

Chapter Twelve

State Mandate Legislation

Ever since SB 90 (1972) limited property tax rates, the state has been required to pay for new or higher levels of service it requires from counties and other local agencies. Propositions 4 (1979) and 1A (2004) strengthened that requirement and established it in the California Constitution. However, the issue of mandate reimbursement remains contentious, since mandates reside where the core principle of local control and the reality of counties as providers of state services intersect.

Mandates are particularly burdensome for counties because of the severe restrictions on raising county revenues to pay for new requirements.

Implementing programs and new levels of service is costly, so the Legislature should either fund a mandate annually or repeal it completely. Continually suspending mandates merely burdens counties with either funding the service out of its own general funds or absorbing the cost of repeatedly resetting service levels.

State mandates should only be imposed when there is a compelling need for statewide uniformity.

All state mandates should be funded prior to delivery of the new or higher level of service. The current policy of reimbursing established mandates two years after the fact constitutes a loan from counties to the state. The state should not require counties to provide a service for which it is unwilling to timely pay. Bills mandating new or increased levels of service should include a direct appropriation.

Local agencies and the state should endeavor to take advantage of Reasonable Reimbursement Methodology and Legislatively Determined Mandates. These processes will provide budgetary certainty to the state and counties, and help to decrease the extraordinary time and cost involved with determining reimbursement levels through the traditional Commission on State Mandates process.

The current mandate determination and processes must be reformed. The reforms must make the determination process more efficient, in terms of both time and cost, and less biased against local agencies. State audits of local claims must be timely, consistent, reasonable, and predictable.

It should not take seven years to determine whether the state has required a new or higher level of service. State Controller audits should not be able to cut reasonable claims by half or more based on technicalities or unreasonable records requirements.

Constitutional amendments should not exempt additional categories of state mandates from cost reimbursement. Also, voter approval of requirements or programs similar to those already established as reimbursable mandates should not be cause for the state to cease reimbursements.