

[Senate Bill 577](#) (Hueso)

Date: March 27, 2019 (Amended)

Program: Property Taxes

Sponsor: State Board of Equalization

Government Code Section 15570.28

Effective: January 1, 2020

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**Summary:** This Board of Equalization (BOE)-sponsored bill clarifies that the BOE can provide information and materials to the California Department of Tax and Fee Administration (CDTFA), as requested by CDTFA, in order for CDTFA to provide administrative and personnel services to the BOE.

**Fiscal Impact Summary:** No revenue impact.

**Existing Law:** Effective July 1, 2017, Assembly Bill 102 (Stat. 2017, ch. 16) restructured the BOE and separated its functions among three separate entities. Most of the duties previously performed by the BOE were transferred to the newly created CDTFA and the Office of Tax Appeals (OTA). The BOE retained its duties that were assigned by the state Constitution, including the administration of most property tax programs and those closely related specified programs.

Existing law<sup>1</sup> requires CDTFA to provide the BOE with administrative and personnel services.

**Proposed Law:** This bill clarifies that the BOE can assist CDTFA by providing information and materials, in the form and manner as requested by CDTFA, that are necessary for CDTFA to provide the administrative and personnel services.

**Background:** Existing law requires the CDTFA to provide the BOE with administrative and personnel services. After the enactment of AB 102, all staff that performed these functions were transferred to the CDTFA. Additionally, the State Personnel Board has issued an order permanently revoking the BOE's delegated authority. A similar ban on CDTFA was lifted after a one-year period.

Additionally, it is important to note that for several years the Budget Acts specific to the BOE direct the BOE to fill budgeted positions expeditiously. Assembly Bill 97, Chapter 14, Budget Act of 2017, Provision 1 states "Furthermore, the board shall expeditiously fill budgeted positions consistent with the funding provided in this act." Each of the subsequent Budget Acts (SB 840, Chapter 29, Budget Act of 2018; and the proposed AB 190 and SB 73, Budget Act of 2019) state the same verbiage of the "...the board shall expeditiously fill budgeted positions..."

**Commentary:**

1. **Author's Statement.** Since AB 102 transferred all the staff that performed the administrative and personnel functions to CDTFA, this bill would acknowledge and clarify that there is still a large workload that remaining personnel at the BOE are required to complete, such as researching and completing multiple forms and documents to assist the department in providing those services. This is critical to ensuring a seamless work environment for this agency.

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<sup>1</sup> Government Code (GC) section 15570.28.

2. **Personnel and Administrative Services.** Current law requires the CDTFA to provide administrative and personal services for the BOE. The BOE has been unable to obtain approval from CALHR to reorganize itself to perform preliminary activities necessary for the CDTFA to perform administrative and personnel services on BOE's behalf, such as personnel transactions based on the language in GC section 15570.28. This disregards the fact that the BOE incurs a huge, upfront workload in order for the CDTFA to perform these functions. Thus, this bill provides, consistent with current practice, that the BOE is to provide the preliminary activities for administrative and personnel services.