



SB 90

State Mandated Claims Reimbursement Program

Presented by:

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BACKGROUND

- Senate Bill 90 (SB90) passed by the State Legislature in 1972.
- Affirmed by the voters of California in 1979 by virtue of Prop 4, thus becoming a Constitutional mandate (California Constitution Article XIII B, Section 6).
- Provisions of the law codified in Government Code § 17550 *et seq*



California Constitution ARTICLE XIII B, SECTION 6

Quoted in part:

*“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 to reimburse that local government for the costs** of the program or increased level of service.....”*



DEFINITION OF MANDATE AS IT RELATES TO THE STATUTE (SB90)

A transfer by the State Legislature from the State to counties, cities, or special districts of the financial responsibility for the administration or operation of a required program either completely or partially.



PURPOSE OF THE SB 90 PROGRAM:

To provide local agencies (counties, cities, and special districts including schools) with a financial relief (reimbursement) in the form of subvention .

CRITERIA FOR REIMBURSEMENT

- State legislature or agency mandates a new program
- Increased level of service to an existing mandate

EXAMPLES:

1. A new program – in 1992, when ERAF (*Educational Revenue Augmentation Fund*) became permanent, it was determined as a new mandated program subject to reimbursement from the State.
2. Increased level of service – when the holding period for cats in animal shelter was increased before they can be euthanized....the cost incurred for the additional days is reimbursable under the program.





SOLANO COUNTY'S SB 90 PROGRAMS

AUDITOR-CONTROLLER'S OFFICE – administers the county-wide SB90 programs for all departments.

- Reviews, compiles and files all SB90 claims
- Maintains the accounting of all funds
- Provides technical assistance to all participating departments
- Resolves all issues with the State Controller's Office including audit items

SOLANO COUNTY'S SB 90 PROGRAMS



PARTICIPATING DEPARTMENTS

- Auditor-Controller's Office
- Agriculture
- Airport
- County Administrator's Office
- County Counsel
- District Attorney
- Environmental Management
- Fouts Springs
- General Services

SOLANO COUNTY'S SB 90 PROGRAMS

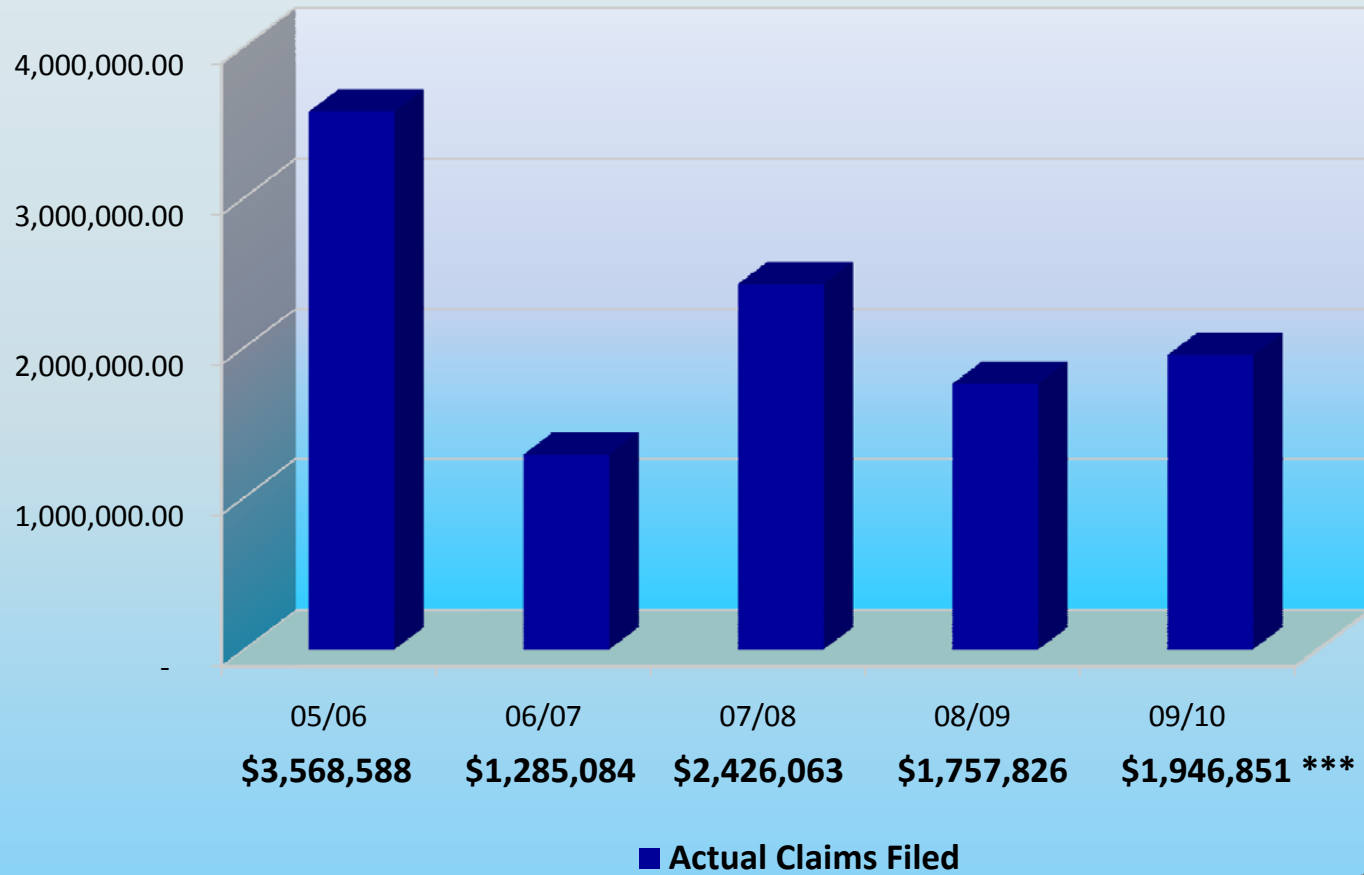


PARTICIPATING DEPARTMENTS – Continued

- Health and Social Services
- Human Resources
- Library
- Probation
- Public Defender
- Public Guardian
- Registrar of Voters
- Sheriffs/Coroner
- Tax Collector/Treasurer/County Clerk
- Transportation



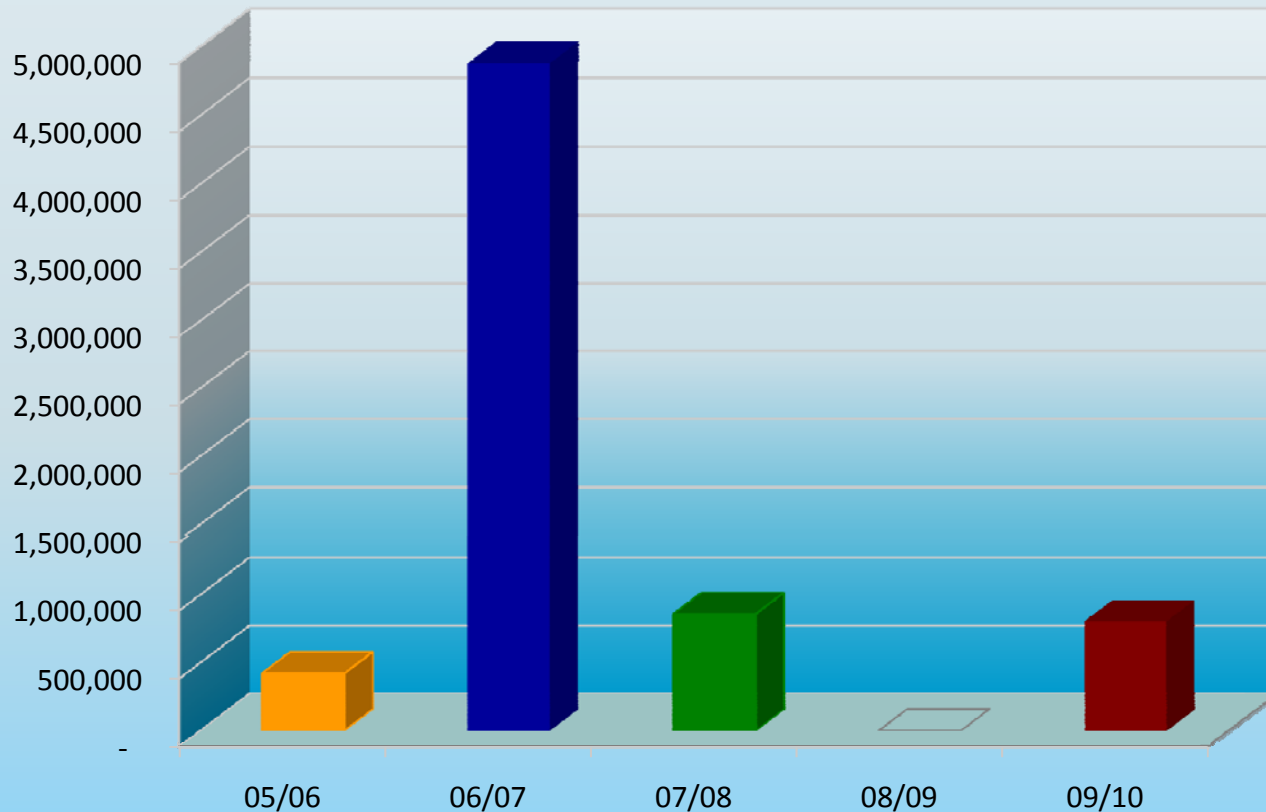
SB 90 Claims Filed From FY 05/06 – 09/10



*** Estimated Claims



SB 90 Reimbursements Received From FY 05/06 – FY 09/10



■ FY 05/06 - \$420,412 ■ FY 06/07 - \$4,881,460 ■ FY 07/08 - \$855,982 ■ FY 09/10 - \$803,534

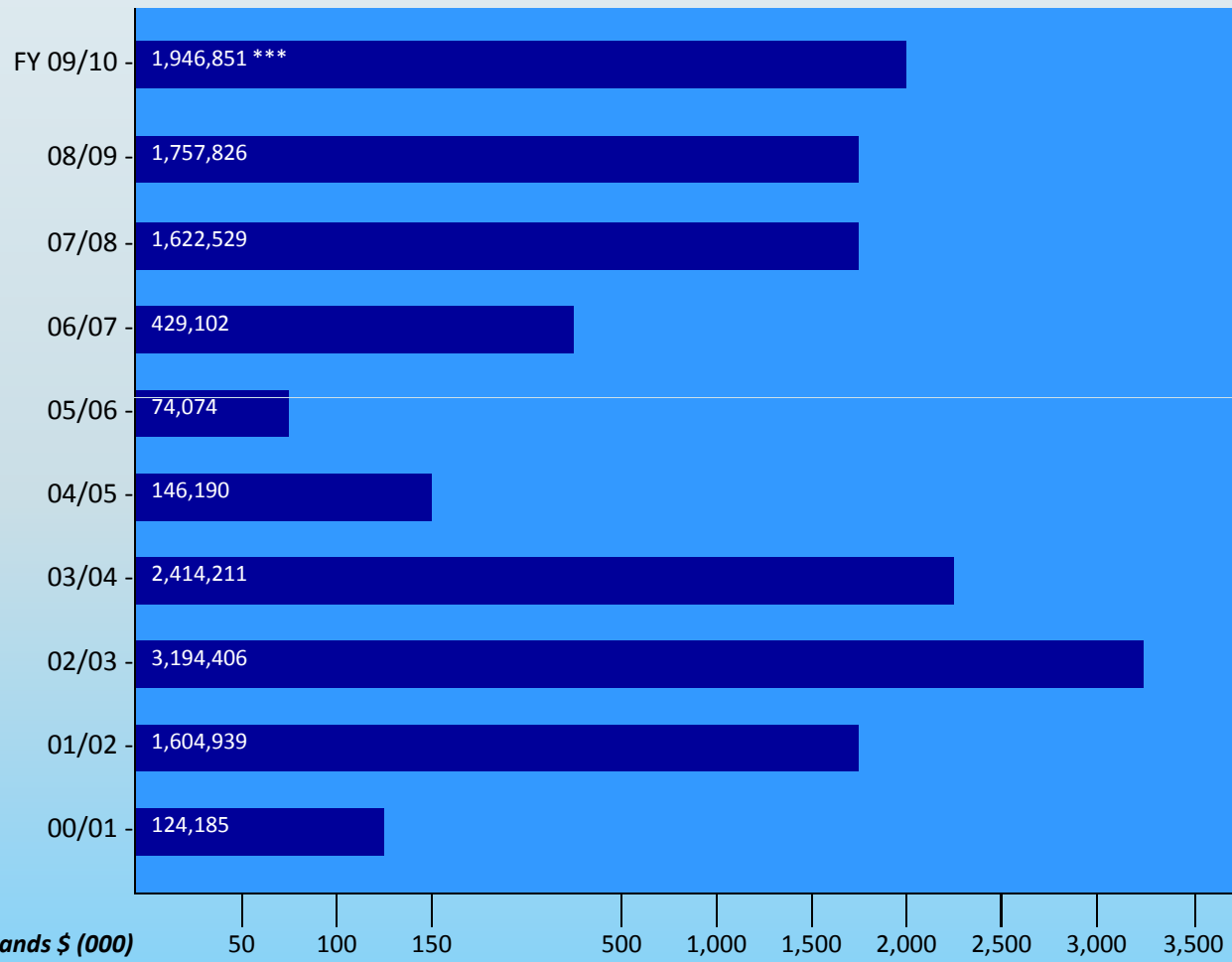
**Claims
(04/05)**

**Claims
(98/99 – 05/06)**

**Claims
(06/07)**

**Claims
(07/08)**

Schedule of Outstanding Claims SB 90 Programs As of June 30, 2010



In Thousands \$ (000)
 *** Estimated Claim

Total Outstanding Claims : \$13,314,313



FREQUENTLY ASKED QUESTIONS (FAQs)

1. What is the deadline for filing claims?

For ongoing programs, the annual deadline for filing claims is January 15. Late filing penalty is 10%

For newly approved programs, the deadline is usually 60 days from the date the test claim was approved by the Commission on Mandates.



2. When are claims paid by the State?

- Claims for cost incurred after FY 2004-05 (current claims) are to be paid in the subsequent State budget if there is any appropriation; otherwise, there is no specific date.
- Claims for cost incurred up to FY 2004-05 are to be paid over a period of years but not beyond FY 2020-21.



3. Are claims not paid by the State on time subject to interest earnings?

- Government Code §17561.5 requires interest be paid at Pooled Money Investment Account rate after August 15 for ongoing programs.
- Interest payments are not made until an appropriation is available to make these payments.

Note: In the past 10 years, Solano County has not received interest.



4. Is the county required to continue the mandated program if no payment is received?

Per County Counsel, “Yes, the County must continue providing mandated services absent either a judicial declaration or a declaration by the Commission on State Mandates.”

