

# ANALYSIS OF ORIGINAL BILL

Author: Hadley Analyst: Janet Jennings Bill Number: AB 728  
 See Legislative  
 Related Bills: History Telephone: 845-3495 Introduced Date: February 25, 2015  
 Attorney: Bruce Langston Sponsor \_\_\_\_\_

<b>SUBJECT:</b>	State Agencies Post Audit Findings & Recommendations on Web site Within 5 Days of Report
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## SUMMARY

This bill would modify the State Agency Financial Integrity and State Manager’s Accountability Act of 1983 (FISMA).

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

## RECOMMENDATION

No position.

## REASON FOR THE BILL

The reason for the bill is to improve access to the FISMA reports.

## EFFECTIVE/OPERATIVE DATE

This bill would be effective January 1, 2016, and operative for the FISMA reports required to be filed after that date.

## STATE LAW

Current state law requires the head of each state agency subject to the FISMA requirements to biennially conduct an internal review and prepare a report on the adequacy of the agency’s systems of internal accounting, administrative control, and monitoring practices in accordance with the guidance of the Department of Finance and the Office of the Controller. The reports are submitted to the Legislature, the California State Auditor, the Controller, the Treasurer, the Attorney General, the Governor, the Department of Finance, and to the state Library where they are available for public inspection. The report is due on a biennial basis no later than December 31 of each odd-numbered year.

The Franchise Tax Board (FTB) is subject to the FISMA requirements.

## THIS BILL

This bill would require that the FTB’s FISMA reports be posted on the FTB’s Internet Website within five days of finalization.

Board Position:	Executive Officer	Date
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## **IMPLEMENTATION CONSIDERATIONS**

Posting the FISMA report to the department's internet Web site would not significantly impact the department's programs and operations.

## **LEGISLATIVE HISTORY**

AB 661 (Gaines, et al. 2013/2014) would have modified the FISMA requirements. AB 661 failed to pass out of the Assembly by the constitutional deadline.

## **OTHER STATES' INFORMATION**

Because this bill would modify reporting requirements regarding the financial activity of state agencies, a review of other states' tax information would not be relevant.

## **FISCAL IMPACT**

The modification proposed by this bill would not significantly impact the department's costs.

## **ECONOMIC IMPACT**

This bill would not impact the state's income tax revenue.

## **SUPPORT/OPPOSITION**

Support: None on file.

Opposition: None on file.

## **ARGUMENTS**

Proponents: Some could argue that this bill would improve public access to FISMA reports.

Opponents: Some could argue that this bill is unnecessary as FISMA reports are available at the State Library.

## **LEGISLATIVE STAFF CONTACT**

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