

ANALYSIS OF AMENDED BILL

Author: Oropeza Analyst: Darrine Distefano Bill Number: AB 948
 Related Bills: See Legislative History Telephone: 845-4142 Amended Date: June 26, 2006
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT:	FTB & Specified State Agencies Make Separate Breakdown of South Bay Cities & Harbor Area Within County of Los Angeles In Preparation & Maintenance of Any Statistical Analyses
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SUMMARY

This bill requires state agencies to prepare and maintain information for a specific area in California.

SUMMARY OF AMENDMENTS

The June 26, 2006, amendments deleted language that would have required a transit operator to establish a labor compliance program and inserted language discussed in this analysis.

This is the department's first analysis of this bill.

PURPOSE OF THE BILL

According to the author's office, the purpose of the bill is to obtain information specific to an area within the County of Los Angeles to ensure federal and state funds are being sent to these areas.

EFFECTIVE/OPERATIVE DATE

This bill would be effective and operative on January 1, 2007.

POSITION

Pending.

ANALYSIS

STATE LAW

Under current state law, Franchise Tax Board (FTB) is excluded from preparing, maintaining, or reporting statistical data at the municipal level. FTB does prepare and maintain statistical analyses by county. Examples of some of the statistical analyses prepared and maintained by FTB are contained in the department's Annual Report. These statistical analyses include the following:

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median adjusted gross income of joint returns by county; personal income tax statistics, comparison by county; county data by adjusted gross income class; and Homeowner and Renters Assistance claims by county.

Current law requires state agencies and departments that develop or maintain statistical data on a municipal level to make a separate breakdown of the San Fernando Valley when preparing or maintaining any statistical analyses by city. This law excludes the department because FTB only prepares statistical data on a county level.

Current law also requires Employment Development Department (EDD) and Department of Finance (DOF) to make a separate breakdown of the Antelope Valley when preparing or maintaining any statistical analyses by county.

THIS BILL

This bill would require FTB, EDD, Department of Industrial Relations, DOF, Department of Housing and Community Development, Department of Real Estate, California Housing Finance Agency, Department of Motor Vehicles, Department of Transportation, Department of General Services, and Department of Fair Employment and Housing to provide a separate breakdown of the South Bay Cities and Harbor Area within the County of Los Angeles when preparing a statistical analysis on a city level, either by population, fiscal, or other bases.

This bill lists the cities that agencies would prepare or maintain statistical analysis on either by population, fiscal, or other bases.

IMPLEMENTATION CONSIDERATIONS

FTB prepares and maintains statistical analyses only by county. Data maintained and prepared by FTB is extracted from income tax returns filed by taxpayers and business entities. Addresses provided on taxpayer returns may reflect an address other than the taxpayer's residential or business address and may inadequately reflect those residents or businesses within the designated area. Accordingly, FTB would be unable to prepare or maintain a separate statistical analysis with respect to South Bay cities and Harbor under the provisions of this bill.

FTB collects taxpayer data by United States Postal Service zip codes. This bill designates the South Bay Cities, the Harbor Area, and the unincorporated areas within Los Angeles County by geographical boundaries that may overlap the zip codes. If FTB is requested to collect statistical data by zip codes, it may result in imprecise data due to over or under reporting of the designated areas.

Although this bill identifies cities within the South Bay, the Harbor Area, and the unincorporated areas within Los Angeles County, it is unclear if this is an inclusive list. Also, it is unclear if the terms used to identify these areas are commonly known to the state agencies required to provide statistical data under this bill.

LEGISLATIVE HISTORY

AB 2329 (Oropeza, 2005/06) is identical to this bill. This bill remains in the Committee on Business & Professions.

SB 143 (Stat. 2005, Ch. 679) requires EDD and DOF to prepare separate statistical data for Antelope Valley when preparing statistical analysis for other counties.

AB 588 (Goldberg, 2005/06) would have required specific state agencies, including FTB, to prepare a separate breakdown of the community of Hollywood as defined, when preparing or maintaining statistical data or analysis on a city level. The bill was enrolled to the Governor. However, the Governor returned the bill to the Senate, as requested by the Assembly, after the Assembly rescinded its concurrence with the Senate's amendments.

AB 2207 (Stats. 2004, Ch. 181) amended the Government Code to require state agencies and departments that prepare or maintain statistical data at a city level to provide a separate breakdown of the San Fernando Valley as described, when preparing a statistical analysis on a city level. FTB prepares statistical data only on a county level, so this requirement was inapplicable to the department.

FISCAL IMPACT

As noted above, FTB's statistical data is currently developed only on a county level. Therefore, this bill would have an inconsequential impact on the department's costs.

ECONOMIC IMPACT

This bill would have an inconsequential impact on the state's income tax revenue.

LEGISLATIVE STAFF CONTACT

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