



## **Analysis of Amended Bill**

Author: Stone

Sponsor:

Bill Number: AB 802

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Introduced February 20, 2019,  
and Amended April 10, 2019,  
and June 4, 2019

Attorney: Shane Hofeling

Related Bills: See Legislative  
History

**Subject:** State Mandated or Requested Reports/Modify Submission Requirements

### **Summary**

Under the Government Code, this bill would modify reporting requirements applicable to state mandated reports.

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

**Recommendation – No position.**

### **Summary of Amendments**

The April 10, 2019, amendments modified data posting requirements with regard to data used to generate state mandated reports. The June 4, 2019, amendments establish the Statewide Open Data Portal.

This is the department's first analysis of the bill.

### **Reason for the Bill**

The reason for this bill is to promote transparency and create efficiencies relating to required reports due to the Legislature from state and local agencies.

### **Effective/Operative Date**

This bill would become effective and operative January 1, 2020.

### **State Law**

Under current state law, reports, including any studies or audits, required or requested to be submitted by a state or local agency to the members of either house of the Legislature generally, must be submitted as a printed copy to the Secretary of the Senate, as an electronic copy to the Chief Clerk of the Assembly, and as an electronic

or printed copy to the Legislative Counsel. Each report is required to include a summary of its contents limited to one page. Summaries provided by a state agency are required to be submitted electronically to each member of the appropriate house or houses.

State or local agencies that file a report electronically with the Legislative Counsel and post that report to an Internet Web site must provide the Legislative Counsel a hyperlink to the report.

Reports and summaries submitted by a state agency must include an internet website where the report can be downloaded and telephone number to call to order a hard copy of the report and must be posted on the agency's Internet Web site.

Under current state law, the Franchise Tax Board (FTB) is required to submit to the Legislature the following reports:

- Audit and Compliance Activities
- Taxpayers' Bill of Rights
- Employees' Performance & Evaluation Program Implementation
- Summary of Federal Income Tax Changes
- New Employment Credit
- California Competes Credit
- State Leadership Accountability Act (Formerly known as FISMA) Report
- Enterprise Data to Revenue Project
- IT Contracts and Software License Agreements
- California Earned Income Tax Credit
- Fresh Fruits or Vegetables Donation Credit

### **This Bill**

Under the Government Code, this bill would modify current law by eliminating references to printed reports as either required or optional methods for a state or local agency to submit reports required or requested to be submitted to the members of either house of the Legislature generally, thus requiring all such reports to be submitted electronically.

This bill would also recast the requirement that the data used by a state agency to generate a report involving the collection or analysis of data to be posted by the state agency on the agency's internet website to instead require the posting of the datasets used to generate the report on the Statewide Open Data Portal (SODP), which would be established by this bill. Reports posted, as defined, on the agency's

internet website would be limited to datasets subject to public disclosure under state and federal law and must be posted in a machine-readable format.

The SODP would be established by The Department of Technology on or before January 1, 2021. The SODP would be accessible to the public and would consist of machine-readable format reports, as specified.

### **Implementation Considerations**

Department staff has identified the following implementation considerations for purposes of a high-level discussion; additional concerns may be identified as the bill moves through the legislative process. Department staff is available to work with the author's office to resolve these and other concerns that may be identified.

The bill is silent on whether the datasets required to be posted would be required to be accessible as defined in Government Code Section 11546.7. In addition, this bill uses terms that are undefined, i.e., "excludes document-based formats in which information is presented sequentially without defined fields." The absence of definitions to clarify these terms could lead to disputes with taxpayers and would complicate the administration of this bill. The author may want to amend the bill to clearly define the terms.

For internal harmony and consistency, the following changes are recommended:

On page 4, lines 9-10, the phrase "but only to the extent these datasets are otherwise subject to public disclosure under state and federal law" should read "but only to the extent these datasets are not exempt under the California Public Records Act, or disclosure is prohibited under state and federal law."

### **Legislative History**

AB 1365 (Perez, Chapter 192, Statutes of 2013) allowed state or local agencies to submit reports required or requested by law to the Legislative Counsel in either an electronic or printed format.

AB 1585 (Committee on Accountability and Administrative Review, Chapter 7, Statutes of 2010) required all state agencies, including the FTB, to provide a summary of any required report to each member of the house or houses of the Legislature, as appropriate.

## **Other States' Information**

*Florida, Illinois, Massachusetts, Michigan, Minnesota, and New York* laws require most state agencies to submit reports to the state's Legislature. Each state has a varying degree of specificity as to topic and to whom the reports are distributed within the Legislature.

## **Fiscal Impact**

The department's costs to implement this bill have yet to be determined. As the bill moves through the legislative process, costs will be identified.

## **Economic Impact**

### Revenue Estimate

This bill as amended June 4, 2019, 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.

## **Legislative Staff Contact**

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