

BILL ANALYSIS

Department, Board, Or Commission	Author	Bill Number
Franchise Tax Board	Hadley	AB 728

SUBJECT

State Agencies Post Audit Findings & Recommendations on Website Within 5 Days of Report

SUMMARY

This bill would modify the State Leadership Accountability Act (Accountability Act).

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

REASON FOR THE BILL

The reason for the bill is to improve access to reports prepared by state agencies.

EFFECTIVE/OPERATIVE DATE

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

STATE LAW

Under the Accountability Act, the head of certain state agencies, including the Franchise Tax Board, is required 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. The reports are submitted to the Legislature, the State Auditor, the Controller, the Department of Finance (DOF), the Secretary of Government Operations, and to the State Library where they are available for public inspection. The report is due no later than December 31 of each odd-numbered year.

THIS BILL

This bill would require that the report on the adequacy of the state agency's systems of internal control be posted on the state agency's Internet Website within five business days after acceptance by the DOF.

LEGISLATIVE HISTORY

AB 661 (Gaines, et al. 2013/2014) would have made several modifications to the Accountability Act requirements. AB 661 failed to pass out of the Assembly by the constitutional deadline.

Gail Hall, FTB Contact Person
(916) 845-6333 (Office)

Executive Officer
Selvi Stanislaus

Date
9/3/15

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

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

ECONOMIC IMPACT

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

APPOINTMENTS

None.

SUPPORT/OPPOSITION¹

Support: Howard Jarvis Taxpayers Association.

Opposition: None on file.

VOTES

	Date	Yes	No
Concurrence	09/02/15	80	0
Senate Floor	09/01/15	40	0
Assembly Floor	05/7/15	77	0

LEGISLATIVE STAFF CONTACT**Contact****Work**

Marybel Batjer, Agency Secretary, CalGovOps

916-651-9024

Jennifer Osborn, Acting Deputy Secretary for Legislation, CalGovOps

916-651-9100

Selvi Stanislaus, Executive Officer, FTB

916-845-4543

Gail Hall, Legislative Director, FTB

916-845-6333

¹ As noted in the Senate and Governance Finance Committee Analysis dated June 9, 2015.