

REVISED ANALYSIS

Franchise Tax Board

Author: Price Analyst: Janet Jennings Bill Number: SB 1185
Related Bills: See Legislative History Telephone: 845-3495 Amended Date: May 29, 2012
Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: Centralized Intelligence Partnership Act

SUMMARY

This bill would establish until January 1, 2018, a pilot program, named the Centralized Intelligence Partnership (CIP) by adoption of the Centralized Intelligence Partnership Act, to create a multiagency partnership to facilitate collaboration and information sharing to combat the underground economy.

SUMMARY OF REVISION

The revised analysis is issued to provide a comparison with other states and to update the fiscal impact. Except for the "Other States Information" and "Fiscal Impact" the remainder of the department's analysis of the bill as amended May 29, 2012, still applies.

RECOMMENDATION

No position.

OTHER STATES' INFORMATION

The states surveyed include *Florida, Illinois, Massachusetts, Michigan, Minnesota, and New York*. These states were selected due to their similarities to California's economy, business entity types, and tax laws.

A review of *Florida, Illinois and Minnesota* laws found no comparable Joint Enforcement Task Force.

Massachusetts, Michigan, and New York has each formed a Joint Enforcement Task Force concentrating on the Underground Economy and Employee Misclassification.

FISCAL IMPACT

Assuming the only impact to the department would be to provide the equivalent of one staff member, full time, at the Investigation Specialist I classification, the cost would be \$137,000 annually.

Board Position:

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Legislative Director

Date

Gail Hall

06/26/12

It is recommended that the bill be amended to include appropriation language that would provide funding to implement this bill. Lack of an appropriation will require the department to secure the funding through the normal budgetary process, which may delay implementation of this bill.

LEGISLATIVE STAFF CONTACT

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