

ITEM 5. – LEGISLATIVE UPDATE (Informational Item)

Presentation By: Diane Deatherage, Legislative Director

The presentation will discuss the bills that were chaptered during this session and bills that are currently enrolled to the Governor. Specifically, the presentation will include the following chaptered legislation that has already been signed by the Governor:

BUDGET TRAILER LANGUAGE BILLS (PORTION OF THE BILL IMPACTS FTB)

AB 110 – Clean-Up of SB 2 (Chapter 364, Statutes of 2017) Building Homes and Jobs Act

AB 110 clarifies that the additional recording fees, enacted under SB 2, are not assessed on recording documents issued by federal, state, or local governmental agencies.

AB 1817 - Modify the State Leadership Accountability Act

AB 1817 modifies affected state agencies' reporting requirements under the State Leadership Accountability Act and does the following:

- Requires that state agencies expand the required biennial report to include all identified inadequacies and weaknesses versus the current requirement to identify material inadequacies and material weaknesses.
- Specifies that the required plan and schedule for correcting inadequacies and weaknesses identified in a biennial report must be filed with the Department of Finance by June 30, subsequent to that report's filing date rather than concurrently.
- Modifies the Department of Finance's authority with respect to the adoption, amendment, or repeal of the system of reporting and general framework, or other directives to guide state agencies by providing an exemption from the rulemaking provisions of the APA.

SB 855 – EITC/New Employment Credit/California Competes Hiring Credit/Tribal Income Exclusion/Data Sharing

SB 855 does the following:

- Modifies the California Earned Income Tax Credit by increasing income thresholds and allowing the credit to individuals who are age 18 and older.
- Extends the sunset date for the New Employment Credit.
- Extends the sunset date for the California Competes Tax Credit.
- Excludes certain earned income from gross income of an eligible taxpayer in Indian country.
- Removes the repeal date for the Tax Data Exchange Agreement between the FTB and cities/counties, allowing the agreement to continue in perpetuity.

NON-BUDGET BILLS

AB 2096 – Organ and Tissue Donor Registry Voluntary Contributions

And

AB 2400 – California Alzheimer’s Disease and Related Dementia Research Voluntary Contributions

AB 2096 allows taxpayers to make voluntary contributions to the Organ and Tissue Donor Registry Voluntary Tax Contribution Fund on their state personal income tax returns.

AB 2400 allows taxpayers to make voluntary contributions to the California Alzheimer’s Disease and Related Dementia Research Voluntary Tax Contribution Fund (formerly known as the California Alzheimer’s Disease and Related Disorders Research Fund) on their state personal income tax returns.

SB 920 – LLPs and Foreign LLPs/Architects, Engineers and Land Surveyors

SB 920 extends the sunset date from January 1, 2019, to January 1, 2026, on provisions allowing architects, engineers, and land surveyors that meet specified liability insurance requirements to organize and operate as registered and foreign LLPs through that date.

SB 1289 - Code Maintenance

SB 1289 makes numerous technical, nonsubstantive changes as a matter of code maintenance to various California codes, including to the Revenue and Taxation Code (R&TC).

In addition, the presentation will discuss other legislation that is chaptered after these Board materials were prepared.