

ANALYSIS OF AMENDED BILL

Author: Figueroa Analyst: Deborah Barrett Bill Number: SB 796
 Related Bills: See Legislative History Telephone: 845-4301 Amended Date: 05-10-2005
 Attorney: Patrick Kusiak Sponsor: _____

SUBJECT:

Government Modernization, Efficiency, Accountability, And Transparency Code Act Of 2005/California Taxpayer's Performance Report Card

SUMMARY

This bill would require links on state agencies' Web sites to assist taxpayer participation in government activities and would establish a task force to measure state agency performance on fulfilling the purpose for which they are established

SUMMARY OF AMENDMENTS

The May 10, 2005, amendments deleted the definition of agency for purposes of this bill and added language to refer to the meaning of state agency as already defined in the Government Code. The amendments also removed language requiring the Bureau of State Audits to staff the task force created by this bill.

This bill contains provisions that would do the following:

1. Require state agencies that issue permits or licenses, or grants access to government programs on the basis of an application to provide links on agency Web sites for improved customer service,
2. Require state agencies to post specific information on their Web sites regarding public participation in regulation making activities, and
3. Establish a task force that will grade certain state agencies on their performance in fulfilling the public policy purpose for which they were established.

Each of these provisions is discussed separately below.

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

PURPOSE OF THE BILL

According to the author's staff, the purpose of this bill is to make it easier for the public to participate in government rule-making processes, improve customer service, and improve government performance while providing taxpayers with a means to hold the government accountable for performance.

EFFECTIVE/OPERATIVE DATE

The provisions in this bill would be effective January 1, 2006, and operative on that date.

Board Position:

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

Department Director

Date

Lynette Iwafuchi for
Gerald H. Goldberg

5/27/05

POSITION

Pending

1. Customer Service Link on Government Web Sites

ANALYSIS

STATE LAW

State law authorizes FTB to administer several non-tax programs, one of which is the Homeowner's And Renters Assistance Program (HRA) that requires an application process.

For HRA claimants, existing state law provides partial reimbursement of the previous fiscal year's property taxes on a personal residence paid directly by a homeowner and indirectly by a renter. Claimants complete and submit an HRA claim application to FTB, and if the claimant meets specific qualifications, the claim is granted and funds distributed to the claimant. The claims can be partially approved, approved in full, or denied, based on the qualifications of the claimant and the information submitted. The claimant can appeal a partially approved or denied claim decision by the FTB to the Board of Equalization.

THIS BILL

This bill requires every state agency, department, board, bureau, commission, or other governmental entity that issues permits or licenses to individuals or businesses or grants access to government programs on the basis of an application to post on a Web site no later than January 1, 2007, a link entitled "customer service" that contains the following information:

- A link entitled "frequently asked questions" that answers questions about how to have an application granted and how to appeal from the denial of a permit, license, or application,
- A link for forms, applications, and appeal-related documents that can be downloaded and printed from the Web site, and
- A link with instructions on how individuals may file complaints, including through electronic means, related to issues under the jurisdiction of the agency.

IMPLEMENTATION CONSIDERATIONS

Implementation of this provision would not significantly impact the department's operations or programs.

FISCAL IMPACT

Implementation of these provisions in this bill would not significantly impact the department's costs.

ECONOMIC IMPACT

Implementation of this bill would not impact the state's income tax revenue.

2. Public Participation in Rule Making Procedures

ANALYSIS

STATE LAW

Current state law requires the department to provide the opportunity for a public hearing on all proposed regulations. Current law requires a notice of the regulation to be posted on the department's Web site and mailed to interested parties or groups expected to be impacted by the regulatory change. Current law requires agencies to maintain a rule-making file that must be made available to the public upon request, which contains specified documentation relating to the development and analysis of the regulation. Current law requires the department to document and respond to public comments. If a hearing is conducted, documentation of the hearing, comments, and FTB's responses to the comments is required to be in the rule-making file and failure to adequately document the responses could be grounds for rejecting the proposed regulation. The Office of Administrative Law (OAL) was established to ensure that regulations adopted by state agencies meet prescribed requirements prior to being adopted. OAL reviews the proposed regulations and submits the regulations to the Secretary of State for publication.

THIS BILL

This bill requires every state board, bureau, commission, department, or agency, by January 1, 2007, to post on the home page of its Web site:

- A link entitled "Decisions Pending And Opportunities For Public Participation" that contains all applicable bulletins and notices and notices of all public meetings and agendas related to regulatory actions of the agency,
- A link entitled "How to Participate" that includes instructions on how the public may submit written comments or otherwise participate in administrative procedures, meetings, and hearings,
- A link entitled "Laws and Regulations Relevant to Current Public Proceedings" that includes the text of all regulations and statutes related to current bulletins and notices,
- A link entitled "Submit Your Comments Here" that provides an opportunity for the public to comment on draft regulations pursuant to this chapter through electronic mail or by the facsimile.

This bill would require state agencies, to the extent practicable, to have hearings on proposed regulations televised over the Internet via Web cast or other technology. These provisions of this bill would be in effect until January 1, 2012.

IMPLEMENTATION CONSIDERATIONS

Currently the department lacks the infrastructure to televise or broadcast regulation hearings over the Internet. Since this practice would be impractical for the department at this time, the provisions of this bill would not significantly impact the departments programs or operations.

FISCAL IMPACT

Implementation of this bill would not significantly impact the department's costs.

ECONOMIC IMPACT

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

3. California Taxpayer's Performance Report Card Task Force

ANALYSIS

FEDERAL/STATE LAW

Current law provides for the establishment of the "Little Hoover Commission on the California State Government and Organization and Economy" to promote economy, efficiency, and improved service in various state departments and agencies. Existing state law also established the Bureau of State Audits under the direction of the Little Hoover Commission to examine and report annually upon the financial statements prepared by the executive branch of state government and to perform other related assignments, including performance audits that are mandated by statute.

THIS BILL

The provisions of this bill establish a task force consisting of:

- The Director of Finance,
- The Chair of the Little Hoover Commission,
- The State Auditor,
- The Legislative Analyst,
- The Speaker of the Assembly,
- An appointee from the Senate Committee on Rules, and
- One member appointed by the Governor from the Governor's cabinet, or a designee of any of the members listed above.

The task force would be required, by January 1, 2007, after holding public hearings and receiving public comments, to:

- Identify the state agencies that have the most impact on the lives of California,
- Determine which of those agencies should be reviewed for performance related to how well or how poorly they fulfill their public policy purpose, and
- Define performance measure and provide examples that will guide each agency in establishing its own performance measures.

By January 1, 2008, and at two-year intervals from then, the task force would be required to assign a letter grade to each agency ranging from "A" to "F." The task force would determine categories for grading, assign a grade to each category, and average the grades for each category to obtain the final grade for the agency. If the poor performance of the agency were due to inadequate funding or resources beyond the control of the agency, the task force would not set a grade. The grade assigned by the task force to the agency must be posted within ten days on the agency's Web site as prescribed. The Governor would be required to post on a link on the Governor's homepage entitled "Taxpayer Performance Report Card" that would contain the grades of each agency that has receive a grade from the task force.

By January 1, 2008, each agency identified would be required to establish and post on its Web site a strategic plan, including performance measures, to assist the public in evaluating how well or how poorly it is fulfilling the public policy purposes for which it was created. The agency would be required to use the guideline definitions developed by the task force to develop their own performance measures.

IMPLEMENTATION CONSIDERATIONS

Implementation of this bill would not significantly impact the departments programs or operations.

FISCAL IMPACT

This bill would have no fiscal impact on the department's operations or costs.

ECONOMIC IMPACT

The provisions of this bill would not impact the state's income tax revenues.

LEGISLATIVE STAFF CONTACT

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