

# SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Strickland Analyst: LuAnna Hass Bill Number: AB 385

Related Bills: See Prior Analysis Telephone: 845-7478 Amended Date: March 26, 2001

Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** HRA/Property Value Adjustment/Increase From \$34,000 to \$47,600 & Property Tax From \$250 to \$350

- DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.
- AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.
- AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced/amended February 20, 2001.
- FURTHER AMENDMENTS NECESSARY.
- DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 20, 2001 STILL APPLIES.
- OTHER - See comments below.

## SUMMARY

This bill would increase the maximum property value and property tax equivalent under the Homeowners and Renters Assistance (HRA) program. This bill also would increase the household income amounts used to determine eligibility and the amount of assistance.

## SUMMARY OF AMENDMENT

The March 26, 2001, amendments added 11 co-authors to the bill and made a minor technical change.

The March 26 amendments did not resolve the concern identified in the department's analysis of the bill as introduced February 20, 2001. The unresolved implementation concern is provided below. The remainder of the department's analysis of the bill as introduced on February 20, 2001, still applies.

## POSITION

Pending.

Board Position:

S       NA       NP  
 SA       O       NAR  
 N       OUA       PENDING

Legislative Director

Date

Brian Putler

04/03/01

## **Summary of Suggested Amendments**

Amendments 1 through 4 are provided to resolve the department's implementation concern regarding the operative dates.

## **ANALYSIS**

### **IMPLEMENTATION CONCERN**

This bill specifies that the increase in the income levels for homeowners and renters assistance would be operative with respect to assistance for the 2001 calendar year. The provision relating to the increase in the maximum property value and property tax equivalent does not specify an operative date; therefore, those revisions would not be operative until January 1, 2002. The author's staff has indicated that it was the intent that all provisions of the bill be operative January 1, 2002. Amendments 1 through 4 are provided to correct the operative dates.

Once the bill is amended, implementation would not significantly impact the department's programs and operations.

## **LEGISLATIVE STAFF CONTACT**

LuAnna Hass  
Franchise Tax Board  
845-7478

Brian Putler  
Franchise Tax Board  
845-6333

Analyst LuAnna Hass  
Telephone # 845-7478  
Attorney Patrick Kusiak

FRANCHISE TAX BOARD'S  
PROPOSED AMENDMENTS TO AB 385  
As Amended March 26, 2001

AMENDMENT 1

On page 6, line 16, strikeout "2001" and insert:

2002

AMENDMENT 2

On page 6, line 20, strikeout "2002" and insert:

2003

AMENDMENT 3

On page 9, line 21, strikeout "2001" and insert:

2002

AMENDMENT 4

On page 9, line 25, strikeout "2002" and insert:

2003