

AMENDED IN ASSEMBLY MARCH 25, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 202

Introduced by Assembly Member Brownley

January 27, 2011

An act to ~~add Section 17562.5 to~~ *amend Section 17557 of, and to add Sections 17518.83, 17562.5, and 17579.5 to,* the Government Code, relating to local educational agencies.

LEGISLATIVE COUNSEL'S DIGEST

AB 202, as amended, Brownley. Local educational agencies: reimbursable state mandates.

Existing law establishes a procedure for local governmental agencies to file, with the Commission on State Mandates, claims for reimbursement of specified costs associated with state-mandated local programs, and sets forth the procedure for a determination by the commission for eligibility for reimbursement, appropriation, and payment of claims, including payment pursuant to the enactment of a local government claims bill, the establishment of interest accrued on claims, and the review of state mandates by the Legislative Analyst generally.

This bill would express the intent of the Legislature that statutes creating a reimbursable state mandate on school districts be periodically reviewed, and that the Legislature consider recommendations on whether those statutes should be amended, repealed, or remain unchanged. The bill would require that, in addition to a report submitted pursuant to existing law, the Legislative Analyst review and report on each reimbursable state mandate relating to local educational agencies that meets prescribed criteria. The bill would specify the information to be

provided in the review and report, and would require that the review and report be provided to the chairpersons of the Assembly Committee on Education, the Senate Committee on Education, and the fiscal committees of the Assembly and the Senate, on or before the January 1 following the adjournment of the regular session of the Legislature for which the review was made.

This bill would render state-mandated local programs, that apply to local educational agencies and become operative on or after January 1, 2012, inoperative with respect to a local educational agency on the date 5 years following the operative date of the state-mandated local program. The bill would require the Legislative Counsel, for each bill identified as imposing a state-mandated local program that applies to a local educational agency, to include a comment in the Legislative Counsel's digest that the state-mandated local program would become inoperative with respect to a local educational agency on the date 5 years following the operative date of the state-mandated local program, except as specified.

This bill would authorize a successful test claimant that is a local educational agency to designate another local educational agency to prepare and submit the proposed reimbursement parameters and guidelines to the commission, as specified.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 17518.83 is added to the Government
2 Code, to read:
3 17518.83. "Local educational agency" means a school district
4 as defined in Section 17519, except that it does not include a
5 community college district.
6 SEC. 2. Section 17557 of the Government Code is amended to
7 read:
8 17557. (a) (1) If the commission determines there are costs
9 mandated by the state pursuant to Section 17551, it shall determine
10 the amount to be subvented to local agencies and school districts
11 for reimbursement. In so doing it shall adopt parameters and
12 guidelines for reimbursement of any claims relating to the statute
13 or executive order. ~~The Except as provided in paragraph (2), the~~
14 successful test claimants shall submit proposed parameters and

guidelines within 30 days of adoption of a statement of decision on a test claim. The proposed parameters and guidelines may include proposed reimbursable activities that are reasonably necessary for the performance of the state-mandated program. At the request of a successful test claimant, the commission may provide for one or more extensions of this 30-day period at any time prior to its adoption of the parameters and guidelines. If proposed parameters and guidelines are not submitted within the 30-day period and the commission has not granted an extension, then the commission shall notify the test claimant that the amount of reimbursement the test claimant is entitled to for the first 12 months of incurred costs will be reduced by 20 percent, unless the test claimant can demonstrate to the commission why an extension of the 30-day period is justified.

(2) If the successful test claimant is a local educational agency, the test claimant may designate another local educational agency to prepare and submit the proposed parameters and guidelines to the commission. A designation made pursuant to this paragraph shall be made in writing and submitted to the commission.

(b) In adopting parameters and guidelines, the commission may adopt a reasonable reimbursement methodology.

(c) The parameters and guidelines adopted by the commission shall specify the fiscal years for which local agencies and school districts shall be reimbursed for costs incurred. However, the commission may not specify in the parameters and guidelines any fiscal year for which payment could be provided in the annual Budget Act.

(d) (1) A local agency, school district, or the state may file a written request with the commission to amend the parameters or guidelines. The commission may, after public notice and hearing, amend the parameters and guidelines. A parameters and guidelines amendment submitted within 90 days of the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, shall apply to all years eligible for reimbursement as defined in the original parameters and guidelines. A parameters and guidelines amendment filed more than 90 days after the claiming deadline for initial claims, as specified in the claiming instructions pursuant to Section 17561, and on or before the claiming deadline following a fiscal year, shall establish reimbursement eligibility for that fiscal year.

(2) For purposes of this subdivision, the request to amend parameters and guidelines may be filed to make any of the following changes to parameters and guidelines, consistent with the statement of decision:

(A) Delete any reimbursable activity that has been repealed by statute or executive order after the adoption of the original or last amended parameters and guidelines.

(B) Update offsetting revenues and offsetting savings that apply to the mandated program and do not require a new legal finding that there are no costs mandated by the state pursuant to subdivision (e) of Section 17556.

(C) Include a reasonable reimbursement methodology for all or some of the reimbursable activities.

(D) Clarify what constitutes reimbursable activities.

(E) Add new reimbursable activities that are reasonably necessary for the performance of the state-mandated program.

(F) Define what activities are not reimbursable.

(G) Consolidate the parameters and guidelines for two or more programs.

(H) Amend the boilerplate language. For purposes of this section, “boilerplate language” means the language in the parameters and guidelines that is not unique to the state-mandated program that is the subject of the parameters and guidelines.

(e) A test claim shall be submitted on or before June 30 following a fiscal year in order to establish eligibility for reimbursement for that fiscal year. The claimant may thereafter amend the test claim at any time, but before the test claim is set for a hearing, without affecting the original filing date as long as the amendment substantially relates to the original test claim.

(f) In adopting parameters and guidelines, the commission shall consult with the Department of Finance, the affected state agency, the Controller, the fiscal and policy committees of the Assembly and Senate, the Legislative Analyst, and the claimants to consider a reasonable reimbursement methodology that balances accuracy with simplicity.

SECTION 1.

SEC. 3. Section 17562.5 is added to the Government Code, to read:

17562.5. (a) It is the intent of the Legislature that statutes creating a reimbursable state mandate on local educational agencies

1 be periodically reviewed, and that the Legislature consider
2 recommendations on whether those statutes should be amended,
3 repealed, or remain unchanged.

4 (b) In addition to the report submitted pursuant to subdivision
5 (c) of Section 17562, at least once in each regular session of the
6 Legislature, the Legislative Analyst shall review and report on
7 each reimbursable state mandate relating to local educational
8 agencies that meets each of the following criteria:

9 (1) Pursuant to Section 17551, the Commission on State
10 Mandates has determined the existence of a reimbursable
11 state-mandated program.

12 (2) A claim for reimbursement has been filed with the Controller
13 by a school district, county office of education, or other eligible
14 local educational agency.

15 (3) The Legislature has not provided an appropriation to fully
16 fund current and pending claims for reimbursement filed with the
17 Controller.

18 (c) The review and report prepared by the Legislative Analyst
19 pursuant to subdivision (b) shall:

20 (1) Include all of the following for each mandate:

21 (A) A summary and its statutory source.

22 (B) Fiscal information, including, but not necessarily limited
23 to, the claims paid to date, unpaid claims, pending claims, and the
24 history of appropriations for the mandate.

25 (C) Recommendations as to whether the mandate should be
26 amended, repealed, or remain unchanged.

27 (2) Be provided to the chairpersons of the Assembly Committee
28 on Education, the Senate Committee on Education, and the fiscal
29 committees of the Assembly and the Senate, on or before the
30 January 1 following the adjournment of the regular session of the
31 Legislature for which the review was made.

32 *SEC. 4. Section 17579.5 is added to the Government Code, to*
33 *read:*

34 *17579.5. (a) Any state-mandated local program that applies*
35 *to a local educational agency and becomes operative on or after*
36 *January 1, 2012, shall be inoperative with respect to a local*
37 *educational agency on the date five years following the operative*
38 *date of the state-mandated local program.*

39 *(b) Each bill that the Legislative Counsel identifies, pursuant*
40 *to Section 17575, as imposing a state-mandated local program*

1 *that applies to a local educational agency shall include a comment*
2 *in the Legislative Counsel's digest that the state-mandated local*
3 *program shall become inoperative with respect to a local*
4 *educational agency on the date five years following the operative*
5 *date of the state-mandated local program. This subdivision shall*
6 *not apply to a bill that expressly notwithstanding the provisions of*
7 *this section.*