

ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Wesson Analyst: Roger Lackey Bill Number: AB 2727

Related Bills: None Telephone: 845-3627 Amended Date: 04-12-2000

Attorney: Patrick Kusiak Sponsor: _____

SUBJECT: California Organized Crime Suppression Program

SUMMARY OF BILL

This bill would create the California Organized Crime Suppression Program to provide local law enforcement with tools to combat organized crime. The department's investigators could be part of a task force funded by the Program.

This analysis will only discuss the provisions of the bill that impact the department.

SUMMARY OF AMENDMENT

The April 12, 2000, amendment added the provisions addressed in this analysis and deleted earlier provisions that would have created the California Organized Crime Interjurisdictional Task Force.

The department did not analyze this bill as introduced February 25, 2000.

EFFECTIVE DATE

As an urgency statute, this bill would take effect immediately upon being chaptered.

SPECIFIC FINDINGS

SB 951 (Stats. 1997, Ch. 670) amended the Penal Code to include the department's investigators in the list of peace officers under state law. The department's investigators are authorized to enforce the statutes in the Administration of Franchise and Income Tax Laws (AFITL), which contains the civil and criminal penalties under the Personal Income Tax Law (PITL) and the Bank and Corporation Tax Law (B&CTL). They investigate suspected criminal violations of the state tax laws and identify criminal suspects for prosecution. The department's investigators also handle criminal employee investigations.

The department's investigators plan and conduct assigned investigations; assist prosecuting attorneys in the preparation and prosecution of cases; and ensure that the terms of probation directly affecting the department are fulfilled before a case is closed.

The department's special agents work closely with other law enforcement agencies at federal, state and local levels. They participate in joint criminal prosecutions with federal and state criminal prosecutors.

Board Position:

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_____ N	_____ OUA	_____ X PENDING

Department Director

Date

Alan Hunter for GHG

5/4/00

This bill would create the California Organized Crime Suppression Program (the Program) to provide local law enforcement with tools to combat organized crime. The Program would be administered by the Office of Criminal Justice Planning (OCJP).

The Program would provide financial and technical assistance to law enforcement. The executive officer of the OCJP would be required to develop specific guidelines and administrative procedures for the selection of projects to be funded by the Program.

In order to qualify for funding, the regional task force submitting an application would be required to provide written evidence that the agency meets either of the following:

- The regional program devoted to deterring and investigating organized crime is comprised of local law enforcement and prosecutors, representatives of the Department of Justice and the Department of Insurance, and may include representatives of the Franchise Tax Board (FTB), Federal Bureau of Investigation, and the Immigration and Naturalization Service.
- At least three participants in the regional program have at least three years of experience investigating or prosecuting cases of suspected organized crime.

In addition, at the time of funding, the regional program must have at least one investigator from a state law enforcement agency assigned to it.

This bill would establish other provisions and criteria relating to the selection of a regional program. However, these provisions would not impact the department and are not discussed.

Implementation Considerations

This bill would impact the department to the extent that the FTB investigative program and its investigators could be part of a regional program.

Technical Considerations

This bill appears to refer to the "regional task force" and the "regional program" interchangeably. To eliminate confusion, the same term should be used consistently throughout the bill.

FISCAL IMPACT

Departmental Costs

Since the extent that departmental investigators may be involved with the proposed program is unknown, it is unclear how this bill would impact departmental costs. However, it should be noted that the department's investigation resources are currently heavily utilized, and it is not known if current staffing levels would be sufficient to permit participation in the proposed program. .

Tax Revenue Estimate

Since the department's participation cannot be fully determined at this time, the department is unable to provide a revenue estimate. However, it is expected that upon the completion of a criminal investigation additional income tax revenue may result.

BOARD POSITION

Pending.