

# ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Hertzberg Analyst: Roger Lackey Bill Number: AB 187

Related Bills: None Telephone: 845-3627 Amended Date: 03-08-99

Attorney: Doug Bramhall Sponsor: \_\_\_\_\_

**SUBJECT:** Grant Information Act Of 1999/Grant Includes State Agency Requests For Proposals

## SUMMARY OF BILL

This bill would create the Grant Information Act of 1999 and require all state agencies to include a listing of all grants and applicable forms administered by that state agency on its Internet website.

## SUMMARY OF AMENDMENT

The March 25, 1999, amendments would provide that "grant" means a solicited or unsolicited proposal, including both a request for proposals (RFP) and a request for applications (RFA), to furnish assistance to another entity so that the latter entity may carry out its own program. The amendments also would specify that a grant does not include the procurement of goods or services for a state agency or the acquisition, construction, alteration, improvement, or repair of real property for a state agency. The department did not analyze this bill before this amendment.

## EFFECTIVE DATE

This bill would be effective on January 1, 2000.

## SPECIFIC FINDINGS

In March of 1995, Governor Wilson issued an executive order requiring all state agencies to provide public information on the Internet. The California Government website was established allowing agencies to comply with the executive order and provide agency information on the California Government website without having to develop an independent website of their own. The Franchise Tax Board (FTB) was the first department to comply with the order by providing general information and forms on the Internet. FTB has established its own website to more easily customize data and gather statistics on information requests.

As the department develops new programs and/or maintains current programs, issues are identified that require assistance from outside contractors. Currently, to obtain a competent contractor to resolve a specific issue requires that the department develop a "request for proposal" which identifies the specific issue the department would like to resolve. Once the department has finalized its "request for proposal," it submits a query to General Services, which provides the department a bidders list containing contractors qualified to resolve the pertinent issue.

Board Position:	Department Director	Date
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_____ X PENDING	<b>Gerald Goldberg</b>	<b>4/22/1999</b>

Upon receiving the bidders list, the department sends each prospective bidder a copy of the "request for proposal," at which time the prospective bidder can submit a bid offer including an explanation regarding how the bidder plans on resolving this issue. This process is continued until the department selects a prospective contractor and thus finalizes an agreement.

**This bill** would create the Grant Information Act of 1999 and require that all state agencies include a listing of all grants and all applicable grant request forms administered by that state agency on its Internet website.

**This bill** would provide that the state agency shall make the grant and applicable form information available on its Internet website on or before July 1, 2000, or within six months of establishing their site.

**This bill** would provide that a state agency advise individuals calling the state agency about grant information of the availability of the information on the Internet and that public libraries have Internet access.

**This bill** would define a "grant" as a solicited or unsolicited proposal, including, but not limited to, a request for proposals and a request for applications, to furnish assistance to another entity so that the latter may carry out its own program. The term would not include the procurement of goods or services for a state agency nor the acquisition, construction, alteration, improvement, or repair of real property for a state agency.

#### Implementation Considerations

This bill would provide that a "grant" includes any solicited or unsolicited proposals, **not limited to** a RFP or an RFA, that assists another entity carry out its program. As a result, this bill could be interpreted to require the FTB to include on its website information sharing arrangements with other tax agencies (including the Internal Revenue Service) and non-tax debt collection agreements and responsibilities as authorized or required by statute (unsolicited proposals). These agreements may include confidential information, which would be disclosed on the Internet. If the author does not intend this bill to apply to such information, it is suggested the author expand the list of items excluded from the definition of the term "grant" to include any solicited or unsolicited proposals that contain confidential information.

#### FISCAL IMPACT

##### Departmental Costs

This bill would not significantly impact the department's costs.

##### Tax Revenue Estimate

To the extent this bill could violate the information sharing agreement with the Internal Revenue Service, the revenue generated by this agreement could be in jeopardy.

#### BOARD POSITION

Pending.