

**SUMMARY ANALYSIS OF AMENDED BILL**

Author: Perez, John A. Analyst: Jane Raboy Bill Number: AB 32  
 Related Bills: See Prior Analysis Telephone: 845-5718 Amended Date: March 4, 2013  
 Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** Community Development Financial Institution Investments Credit

**SUMMARY**

This bill would increase from \$10 million to \$50 million per year, the aggregate amount of qualified investments eligible for the Community Development Financial Institution tax credit.

This analysis only addresses the provisions of the bill that impact the department’s programs and operations.

**RECOMMENDATION**

No position.

**SUMMARY OF AMENDMENTS**

The March 4, 2013, amendments increased the aggregate amount of qualified investments to \$50 million. In addition, the amendments modified the criteria that would be utilized by the California Organized Investment Network to certify total investments.

As a result of the amendments, the “This Bill” and “Economic Impact” sections have been revised. The remainder of the department’s analysis of the bill as introduced on December 3, 2012, still applies. The “Effective/Operative Date”, and “Fiscal Impact,” discussions have been repeated for convenience.

**EFFECTIVE/OPERATIVE DATE**

This bill would be effective immediately upon enactment and operative as of that date.

**ANALYSIS**

THIS BILL

This bill would increase the combined aggregate amount of qualified investments eligible for the Community Development Financial Institution tax credit under the Insurance Taxation Law, Personal Income Tax Law, and Corporation Tax Law from \$10 million per year to \$50 million per year.

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| Board Position:<br><input type="checkbox"/> S <input type="checkbox"/> NA <input checked="" type="checkbox"/> NP<br><input type="checkbox"/> SA <input type="checkbox"/> O <input type="checkbox"/> NAR<br><input type="checkbox"/> N <input type="checkbox"/> OUA | <table style="width: 100%; border: none;"> <tr> <td style="width: 70%;">Legislative Director</td> <td style="width: 30%;">Date</td> </tr> <tr> <td>Gail Hall</td> <td>03/27/13</td> </tr> </table> | Legislative Director | Date | Gail Hall | 03/27/13 |
| Legislative Director   | Date   |                      |      |           |          |
| Gail Hall  | 03/27/13   |                      |      |           |          |

**FISCAL IMPACT**

Implementing this bill would not significantly impact the department's programs and operations.

**ECONOMIC IMPACT**

This estimate does not include the revenue impact of the tax credits allowed against insurance tax.

| Estimated Revenue Impact of AB 32<br>For Taxable Years Beginning On or After January 1, 2013<br>Enactment Assumed After June 30, 2013 |              |              |
|---|--------------|--------------|
| 2013-14   | 2014-15      | 2015-16      |
| -\$1,200,000  | -\$1,200,000 | -\$1,500,000 |

This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill.

**LEGISLATIVE STAFF CONTACT**

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