

# SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Haynes Analyst: LuAnna Hass Bill Number: SB 1292

Related Bills: See Prior Analysis Telephone: 845-7478 Amended Date: April 24, 2002

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

**SUBJECT:** State Agencies Report To Legislature Financial Activities For The 1997/98, 1998/99, 1999/2000, 2000/2001, and 2001/2002 Fiscal Years

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 \_\_\_\_\_.

FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO No Position.

REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED January 17, 2002, STILL APPLIES.

OTHER - See comments below.

## SUMMARY

This bill would require state agencies, boards, commissions, departments, and offices to provide a report regarding financial activities to specific legislative committees for the 1997/1998, 1998/1999, 1999/2000, 2000/2001, and 2001/2002 fiscal years and for all subsequent fiscal years.

## SUMMARY OF AMENDMENT

The April 24, 2002, amendments would remove fiscal year 1996/1997 and add fiscal year 1999/2000 to the report due January 15, 2003.

The April 24 amendments resolved two technical concerns as discussed in the department's analysis of the bill as amended March 18, 2002. For convenience, the remaining policy and technical concerns are provided below. Except for an updated position statement, the remainder of the department's analysis of the bill as introduced January 17, 2002, still applies.

## POSITION

No Position.

On March 6, 2002, the Franchise Tax Board had a split vote on this bill as introduced January 7, 2002, which resulted in no position being taken on this bill.

Board Position:

<input type="checkbox"/> S	<input type="checkbox"/> NA	<input checked="" type="checkbox"/> NP
<input type="checkbox"/> SA	<input type="checkbox"/> O	<input type="checkbox"/> NAR
<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

5/9/02

## TECHNICAL CONSIDERATIONS

The phrase “cost per person or recipient of program benefits” is vague. Since the department administers various tax and non-tax programs, the terms “person” and “recipient” could have many interpretations including, but not limited to, department employees or taxpayers. Therefore, the author may want to clarify “person” and “recipient.”

## **ARGUMENTS/POLICY CONCERNS**

The Governor may require state agencies, officers, or employees to furnish information deemed necessary to prepare the budget. Currently, at the end of a fiscal year and in preparation for the annual budget process, state agencies provide various fiscal information and reports to the Department of Finance (DOF) and the State Controller’s Office (SCO), which is then incorporated into the Governor’s budget. The Governor submits a budget to the Legislature, which the Legislative Analyst’s Office (LAO) analyzes. This bill would require state agencies to create an additional report for specific legislative committees, using information previously submitted to DOF and SCO. Since a majority of the fiscal information requested in this bill is available through either the LAO’s office or DOF and SCO, this bill could be interpreted as a duplication of efforts by requiring state agencies to create an additional report in a specific format for submission to legislative committees.

## **LEGISLATIVE STAFF CONTACT**

LuAnna Hass  
Franchise Tax Board  
845-7478

Brian Putler  
Franchise Tax Board  
845-6333