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GOVERNMENT CODE - GOV

TITLE 2. GOVERNMENT OF THE STATE OF CALIFORNIA [8000 - 22980] (Title 2 enacted by Stats. 1943, Ch. 134.)

DIVISION 4. FISCAL AFFAIRS [16100 - 17700] (Division 4 added by Stats. 1945, Ch. 119.)

PART 7. STATE-MANDATED LOCAL COSTS [17500 - 17630] (Part 7 added by Stats. 1984, Ch. 1459, Sec. 1.)

CHAPTER 4. Identification and Payment of Costs Mandated by the State [17550 - 17617] (Chapter 4 added by Stats. 1984, Ch. 1459, Sec. 1.)

ARTICLE 1.5. Legislatively Determined Mandate Procedure [17572 - 17574.5] (Article 1.5 added by Stats. 2007, Ch. 329, Sec. 11.)

17572. The Legislature finds and declares all of the following:

(a) Early settlement of mandate claims will allow the commission to focus its efforts on rendering sound quasi-judicial decisions regarding complicated disputes over the existence of state-mandated local programs.

(b) Early settlement of mandate claims will provide timely information to the Legislature regarding local costs of state requirements and timely reimbursement to local agencies or school districts.

(c) It is the intent of the Legislature to provide for an orderly process for settling mandate claims in which the parties are in substantial agreement. Nothing in this article diminishes the right of a local agency or school district that chooses not to accept reimbursement pursuant to this article from filing a test claim with the commission or taking other steps to obtain reimbursement pursuant to Section 6 of Article XIII B of the California Constitution.

(Repealed (by Sec. 10) and added by Stats. 2007, Ch. 329, Sec. 11. Effective January 1, 2008.)

17573. (a) Notwithstanding Section 17551, the Department of Finance and a local agency, school district, or statewide association may jointly request of the chairpersons of the committees in each house of the Legislature that consider appropriations, and the chairpersons of the committees and appropriate subcommittees in each house of the Legislature that consider the State Budget, that the Legislature (1) determine that a statute or executive order, or portion thereof, mandates a new program or higher level of service requiring reimbursement of local governments pursuant to Section 6 of Article XIII B of the California Constitution, (2) establish a reimbursement methodology, and (3) appropriate funds for reimbursement of costs. For purposes of this section, "statewide association" includes a statewide association representing local agencies or school districts, as defined in Sections 17518 and 17519.

(b) The statute of limitations specified in Section 17551 shall be tolled from the date a local agency, school district, or statewide association contacts the Department of Finance or responds to a Department of Finance request to initiate a joint request for a legislatively determined mandate pursuant to subdivision (a), to (1) the date that the Budget Act for the subsequent fiscal year is adopted if a joint request is submitted pursuant to subdivision (a), or (2) the date on which the Department of Finance, or a local agency, school district, or statewide association notifies the other party of its decision not to submit a joint request. A local agency, school district, or statewide association, or the Department of Finance shall provide written notification to the commission of each of these dates.

(c) A joint request made under subdivision (a) shall be in writing and include all of the following:

(1) Identification of those provisions of the statute or executive order, or portion thereof, that mandate a new program or higher level of service requiring reimbursement of local agencies or school districts pursuant to Section 6 of Article XIII B of the California Constitution, a proposed reimbursement methodology, and the period of reimbursement.

(2) A list of eligible claimants and a statewide estimate for the initial claiming period and annual dollar amount necessary to reimburse local agencies or school districts to comply with that statute or executive order that mandates a new program or higher level of service.

(3) Documentation of significant support among local agencies or school districts for the proposed reimbursement methodology, including, but not limited to, endorsements by statewide associations and letters of approval from local agencies or school districts.

(d) A joint request authorized by this section may be submitted to the Legislature pursuant to subdivision (a) at any time after enactment of a statute or issuance of an executive order, regardless of whether a test claim on the same statute or executive order is pending with the commission. If a test claim is pending before the commission, the period of reimbursement established by that filing shall apply to a joint request filed pursuant to this section.

(e) (1) If the Legislature accepts the joint request and determines that those provisions of the statute or executive order, or portion thereof, mandate a new program or higher level of service requiring reimbursement of local agencies or school districts pursuant to Section 6 of Article XIII B of the California Constitution, it shall adopt a statute declaring that the statute or executive order, or portion thereof, is a legislatively determined mandate and specify the term and period of reimbursement and methodology for reimbursing eligible local agencies or school districts. If no term is specified in the statute, then the term shall be five years, beginning July 1 of the year in which the statute is enacted.

(2) For the purpose of this subdivision, "term" means the number of years specified in the statute adopted pursuant to this subdivision for reimbursing eligible local agencies or school districts for a legislatively determined mandate.

(f) When the Legislature adopts a statute pursuant to paragraph (1) of subdivision (e) on a mandate subject to subdivision (b) of Section 6 of Article XIII B of the California Constitution, the Legislature shall do either of the following:

(1) Appropriate in the Budget Act the full payable amount for reimbursement to local agencies that has not been previously paid.

(2) Suspend the operation of the mandate pursuant to Section 17581 or repeal the mandate.

(g) The Department of Finance, or a local agency, school district, or statewide association shall notify the commission of actions taken pursuant to this section, as specified below:

(1) Provide the commission with a copy of any communications regarding development of a joint request under this section and a copy of a joint request when it is submitted to the Legislature.

(2) Notify the commission of the date of (A) the Legislature's action on a joint request in the Budget Act, or (B) the Department of Finance's decision not to submit a joint request on a specific statute or executive order.

(h) Upon receipt of notice that a joint request has been submitted to the Legislature on the same statute or executive order as a pending test claim, the commission may stay its proceedings on the pending test claim upon the request of any party.

(i) Upon enactment of a statute declaring a legislatively determined mandate, enactment of a reimbursement methodology, and appropriation for reimbursement of the full payable amount that has not been previously paid in the Budget Act, all of the following shall apply:

(1) The Controller shall prepare claiming instructions pursuant to Section 17558, if applicable.

(2) The commission shall not adopt a statement of decision, parameters and guidelines, or statewide cost estimate on the same statute or executive order unless a local agency or school district that has rejected the amount of reimbursement files a test claim or takes over a withdrawn test claim on the same statute or executive order.

(3) A local agency or school district accepting payment for the statute or executive order, or portion thereof, that mandates a new program or higher level of service pursuant to Section 6 of Article XIII B of the California Constitution shall not be required to submit parameters and guidelines if it is the successful test claimant pursuant to Section 17557.

(Added by Stats. 2007, Ch. 329, Sec. 11. Effective January 1, 2008.)

17574. (a) A local agency or school district agrees to the following terms and conditions when it accepts reimbursement for a legislatively determined mandate pursuant to Section 17573:

(1) Any unpaid reimbursement claims the local agency or school district has previously filed with the Controller pursuant to Section 17561 and derived from parameters and guidelines or reasonable reimbursement methodology shall be deemed withdrawn if they are on the same statute or executive order of a legislatively determined mandate and for the same period of reimbursement.

(2) The payment of the amount agreed upon pursuant to Section 17573 constitutes full reimbursement of its costs for that mandate for the applicable period of reimbursement.

(3) The methodology upon which the payment is calculated is an appropriate reimbursement methodology for the term specified in subdivision (e) of Section 17573.

(4) A test claim filed with the commission by a local agency or school district on the same statute or executive order as a legislatively determined mandate shall be withdrawn.

(5) A test claim on the same statute or executive order as a legislatively determined mandate will not be filed with the commission except as provided in subdivision (c).

(b) If a local agency or school district rejects reimbursement for a legislatively determined mandate pursuant to Section 17573, a local agency or school district may take over a withdrawn test claim within six months after the date the test claim is withdrawn, by substitution of parties and compliance with the filing requirements in subdivision (b) of Section 17553, as specified in the commission's notice of withdrawal.

(c) (1) Notwithstanding Section 17551 and subdivision (b) of Section 17573, a local agency or school district may file a test claim on the same statute or executive order as a legislatively determined mandate if one of the following applies:

(A) The Legislature amends the reimbursement methodology and the local agency or school district rejects reimbursement.

(B) The term of the legislatively determined mandate, as defined in subdivision (e) of Section 17573, has expired.

(C) The term of the legislatively determined mandate, as defined in subdivision (e) of Section 17573, is amended and the local agency or school district rejects reimbursement under the new term.

(D) The mandate is subject to subdivision (b) of Section 6 of Article XIII B and the Legislature does both of the following:

(i) Fails to appropriate in the Budget Act funds to reimburse local agencies for the full payable amount that has not been previously paid based on the reimbursement methodology enacted by the Legislature.

(ii) Does not repeal or suspend the mandate pursuant to Section 17581.

(2) A test claim filed pursuant to the authority granted by this subdivision shall be filed within six months of the date an action described in subparagraph (A), (B), (C), or (D) of paragraph (1) occurs.

(d) Notwithstanding any other provision of this section, a local agency or school district shall not file a test claim pursuant to this section if the statute of limitations specified in subdivision (c) of Section 17551 expired before the date a legislatively determined mandate was adopted by the Legislature pursuant to Section 17573.

(e) Notwithstanding the period of reimbursement specified in subdivision (e) of Section 17557, a test claim filed pursuant to this section shall establish eligibility for reimbursement beginning with the fiscal year of an action described in subparagraph (A), (B), (C), or (D) of paragraph (1) of subdivision (c).

(Added by Stats. 2007, Ch. 329, Sec. 11. Effective January 1, 2008.)

17574.5. The determination of a legislatively determined mandate pursuant to Section 17573 shall not be binding on the commission when making its determination pursuant to subdivision (a) of Section 17551.

(Added by Stats. 2007, Ch. 329, Sec. 11. Effective January 1, 2008.)