

# ANALYSIS OF ORIGINAL BILL

Franchise Tax Board

Author: Wayne Analyst: Kristina E. North Bill Number: AB 1857  
Related Bills: See Legislative History Telephone: 845-6978 Introduced Date: January 30, 2002  
Attorney: Patrick Kusiak Sponsor: CA Law Revision Commission

**SUBJECT:** Administrative Procedures/Required information Regarding State Agency Regulations Published On Web Site

## SUMMARY

This bill would increase the amount of information that a state agency must place on its web site when proposing a regulation.

## PURPOSE OF THE BILL

According to the author's office, the purpose of this bill is to improve the efficiency of the rulemaking process while preserving the important benefits it provides.

## EFFECTIVE/OPERATIVE DATE

This bill would become effective and operative January 1, 2003, and apply to any proposed adoption, amendment, or repeal of a regulation after that date.

## POSITION

Pending.

## ANALYSIS

### STATE LAW

**Current state law** requires that every state agency follow certain procedures when proposing to adopt, amend or repeal a regulation. Among those procedures, the state agency must submit certain items to the Office of Administrative Law (OAL). The agency must submit an initial statement of reasons for the proposed regulation that includes a description of reasonable alternatives identified by or brought to the attention of the agency that would lessen any adverse impact on small business. The agency also must submit the name and telephone number of an agency person or the person's designee to answer administrative questions concerning the proposed regulation, as well as a name and telephone number for a person or designee to answer questions on the substance of the proposed regulation.

Any agency that maintains an Internet web site must post on the web site specified information regarding the proposed regulation.

Board Position:

S       NA       NP  
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 N       OUA       PENDING

Department Director

Date

Gerald H. Goldberg

03/27/02

## THIS BILL

**This bill** would require that an agency must post on its web site the text of a proposed emergency adoption, amendment, or repeal of a regulation, and the date it is submitted to OAL.

Any document that is mandated by current law to be on an agency's web site must remain on the web site during the rulemaking process and for at least 15 additional days.

A state agency also must include in its initial *statement of reasons* the agency's reasons for rejecting alternatives that would lessen any identified adverse impact on small business.

**This bill** would delete the requirement that a state agency include in its initial statement of reasons the name and telephone number of an agency designee to respond to questions regarding the substance of a proposed adoption, amendment, or repeal of a regulation.

**This bill** would make other technical or clarifying changes that do not impact this department.

## IMPLEMENTATION CONSIDERATIONS

Because the department already complies with the requirements of this bill, implementation of this bill would not significantly impact the department's programs and operations.

## **LEGISLATIVE HISTORY**

AB 1822 (Wayne, Stats. 2000, Ch. 1060) made various changes to the rulemaking process, including changes to the reasonable alternatives and the substantive inquiries provisions.

## **PROGRAM BACKGROUND**

The department currently maintains a web site where a proposed regulation, including a proposed emergency regulation, is posted for the entire rulemaking process. Generally, a proposed regulation remains posted for more than 15 days after the process is completed.

## **OTHER STATES' INFORMATION**

Since this bill would make clarifying and nonsubstantive changes to existing rulemaking procedures, an examination of other state laws is not relevant.

## **FISCAL IMPACT**

This bill would not significantly impact the department's costs.

## **ECONOMIC IMPACT**

### Revenue Estimate

This bill would not impact the state's income tax revenue.

## **LEGISLATIVE STAFF CONTACT**

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