



COUNTY OF YOLO

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PROPOSAL TO INCREASE FEES SET BY THE STATE TO COVER COUNTY SERVICE COSTS *December 16, 2008*

PROBLEM:

Many county fees set by the state do not cover the cost of providing the service. Yolo County would raise \$500,000 per year if allowed to charge fees that reflect the actual cost. This proposal includes a list of fees detailing the amount charged and the actual cost to Yolo County. This list excludes civil fees because of the policy and political hurdles associated with raising these fees.

POTENTIAL SOLUTIONS:

The Legislature could:

- Give local governments the authority to set fees at levels that cover costs.
- Raise each fee to reflect the average cost of providing the service.

BACKGROUND:

Government Code §54986 describes the procedures that counties must follow to change fees otherwise authorized by law. If state law does not prescribe an amount or otherwise limit a fee, GC §54985 allows a board of supervisors to “increase or decrease a fee or charge... in the amount reasonably necessary to recover the cost” of providing a good or service or enforcing a regulation. Unfortunately, GC §54985 also excludes a large number of fees from this provision. These fees are set by the state and include civil fees, county recorder fees and all fees charged by agricultural commissioners. As a result, fees are set in the following three ways:

Local government. While counties are subject to fee review procedures under the California Constitution, there are many fees local governments are allowed to raise or decrease to reflect the cost of providing the service without state involvement. For instance, Health and Safety Code § 101325 gives boards of supervisors broad authority to finance state-mandated public health functions through the levy of reasonable fees. The Yolo County Public Health Department charges 225 fees; only eight of these fees are set at a level prescribed by the state.

State law. The fees set by state law, including vital records fees, recording fees and civil fees charged by the Sheriff’s Department, appear to be the most inflexible and costly for counties. The process to increase these fees is cumbersome and the Legislature does not regularly review these fees to address changes in cost.

State agencies. The legislature has empowered state agencies to determine some fees. Sometimes these fees cover the cost of providing the service; sometimes they do not. The fee that the Planning and Public Works Department charges to determine if heavy or oversized trucks can travel on county roads, for example, is far below the cost of processing applications. This shortfall leads to an annual loss of \$20,000—the equivalent of two miles of chip seal.