



Bill Analysis

Author: Obernolte

Sponsor:

Bill Number: AB 3162

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Amended: March 5, 2020

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Related Bills: See Legislative
History

SUBJECT

State agencies to post reports submitted to legislative committees on agency's website

SUMMARY

This bill would, under the Government Code (GC), require all state agencies to post reports provided to a legislative committee on the agency's internet website.

RECOMMENDATION

No position

SUMMARY OF AMENDMENTS

The March 5, 2020, amendments removed the provisions of the bill related to community development under the GC and replaced them with the provisions discussed in this analysis. This is the department's first analysis of the bill.

REASON FOR THE BILL

The reason for the bill is to require all reports submitted by a state agency to a legislative committee to be posted on the state agency's internet website.

ANALYSIS

This bill would under the GC, require all state agencies, including the Franchise Tax Board (FTB) to post on its internet website any report submitted to a legislative committee.

For purposes of the bill, report would include a study, audit, or any report identified in the Legislative Analyst's Supplemental Report of the Budget Act.

Effective/Operative Date

Assuming enactment by September 30, 2020, this bill would become effective and operative January 1, 2021.

Federal/State Law

Federal Law

Because this bill only modifies reporting requirements related to reports submitted by a state agency to committees of the state's Legislature, a review of federal tax law would not be relevant.

State Law

Current state law, GC section 9795, specifies the form and method for a state or local agency to submit any report required or requested by law to the Members of either the Senate or Assembly. A report submitted by a state agency is required to be posted on the agency's internet website.

Under current state law, a committee appointed by either the Assembly or the Senate, or both, may request and receive otherwise confidential information from the FTB. Disclosure by the committee or any member, clerk, or other officer or employee of any information so received is a misdemeanor except for disclosure to law enforcement officers for the purpose of aiding the detection or prosecution of crimes under the Administration of Franchise and Income Tax Laws.

Current state law requires state agencies, including the FTB, to post before July 1, 2019, and before July 1, biennially thereafter on the home page of their internet website a certification signed by the state agency's director and chief information officer that the agency's internet website is in compliance with specified accessibility standards utilizing the standard form developed by the Department of Technology.

Implementation Considerations

The department has identified the following implementation concerns. Department staff is available to work with the author's office to resolve these and other concerns that may be identified.

The bill does not contain an exception for information that is proprietary, confidential, or both. To maintain consistency with existing confidentiality laws and the treatment of proprietary tax administration information, this bill should be amended.

The definition of "report" may be more broadly interpreted than the author intends. For example, "report" could be argued to include the department's tax audits and all communication with committee staff. If this is contrary to the author's intent, it is suggested that subdivision (b) be amended by inserting a comma between the words report and identified.

Technical Considerations

None noted.

Policy Concerns

None noted.

LEGISLATIVE HISTORY

SB 937 (Hill, 2019/2020) would under the GC, allow state agencies, including the FTB, to temporarily remove public documents from its internet website when a justifiable impediment exists that prevents a document from being compliant with the applicable accessibility requirements, the Director of Technology has verified the impediment prohibits full compliance, and the state agency has taken specified actions. SB 937 would apply retroactively to any file or document removed from a state agency's internet website after October 14, 2017. SB 937 is currently pending hearing before the Senate Governmental Organization Committee.

AB 434 (Baker, et al., Chapter 780, Statutes of 2017) requires state agencies, including the FTB, to post before July 1, 2019, and before July 1, biennially thereafter on the front page of their Internet Web site a certification signed by the state agency's director and chief information officer that the agency's internet web site is in compliance with specified accessibility standards.

PROGRAM BACKGROUND

On July 1, 2019, the FTB launched a new website design in compliance with California GC sections 7405 and 11135. GC section 7405 requires that State of California government agency websites must meet accessibility requirements.

FISCAL IMPACT

The department's costs to implement this bill have yet to be determined, but depending on the volume of reports, could be costly. As the bill moves through the legislative process and implementation concerns are resolved, costs will be identified.

ECONOMIC IMPACT

Revenue Estimate

This bill as amended March 5, 2020, would not impact state income or franchise tax revenue.

This analysis does not account for changes in employment, personal income, or gross state product that could result from this bill or for the net final payment method of accrual.

Revenue Discussion

This bill would require the FTB to post, to its website, reports it submits to Legislative committees. As a result, this bill would not impact state income or franchise tax revenue.

LEGAL IMPACT

None noted.

APPOINTMENTS

None noted.

SUPPORT/OPPOSITION

To be determined.

ARGUMENTS

To be determined.

LEGISLATIVE STAFF CONTACT

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