

Overview and History of State Mandates



Legislative Analyst's Office

Presented to:
Assembly Local Government Committee
December 10, 2013

1. Proposition 4 (1979)

- **“(a) Whenever the Legislature or any state agency mandates a new program or higher level of service on any local government, the State shall provide a subvention of funds”**

(Article XIII B of California Constitution)

2. Commission on State Mandates (1984)

- **Decide Test Claims Alleging State Imposed a Reimbursable Mandate**
- **Adopt Written Decisions, Based on the Record**

3. County of *Los Angeles v. State of California* (1987)

- **State Not Required to Reimburse for All Laws That Increase Costs**
- **Must Reimburse Costs Related to:**
 - New governmental programs.
 - Higher levels of governmental service.

Not a Reimbursable Mandate— Later Court Rulings

- **Federal Requirements**
- **Voter-Imposed Requirements**
- **Downstream Costs Associated With Optional Activities**
- **Shifts of Local Revenues**
- **Shifts of Costs Among Local Governments**

4. Mandate Suspension Process (1990)

- **“17581. (a) No local agency shall be required to implement or give effect to any statute . . . if:”**
 - Determined to be a mandate.
 - Listed in budget act.
 - Identified as suspended in budget act.

Item 8885 of 2013-14 Budget Act

(3) Pursuant to the provisions of Section 17581 of the Government Code, the mandates identified in the following schedule are specifically identified by the Legislature for suspension during the 2013–14 fiscal year

- (a) Absentee Ballots (Ch. 77, Stats. 1978 and Ch. 1032, Stats. 2002) (CSM-3713)**
- (b) Absentee Ballots-Tabulation by Precinct (Ch. 697, Stats. 1999) (00-TC-08)**
- (c) Adult Felony Restitution (Ch. 1123, Stats. 1977) (04-LM-08)**

5. Deferrals of Mandate Costs (2002)

- **\$800 Million Deferred in 2002-03**
- **By 2004-05, State Owes Local Governments \$1.5 Billion**

6. Proposition 1A (2004)

- **Every Year, State Must Pay a Mandate's Bills—or Suspend or Eliminate it**
- **Exceptions:**
 - Education and employee relations mandates.
 - Pre-2004 mandate bills.

Changes After Proposition 1A

- **Mandate Bills Become Payable Two Years After Cost Incurred**
- **\$1.9 Billion Backlog in Noneducation Mandates**

7. Proposition 30 (2012)

- **State Not Required to Provide Reimbursements for Realigned Programs**
- **Local “Opt Out” Provision**
 - Unless state provides funds, local agencies not required to implement future state laws increasing these programs’ costs.

**Visit the LAO website at:
www.lao.ca.gov**