

# SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Cohn Analyst: Marion Mann DeJong Bill Number: AB 1827

Related Bills: See Prior Analysis Telephone: 845-6979 Amended Date: 03/15/2004

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

**SUBJECT:** State Bodies May Hold Closed Sessions to Consider Response To Confidential Final Draft Audit Report From Bureau of State Audits

- 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 \_\_\_\_\_.
- REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED January 20, 2004, STILL APPLIES.
- OTHER - See comments below.

## SUMMARY

This bill would allow a state body or local legislative body to meet in closed sessions to discuss a confidential final draft audit report from the Bureau of State Audits.

## SUMMARY OF AMENDMENTS

The March 15, 2004, amendments added consideration of a confidential final draft audit report from the Bureau of State Audits to the list of allowed purposes for a special meeting. The amendment also made other clarifying changes that achieve the author's goals of allowing a state body or local legislative body to meet in closed sessions to discuss an audit report.

Except for the "This Bill" and "Implementation" discussions, the department's analysis of the bill as introduced still applies. New "This Bill" and "Implementation" discussions are provided below to reflect the March 15, 2004 amendments. The Franchise Tax Board's position remains "pending."

## THIS BILL

This bill would add consideration of a confidential final draft audit report from the Bureau of State Audits to the list of purposes for a special meeting allowed under the Bagley-Keene Open Meeting Act. Thus allowing the waiver of the 10-day notice provisions of the Act.

Board Position:

S       NA       NP  
 SA       O       NAR  
 N       OUA       PENDING

Legislative Director

Date

Brian Putler

4/15/04

This bill also would add an exception to the Bagley-Keene Open Meeting Act allowing a state body to consider its response to a confidential final draft audit report from the Bureau of State Audits in closed session meetings. After the public release of an audit report by the Bureau of State Audits, any meeting of a state body regarding the audit report would be conducted in open session, unless exempted by some other provision of the law. A corresponding change would be made to the Ralph M. Brown Act for a local legislative body.

#### IMPLEMENTATION CONSIDERATIONS

Implementing this bill would not significantly impact the department's procedures. Under this bill, the Franchise Tax Board would be allowed to meet in a special closed session to discuss its response to a confidential final draft audit report from the Bureau of State Audits. It would give the Board the opportunity to discuss any issues presented in an audit report fully and take appropriate action before the audit report is finalized.

#### **LEGISLATIVE STAFF CONTACT**

Marion Mann DeJong  
Franchise Tax Board  
845-6979  
[marion.dejong@ftb.ca.gov](mailto:marion.dejong@ftb.ca.gov)

Brian Putler  
Franchise Tax Board  
845-6333  
[brian.putler@ftb.ca.gov](mailto:brian.putler@ftb.ca.gov)