7* *California Regional Water Quality Control Board, Santa Ana Region, Order No. R8-2009-0030, Sections XI.4, XIII.1, XIII.4, XIII.7, XVIII.B.8, and XVIII.B.9, Adopted May 22, 2009, 09-TC-03*

Executive Director Halsey stated that Item 7 was proposed for consent. Vice Chairperson Pahland asked if there were any objections to the proposed consent calendar from the members of the board or members of the public. There was no response. Vice Chairperson Pahland asked for a motion to adopt the consent calendar. Member Nash made the motion to adopt the consent calendar. Vice Chairperson Pahland asked if there was a second. Member Clark seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the consent calendar by a vote of 5-0 with Member Perrault absent.

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

Executive Director Halsey swore in the parties and witnesses participating in the Article 7 portion of the hearing.

APPEAL OF EXECUTIVE DIRECTOR DECISIONS PURSUANT TO CALIFORNIA CODE OF REGULATIONS, TITLE 2, SECTION 1181.1(c) (info/action)

- Item 2 Appeal of Executive Director Decisions

Executive Director Halsey presented this item, stating that Item 2 is reserved for appeals of Executive Director decisions and that there were no appeals to consider for this hearing.

TEST CLAIMS

- Item 3 *Disclosure Requirements and Deferral of Property Taxation, 22-TC-06*
- Statutes 2022, Chapter 712 (SB 989); Revenue and Taxation Code Sections 2610.8 and 2636.1
- County of Los Angeles, Claimant

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

Fernando Lemus and Tina McKendell appeared on behalf of the claimants. Chris Hill appeared on behalf of the Department of Finance.

Following statements by Mr. Lemus and Mr. Hill, Vice Chairperson Pahland asked if there was any public comment. There was no response. Vice Chairperson Pahland asked if there were any questions from the members. There was no response. Vice

Chairperson Pahland asked if there was any further discussion on this item. There was no response. Vice Chairperson Pahland asked if there was a motion. Member Adams made the motion to adopt the staff recommendation. Member Nash seconded the motion. Vice Chairperson Pahland asked if there was any further discussion. There was no response. Executive Director Halsey called the roll. The Commission voted to adopt the Proposed Decision by a vote of 5-0 with Member Perrault absent.

PARAMETERS AND GUIDELINES

Item 4 *Public School Restrooms: Menstrual Products, 22-TC-04*

Statutes 2021, Chapter 664 (AB 367); Education Code Section 35292.6; Effective January 1, 2022

Hesperia Unified School District, Claimant

Executive Director Halsey stated that Finance informed Commission staff that they do not intend to speak on this item and the Controller did not provide any information about whether they would be participating. Senior Commission Counsel Eric Feller presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Arthur Palkowitz appeared on behalf of the claimant.

Following a statement by Mr. Palkowitz, Vice Chairperson Pahland asked if there was any public comment. There was no response. Vice Chairperson Pahland asked if there were any questions from the members. There was no response. Member Nash made the motion to adopt the staff recommendation. Vice Chairperson Pahland asked if there was a second. Member Clark seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the Proposed Decision and Parameters and Guidelines by a vote of 5-0 with Member Perrault absent.

Item 5 *Free Application for Federal Student Aid (FAFSA), 22-TC-05*

Education Code Section 51225.7, as Added by Statutes 2021, Chapter 144 (AB 132, Section 10), Effective July 27, 2021

Fresno Unified School District, Claimant

Executive Director Halsey stated that Finance informed Commission staff that they do not intend to speak on this item and the Controller did not provide any information about whether they would be participating. Senior Commission Counsel Elizabeth McGinnis presented this item and recommended that the Commission adopt the Proposed Decision and Parameters and Guidelines.

Arthur Palkowitz appeared on behalf of the claimant.

Following a statement by Mr. Palkowitz, Vice Chairperson Pahland asked if there was any public comment. There was no response. Vice Chairperson Pahland asked if there were any questions from the members. There was no response. Vice Chairperson Pahland asked if there was a motion. Member Clark made the motion to adopt the staff recommendation. Member Adams seconded the motion. Executive Director Halsey called the roll. The Commission voted to adopt the Proposed Decision and Parameters and Guidelines by a vote of 5-0 with Member Perrault absent.

HEARINGS ON COUNTY APPLICATIONS FOR FINDINGS OF SIGNIFICANT FINANCIAL DISTRESS PURSUANT TO WELFARE AND INSTITUTIONS CODE SECTION 17000.6 AND CALIFORNIA CODE OF REGULATIONS, TITLE 2, ARTICLE 2 (info/action)

- Item 6 Assignment of County Application to Commission, a Hearing Panel of One or More Members of the Commission, or to a Hearing Officer

Executive Director Halsey presented this item, stating that Item 6 is reserved for county applications for a finding of significant financial distress, or SB 1033 applications, and that no SB 1033 applications have been filed.

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

REPORTS

- Item 8 Legislative Update (info)

Program Analyst Jill Magee 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 September 2024 and November 2024 Meetings (info)

Executive Director Halsey presented this item and described the Commission's workload.

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

The Commission adjourned into closed executive session at 10:42 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):

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).

RECONVENE IN PUBLIC SESSION

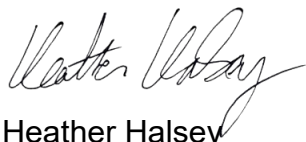
At 10:58 a.m., the Commission reconvened in open session.

REPORT FROM CLOSED EXECUTIVE SESSION

Vice Chairperson Pahland 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

Vice Chairperson Pahland asked for a motion to adjourn. Member Adams made the motion to adjourn the meeting. Member Clark seconded the motion. The July 26, 2024, meeting was adjourned at 10:59 a.m., by a vote of 5-0 with Member Perrault absent.



Heather Halsey
Executive Director

STATE OF CALIFORNIA
COMMISSION ON STATE MANDATES

PUBLIC MEETING

FRIDAY, JULY 26, 2024

10:10 A.M.

RECEIVED

AUG 19 2024

COMMISSION ON
STATE MANDATES

MEETING HELD

AT 980 9TH STREET

3RD FLOOR CONFERENCE ROOM

SACRAMENTO, CALIFORNIA

AND

VIA ZOOM

ORIGINAL

VIDEO COMMUNICATIONS PLATFORM

REPORTER'S TRANSCRIPT OF PROCEEDINGS

STENOGRAPHICALLY REPORTED BY:

Emily Samelson

California Certified Shorthand Reporter #14043

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Roseville, California 95661
Telephone (916) 390-7731
KathrynSwankCSR@sbcglobal.net

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A P P E A R A N C E S

COMMISSIONERS PRESENT

WILLIAM PAHLAND
Representative for FIONA MA
State Treasurer
(Vice Chairperson of the Commission)

DEBORAH GALLEGOS
Representative for MALIA COHEN
State Controller
(Via Zoom)

LEE ADAMS III
Sierra County Supervisor
Local Agency Member

RENEE NASH
Eureka Union School District
School District Board Member

SHANNON CLARK
Representative for SAMUEL ASSEFA, Director
Office of Planning and Research

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COMMISSION STAFF

HEATHER HALSEY
Executive Director
(Via Zoom)

CAMILLE N. SHELTON
Chief Legal Counsel

DENNIS SUPACHANA
Assistant Executive Director
(Via Zoom)

ERIC FELLER
Senior Commission Counsel
(Via Zoom)

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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

JILL MAGEE
Program Analyst
(Via Zoom)

ELIZABETH MCGINNIS
Senior Commission Counsel
(Via Zoom)

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PUBLIC PARTICIPANTS

ARTHUR PALKOWITZ
Law Offices of Arthur M. Palkowitz
(Items 4 and 5)
(Via Zoom)

FERNANDO LEMUS
County of Los Angeles
(Item 3)
(Via Zoom)

TINE McKENDALL
County of Los Angeles
(Item 3)
(Via Zoom)

CHRIS HILL
Department of Finance
(Item 3)
(Via Zoom)

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ERRATA SHEET

Page	Line	Correction
1	8	<u>3RD FLOOR CONFERENCE ROOM SUITE 300</u>
3	16	<u>TINE MCKENDALL</u> <u>TINA MCKENDELL</u>
10	14	<u>MEMBER ADAMS</u> <u>MS. HALSEY</u>
13	11	a <u>the</u> proposed consent calendar.
14	23	please <u>be</u> <u>ensure</u>
15	9	MS. <u>MCKENDALL</u> : <u>MCKENDELL</u> <u>McKendall</u> <u>McKendell</u>
16	20	natural disaster <u>to</u> transfer
17	17	<u>December</u> <u>September</u> 28
17	23	MS. <u>MCKENDALL</u> : <u>MCKENDELL</u> <u>McKendall</u> <u>McKendell</u>
20	21	to 12 <u>to</u> stock
21	4	<u>recently</u> <u>reasonably</u>
21	9	as <u>required</u> <u>requested</u> by Finance
21	13	<u>as a</u> <u>is a</u> clarifying edit
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1 Friday, July 26, 2024; 10:10 A.M.

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3 VICE CHAIRPERSON PAHLAND: The meeting of the
4 Commission on State Mandates will come to order.

5 Welcome to our hybrid meeting. For those
6 participating in person, I have some housekeeping
7 information.

8 On the table near the wall are paper copies of the
9 meeting notice and agenda, new filings, witness list,
10 and consent calendar. The electronic public hearing
11 binder is also located there on the laptop.

12 When called up for an item, the parties and
13 witnesses will please sit at the witness tables.

14 The restrooms are located out the door and down the
15 hallway to the right. The women's room is across the
16 open atrium. The key for both restrooms is on the table
17 as you exit the conference room.

18 Finally, please take note of the emergency exits in
19 the room.

20 For those participating remotely, the materials for
21 today's meeting, including the notice, agenda, and
22 witness list, are all available on the Commission's
23 website, www.csm.ca.gov under the "Hearings" tab.

24 When being sworn in at the beginning of the hearing
25 and when called for an item, the parties and witnesses

1 will please turn on their video and unmute their
2 microphone. At the conclusion of the item, please turn
3 off the video and mute the microphone.

4 In the event we experience technical difficulties
5 or the meeting is bumped offline, we will restart and
6 allow time for people to rejoin before recommencing the
7 meeting.

8 Please join me in welcoming new Commission designee
9 from the Governor's Office of Planning and Research,
10 Shannon Clark.

11 Ms. Clark is a land use counsel to OPR, where she
12 works with the Legal, Legislative, and Planning --
13 Legal, Legislative, and Planning and Community
14 Development teams on issues related to CEQA, housing,
15 transportation planning, and administrative law,
16 including implementation of the CEQA Judicial
17 Streamlining program.

18 Prior to working at OPR, Shannon was a deputy
19 attorney general in the California Department of
20 Justice's Environment section, where she litigated CEQA
21 and other administrative law issues in both federal and
22 state courts.

23 Welcome, Shannon.

24 Finally, please remember to speak slowly and
25 accurately for the benefit of the court reporter and an

1 accurate transcript of the hearing.

2 Heather, will you please call the roll.

3 MS. HALSEY: Sure.

4 Member Perrault notified the Commission staff that
5 she is unable to attend today's meeting.

6 Mr. Adams.

7 MEMBER ADAMS: Here.

8 MS. HALSEY: Ms. Clark.

9 MEMBER CLARK: Here.

10 MS. HALSEY: Ms. Gallegos.

11 MEMBER GALLEGOS: Here.

12 MS. HALSEY: Ms. Nash.

13 MEMBER NASH: Here.

14 MEMBER ADAMS: Mr. Pahland -- oh, please stay
15 muted, and our microphone in the room will pick you up.

16 Mr. Pahland.

17 VICE CHAIRPERSON PAHLAND: Here.

18 All right. Next is Item 1.

19 Are there any objections to or additional
20 corrections of the May 2024 minutes?

21 (No response.)

22 VICE CHAIRPERSON PAHLAND: All right. Hearing
23 none, is there any public comment on this item?

24 (No response.)

25 VICE CHAIRPERSON PAHLAND: All right. Hearing

1 none, are there any questions from the members?

2 (No response.)

3 VICE CHAIRPERSON PAHLAND: Is there any further
4 discussion?

5 (No response.)

6 VICE CHAIRPERSON PAHLAND: Okay. Can I have a
7 motion?

8 MEMBER ADAMS: Mr. Chairman, I move the minutes.

9 VICE CHAIRPERSON PAHLAND: Thank you.

10 Can I have a second?

11 MEMBER NASH: I'll second that.

12 VICE CHAIRPERSON PAHLAND: Okay. We have a motion
13 and a second.

14 All right. Can we please call the vote.

15 MS. HALSEY: Sure.

16 Mr. Adams

17 MEMBER ADAMS: Aye.

18 MS. HALSEY: Ms. Clark.

19 MEMBER CLARK: Aye.

20 MS. HALSEY: Ms. Gallegos.

21 MEMBER GALLEGOS: Aye.

22 MS. HALSEY: Ms. Nash.

23 MEMBER NASH: Aye.

24 MS. HALSEY: Mr. Pahland.

25 VICE CHAIRPERSON PAHLAND: Aye.

1 MS. SHELTON: Heather, our connection just went
2 down.

3 VICE CHAIRPERSON PAHLAND: Yeah, I just lost the
4 connection.

5 MS. HALSEY: Oh, no. Okay. Well, we'll pause the
6 meeting for a moment.

7 (Off the record.)

8 VICE CHAIRPERSON PAHLAND: Thank you, everybody,
9 for that, bearing with us through that brief
10 interruption.

11 Just as a recap of recent events before the Wi-Fi
12 went down and the meeting paused, we took roll and
13 established a quorum.

14 And I think we also were able to get through the
15 meeting minutes, and there was a vote, and the prior
16 minutes were approved.

17 Then, let's see. Next --

18 MS. HALSEY: And now we --

19 VICE CHAIRPERSON PAHLAND: -- we're going to public
20 comment with Executive -- go ahead. Go ahead, Heather.

21 MS. HALSEY: Now we'll take public comment for
22 matters that are not on the agenda.

23 Please note the Commission may not take action on
24 items not on the agenda. However, it may schedule
25 consideration at future meetings. We invite the public

1 to comment on matters that are on the agenda as they're
2 taken up.

3 VICE CHAIRPERSON PAHLAND: Is there any --

4 MR. SUPACHANA: I do not see any public comment,
5 Mr. Chairman.

6 VICE CHAIRPERSON PAHLAND: I'm sorry.

7 MR. SUPACHANA: I do not see any.

8 VICE CHAIRPERSON PAHLAND: There is no public
9 comment? All right.

10 All right. Then we will move to the next item.

11 MS. HALSEY: Next is a proposed consent calendar.
12 Item VII is proposed for consent.

13 VICE CHAIRPERSON PAHLAND: Are there any objections
14 to the proposed consent calendar from the members of the
15 board or members of the public?

16 (No response.)

17 VICE CHAIRPERSON PAHLAND: Okay. Hearing none, is
18 there a motion to adopt the proposed consent calendar?

19 MEMBER NASH: So moved.

20 VICE CHAIRPERSON PAHLAND: And is there a second?

21 MEMBER CLARK: Seconded.

22 VICE CHAIRPERSON PAHLAND: Thank you.

23 Okay. The motion to adopt the proposed consent
24 calendar has been moved and seconded.

25 MS. HALSEY: Would you like me to call the roll?

1 VICE CHAIRPERSON PAHLAND: Yes. Please call the
2 roll.

3 MS. HALSEY: Okay. Mr. Adams.

4 MEMBER ADAMS: Aye.

5 MS. HALSEY: Ms. Clark.

6 MEMBER CLARK: Aye.

7 MS. HALSEY: Ms. Gallegos.

8 MEMBER GALLEGOS: Aye.

9 MS. HALSEY: Ms. Nash.

10 MEMBER NASH: Aye.

11 MS. HALSEY: Mr. Pahland.

12 VICE CHAIRPERSON PAHLAND: Aye.

13 All right --

14 MS. HALSEY: Next is -- oh, sorry.

15 VICE CHAIRPERSON PAHLAND: I was just going to say
16 the matter is approved.

17 MS. HALSEY: Go ahead. Go ahead.

18 VICE CHAIRPERSON PAHLAND: That's it. The matter
19 is approved.

20 Please go to the next, Heather.

21 MS. HALSEY: Sure. Let's move to the swearing in.

22 Will the parties and witnesses for Items 3, 4, and
23 5 participating remotely please be sure that both your
24 first and last names are listed on your Zoom window for
25 the benefit of the court reporter, turn on your video --

1 sorry -- unmute your microphone; the parties and
2 witnesses participating in person approach the witness
3 table; and all parties and witnesses please rise.

4 (Parties/witnesses stood to be sworn or affirmed.)

5 MS. HALSEY: Will the parties and witnesses for
6 Item 3 please state your names for the record.

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

8 MR. LEMUS: Fernando Lemus, County of Los Angeles.

9 MS. MCKENDALL: Tina McKendall, County of
10 Los Angeles.

11 MS. HALSEY: Thank you.

12 Will the parties and witnesses for Item 4 please
13 state your names for the record.

14 MR. PALKOWITZ: Art Palkowitz on behalf of the
15 claimant.

16 MS. HALSEY: And will the parties and witnesses for
17 Item 5 please state your names for the record.

18 MR. PALKOWITZ: Art Palkowitz on behalf of the
19 claimant.

20 MS. HALSEY: Thank you.

21 Do you solemnly swear or affirm that the testimony
22 which you're about to give is true and correct based on
23 your personal knowledge, information, or belief?

24 (Affirmative responses.)

25 MS. HALSEY: Thank you. Please be seated.

1 For those participating remotely on Items 4 and 5,
2 please turn off your video and mute your microphone.
3 And those presenting in person for Items 4 and 5, please
4 return to your seat.

5 Item 2 is reserved for appeals of Executive
6 Director decisions. There are no appeals to consider
7 for this hearing.

8 Next is Item 3. Senior Commission Counsel Eric
9 Feller will please present a proposed decision on
10 Disclosure Requirements and Deferral of Property
11 Taxation, 22-TC-06.

12 MR. FELLER: Good morning. The test claim statute
13 requires Los Angeles County and other counties that opt
14 in to the program to defer property tax payments without
15 penalty or interest for property owners claiming relief
16 under Proposition 19 and its implementation statute
17 until the County Assessor determines the owner's claim.

18 Proposition 19, adopted in November 2020, allows
19 property owners who are over 55, severely disabled, or
20 victims of a wildfire or natural disaster transfer the
21 taxable base year value of their primary residence to a
22 replacement primary residence anywhere in the state
23 within two years of the sale of original primary
24 residence to prevent or mitigate increased property
25 taxes when the owners move or rebuild.

1 Under the test claim statute, deferment requests
2 must be filed with the County within one year of
3 receiving the first tax bill for the replacement
4 property but before January 1, 2024. And the provisions
5 sunsets on January 1, 2026.

6 The other part of the test claim statute which does
7 not sunset requires L.A. County to print brief summaries
8 on property tax bills about the availability of
9 property -- of Proposition 19 base year value transfers
10 and tax deferment availability under the test claim
11 statute.

12 Staff finds that the test claim statute imposed a
13 reimbursable state-mandated program on only the County
14 of Los Angeles. Other counties that opt in to the
15 program are not mandated by the State to comply.

16 Staff recommends the Commission approve this test
17 claim, the reimbursement period beginning December 28,
18 2022, and authorize staff to make any technical,
19 nonsubstantive changes following the hearing.

20 VICE CHAIRPERSON PAHLAND: Parties and witnesses,
21 please state your names for the record.

22 MR. LEMUS: Fernando Lemus, County of Los Angeles.

23 MS. MCKENDALL: Tina McKendall, County of
24 Los Angeles.

25 MR. HILL: Chris Hill, California Department of

1 Finance.

2 VICE CHAIRPERSON PAHLAND: All right. Mr. Lemus
3 and Ms. McKendall for the claimants, would you like to
4 start?

5 MR. LEMUS: Yeah. We're just -- honestly, we're
6 just here to say that we agree with the Commission's
7 decision.

8 VICE CHAIRPERSON PAHLAND: Okay. Thank you.

9 Mr. Hill for the Department of Finance, do you have
10 any comments?

11 MR. HILL: Thank you. The Department of Finance
12 has no comment on the staff's recommendation, but we're
13 here to answer any questions the Commission members may
14 have.

15 VICE CHAIRPERSON PAHLAND: All right. Thank you.

16 Are there any public comments for this item?

17 MR. SUPACHANA: Mr. Chairman, I do not see any
18 current public comments.

19 VICE CHAIRPERSON PAHLAND: Are there any questions
20 from the members?

21 (No response.)

22 VICE CHAIRPERSON PAHLAND: All right. Hearing
23 none, is there any further discussion on the item?

24 (No response.)

25 VICE CHAIRPERSON PAHLAND: Hearing none, is there a

1 motion?

2 MEMBER ADAMS: Mr. Chairman, I move the staff
3 recommendation.

4 VICE CHAIRPERSON PAHLAND: Thank you.

5 MEMBER NASH: I'll second that.

6 VICE CHAIRPERSON PAHLAND: And I have my second.
7 Thank you.

8 Okay. This has been moved and seconded.

9 Are you ready for the question, or is there further
10 discussion?

11 (No response.)

12 VICE CHAIRPERSON PAHLAND: All right. Hearing
13 none, Heather please call the roll.

14 Heather?

15 MS. SHELTON: Heather, you're muted.

16 MS. HALSEY: Sorry.

17 Mr. Adams.

18 MEMBER ADAMS: Aye.

19 MS. HALSEY: Ms. Clark.

20 MEMBER CLARK: Aye.

21 MS. HALSEY: Ms. Gallegos.

22 MEMBER GALLEGOS: Aye.

23 MS. HALSEY: Ms. Nash.

24 MEMBER NASH: Aye.

25 MS. HALSEY: Mr. Pahland.

1 VICE CHAIRPERSON PAHLAND: Aye.

2 MS. HALSEY: Thank you.

3 VICE CHAIRPERSON PAHLAND: All right. The matter
4 has been approved. Thank you.

5 MR. FELLER: Thank you.

6 MS. HALSEY: Next, we asked -- sorry.

7 Finance informed the Commission staff that they do
8 not intend to speak on this item, and the Controller did
9 not provide any information about whether they would be
10 participating.

11 Senior Commission Counsel Eric Feller will present
12 a proposed decision and parameters and guidelines on
13 Public School Restrooms: Menstrual Products, 22-TC-04.

14 At this time, we invite the parties and witnesses
15 for Item 4 participating remotely to please turn on
16 their video and unmute their microphones.

17 MR. FELLER: All right. Good morning again. These
18 are the parameters and guidelines for the Menstrual
19 Equity Act For All of 2021 that requires public schools
20 that maintain any combination of classes from grades 6
21 to 12 stock all women's restrooms, any all -- any
22 all-gender restrooms, and at least one men's restrooms
23 with an adequate supply of menstrual products at all
24 times free of charge for pupils on or before the start
25 of the 2023 school year, in addition to posting a notice

1 about the products' availability.

2 The proposed parameters and guidelines include the
3 activities mandated by the test claim statute and the
4 recently necessary activity to purchase and install or
5 repair or retrofit dispensers to provide menstrual
6 products.

7 Staff also finds that limiting the restrooms
8 required to be stocked with menstrual products to pupil
9 restrooms, as required by Finance, is inconsistent with
10 the test claim statute and therefore denied but that
11 stating reimbursement is not required to stock more than
12 one men's restroom per school, as suggested by Finance,
13 as a clarifying edit included in the proposed P&Gs.

14 So the proposed parameters and guidelines also
15 require claimants to report specified information with
16 their reimbursement claims in order to support the
17 increased level of service and the actual cost claimed.

18 So staff recommends the Commission adopt the
19 proposed decision and parameters and guidelines and
20 authorize staff to make any technical, nonsubstantive
21 changes following the hearing.

22 VICE CHAIRPERSON PAHLAND: Okay. Thank you.

23 Parties and witnesses, please state your names for
24 the record.

25 MR. PALKOWITZ: Good morning. Art Palkowitz on

1 behalf of the claimant.

2 We do not have any comments regarding the proposed
3 draft parameters and guidelines. Thank you.

4 VICE CHAIRPERSON PAHLAND: All right. Well, thank
5 you.

6 Then is there any public comment on this item?

7 MR. SUPACHANA: Mr. Chairperson, there are no
8 public comments.

9 VICE CHAIRPERSON PAHLAND: All right. Thank you.
10 Are there any questions from the members?

11 MEMBER NASH: I would move approval.

12 VICE CHAIRPERSON PAHLAND: All right. So I have a
13 motion.

14 And do I have a second?

15 MEMBER CLARK: I'll second.

16 VICE CHAIRPERSON PAHLAND: All right. Thank you.

17 All right. So we have a motion and a second.

18 Heather, please call the roll.

19 MS. HALSEY: Mr. Adams.

20 MEMBER ADAMS: Aye.

21 MS. HALSEY: Ms. Clark.

22 MEMBER CLARK: Aye.

23 MS. HALSEY: Ms. Gallegos.

24 MEMBER GALLEGOS: Aye.

25 MS. HALSEY: Ms. Nash.

1 MEMBER NASH: Aye.

2 MS. HALSEY: Mr. Pahland.

3 VICE CHAIRPERSON PAHLAND: Aye.

4 All right. The motion is carried.

5 MS. HALSEY: Thank you. Next is Item 5.

6 Finance informed the Commission staff they do not
7 intend to speak on this item, and the Controller did not
8 provide information about whether they would be
9 participating.

10 Senior Commission Counsel Elizabeth McGinnis will
11 present a proposed decision and parameters and
12 guidelines on Free Application for Federal Student Aid
13 (FAFSA), 22-TC-05.

14 MS. MCGINNIS: Hi. Good morning. These parameters
15 and guidelines address state-mandated activities arising
16 from Education Code Section 51225.7, which requires
17 school districts to confirm that each grade 12 student
18 complete at least one of two specified financial aid
19 applications, unless the student opts out of the
20 requirement or is deemed exempt by the school district,
21 and to direct grade 12 students to services necessary to
22 assist them in completing the appropriate financial aid
23 application.

24 Draft expedited parameters and guidelines were
25 issued to the parties which identified the activities

1 approved by the Commission for reimbursement beginning
2 July 27th, 2021. No substantive comments were filed on
3 the draft expedited parameters and guidelines.

4 Staff recommends that the Commission adopt the
5 proposed decision and parameters and guidelines and
6 authorize staff to make any technical, nonsubstantive
7 changes to the proposed decision following the hearing.
8 Thank you.

9 MR. PALKOWITZ: Good morning. Art Palkowitz on
10 behalf of the claimant.

11 We don't have any comments regarding the draft
12 parameters and guidelines.

13 VICE CHAIRPERSON PAHLAND: All right. Thank you,
14 Mr. Palkowitz.

15 Then, next, are there any public comments on this
16 item?

17 MR. SUPACHANA: I do not see any public comments,
18 Mr. Chairperson.

19 VICE CHAIRPERSON PAHLAND: Thank you.

20 Are there any questions from the members?

21 (No response.)

22 VICE CHAIRPERSON PAHLAND: Is there any further
23 discussion? If not, can I have a motion?

24 MEMBER CLARK: I'll move.

25 VICE CHAIRPERSON PAHLAND: Thank you.

1 And a second?

2 MEMBER ADAMS: I will second.

3 VICE CHAIRPERSON PAHLAND: Thank you.

4 All right. So we have a motion and a second.

5 Heather, please call the roll.

6 MS. HALSEY: Mr. Adams.

7 MEMBER ADAMS: Aye.

8 MS. HALSEY: Ms. Clark.

9 MEMBER CLARK: Aye.

10 MS. HALSEY: Ms. Gallegos.

11 MEMBER GALLEGOS: Aye.

12 MS. HALSEY: Ms. Nash.

13 MEMBER NASH: Aye.

14 MS. HALSEY: Mr. Pahland.

15 VICE CHAIRPERSON PAHLAND: Aye.

16 The motion is carried.

17 MS. HALSEY: Item 6 is reserved for County
18 applications for a finding of significant financial
19 distress, or SB 1033 application. No SB 1033
20 applications have been filed.

21 Next, Program Analyst Jill Magee will turn on her
22 video and microphone and present Item 8, legislative
23 update.

24 MS. MAGEE: Good morning. The following are the
25 legislative updates since the last time the Commission

1 met.

2 First, AB 1781, State mandates: claims. This
3 substantive spot bill would change the minimum mandate
4 reimbursement claim amount from \$1,000 to \$800.

5 On January 3rd, 2024, this bill was read for the
6 first time.

7 And on January 16th, 2024, it was referred to the
8 Assembly Committee on Local Government.

9 On May 3rd, 2024, the assembly member's office
10 confirmed that there are no plans for it to move forward
11 at this time.

12 Staff will continue to monitor legislation for
13 bills that impact the mandate's process. Thank you.

14 MS. HALSEY: Thank you, Jill.

15 Next is the Chief Legal Counsel Report. Camille
16 Shelton will present this report, Item 9.

17 MS. SHELTON: Good morning. I just have one item
18 to report.

19 We do have a hearing date scheduled for the one
20 piece of litigation, City of San Diego versus Commission
21 on State Mandates, challenging the lead sampling
22 decision. That hearing is set for September 13th before
23 the Sacramento County Superior Court.

24 Thank you.

25 MS. HALSEY: Thank you, Camille.

1 Next is Item 10, the Executive Director Report.

2 The Budget Act of 2024 was chaptered on June 29th,
3 2024 -- or -- and June 26th, 2024. Sorry. It came in
4 two bills. And the Commission's budget was adopted as
5 proposed. However, the budget includes language
6 requiring a 7.95 percent reduction in operating budget
7 and also a sweep of vacant positions.

8 We expect budget letters soon that will detail how
9 the Commission will be taking these cuts.

10 For workload: After this hearing, there are
11 37 pending test claims, 35 of which are regarding
12 stormwater.

13 There are two parameters and guidelines pending,
14 including one regarding stormwater.

15 And there are five statewide cost estimates and one
16 incorrect reduction claim pending.

17 Staff expects to complete all the currently pending
18 test claims and IRCs by approximately the December 2026
19 Commission meeting, depending on staff and workload.

20 For tentative agenda items, please see the full
21 Executive Director's Report, and you will see the items
22 we expect to hear in the next couple of hearings.

23 We also include a pending caseload document that's
24 on our website, that we update at least bimonthly, that
25 contains all of our caseload and when we expect the

1 individual items to be heard.

2 And that's all I have for my Executive Director
3 Report today.

4 VICE CHAIRPERSON PAHLAND: Okay. Thank you.

5 So, next, the Commission will meet in Closed
6 Executive Session, pursuant to Government Code Section
7 11126(e). That is to confer with and receive advice
8 from legal counsel for consideration and action, as
9 necessary and appropriate, upon the pending litigation
10 listed in the published notice and agenda; and to confer
11 with and receive advice from legal counsel regarding
12 potential litigation.

13 The Commission will also confer on personnel
14 matters, pursuant to Government Code Section
15 11126(a) (1) .

16 We will reconvene in open session in approximately
17 15 minutes.

18 (Closed session was held from 10:42 a.m. to
19 10:58 a.m.)

20 VICE CHAIRPERSON PAHLAND: Okay. Thanks,
21 everybody, for rejoining. The Commission just met in
22 closed session, pursuant to Government Code Section
23 11126(e) to confer with and receive advice from legal
24 counsel for consideration and action, as necessary and
25 appropriate, upon the pending litigation listed in the

1 published notice and agenda; and to confer with and
2 receive advice from legal counsel regarding potential
3 litigation.

4 The Commission also conferred on personnel matters,
5 pursuant to Government Code Section 11126(a) (1) .

6 With no further business to discuss, I will
7 entertain a motion to adjourn.

8 Do I have a motion?

9 MEMBER ADAMS: Mr. Chairman, so moved.

10 VICE CHAIRPERSON PAHLAND: Thank you.

11 And do I have a second?

12 MEMBER CLARK: Seconded.

13 VICE CHAIRPERSON PAHLAND: Thank you.

14 So we have a motion and a second to adjourn the
15 meeting.

16 Heather, please call the roll.

17 MS. HALSEY: Mr. Adams.

18 MEMBER ADAMS: Aye.

19 MS. HALSEY: Ms. Clark.

20 MEMBER CLARK: Aye.

21 MS. HALSEY: Ms. Gallegos.

22 MEMBER GALLEGOS: Aye.

23 MS. HALSEY: Ms. Nash.

24 MEMBER NASH: Aye.

25 MS. HALSEY: Mr. Pahland.

1 VICE CHAIRPERSON PAHLAND: Aye.

2 The motion carried. The meeting is hereby
3 adjourned.

4 (Proceedings concluded at 10:59 a.m.)

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CERTIFICATE OF REPORTER

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

That I am a disinterested person herein; that the foregoing proceedings were reported, to the best of my ability, in shorthand by me, Emily Samelson, a Certified Shorthand Reporter of the State of California, and thereafter transcribed into typewriting.

I further certify that I am not of counsel or attorney for any of the parties to said proceedings nor in any way interested in the outcome of said proceedings.

IN WITNESS WHEREOF, I have hereunto set my hand this 12th of August, 2024.



EMILY SAMELSON, CSR
Certified Shorthand Reporter
License No. 14043