



March 25, 2015

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The Honorable Adrin Nazarian
Chair, Assembly Budget Subcommittee No. 4
State Capitol, Room 4146
Sacramento, CA 95814

The Honorable Tony Thurmond
Chair, Assembly Budget Subcommittee No. 1
State Capitol, Room 5150
Sacramento, CA 95814

The Honorable Richard Roth
Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
State Capitol, Room 4034
Sacramento, CA 95814

The Honorable Holly Mitchell
Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
State Capitol, Room 5080
Sacramento, CA 95814

RE: Interagency Child Abuse and Neglect Reporting Mandate Suspension

Dear Assemblymember Nazarian, Assemblymember Thurmond, Senator Roth, and Senator Mitchell:

On behalf of the California State Association of Counties (CSAC), representing all 58 of California's counties, I write to express serious concerns with the proposed suspension of the Interagency Child Abuse and Neglect (ICAN) reporting mandate. For the last 15 years, counties have faithfully carried out this important program with the reasonable expectation that the state's obligation to provide reimbursement would be honored. The Governor's January Budget, regrettably, proposes to suspend this mandate and instead offer a grant program to partially cover costs for those counties that continue to provide the service. We find this approach problematic for several reasons with ramifications impacting not only this specific mandate but the larger mandate determination and repayment process.

As you know, suspending ICAN reporting or any other mandate makes those program activities optional. There is no obligation for the counties to continue the service and the state is not obligated to provide reimbursement. However, the ICAN reimbursements are notable because there have not yet been any payments made. Suspending the mandate at this stage would in fact deny counties reimbursement for the substantial costs they incurred from carrying out the program in good faith for over a decade by stopping reimbursements before they have even begun. Even if the Legislature determines that the mandated activities are not worth the cost and to repeal the mandate, payments should nonetheless be made for the years of required activities.

Furthermore, we must disagree with the premise in the Governor's January Budget that the "long-standing" nature of this mandate is a justification to suspend it. We believe this speaks more to the state mandate determination process than it does the nature of county services. The statutory requirement that mandate determination be completed in one year of a claim being made has been

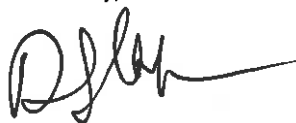
overlooked here. It is an unfair rationalization to withhold funds from counties based on the state's own delay in determining if those costs should be paid by the state in the first place.

The Governor's budget provides an estimated \$90 million in savings from the ICAN mandate suspension but this is less of a savings and more of a payment deferral, since mandate suspension does not relieve the state of paying for those costs already incurred by local agencies. The proposal would add to the debt burden that the state has been working so hard to reduce during the last several budget cycles. This effort includes a significant and much appreciated payment towards pre-2004 mandate debt in FY 2014-15. We would respectfully request the state to continue this momentum rather than reverse course and incur new mandate debt.

While the state has made significant progress in retiring the pre-2004 mandate debt, it still faces the specter of extensive debt for mandates incurred after 2004. This includes unpaid claims for a variety of different mandates such as the AB 3632 mandate for the education of seriously emotionally disturbed children. The Legislature shifted program duties from counties to schools in 2011 but has not finished reimbursing the hundreds of millions of dollars still owed to counties. We look forward to exploring long-term solutions to help the state repay the outstanding mandate debts while avoiding additional burdens in the near-term by denying the proposed ICAN reporting mandate suspension.

Please do not hesitate to contact me at (916) 650-8133 to discuss our concerns or if you have any questions about our position.

Sincerely,



Dorothy Holzem
Legislative Representative

Cc: Members and Consultants, Assembly Budget Subcommittee No. 4
Members and Consultants, Senate Budget and Fiscal Review Subcommittee No. 4
Members and Consultants, Assembly Budget Subcommittee No. 1
Members and Consultants, Senate Budget and Fiscal Review Subcommittee No. 3