



FIONA MA, CPA
STATE BOARD OF EQUALIZATION
MEMBER, SECOND DISTRICT

4/26/16

Assembly Woman Lorena Gonzales, Chair
Assembly Committee on Appropriations
State Capitol, Room 2114
Sacramento, CA 95814

Dear Assembly Woman Gonzalez,

We write in support of AB 1828, which seeks to strengthen campaign finance restrictions and disclosures to prevent conflicts-of-interest in Board of Equalization proceedings. We believe this legislation is necessary and timely in ensuring fairness and impartiality in Board of Equalization decisions.

This legislation strengthens a number of key provisions that exist in current law, including toughening the reporting requirements for contributions to Board Members' political committees from individuals and businesses with petitions before the board; expanding the number of individuals connected to Board of Equalization appeals cases who are prohibited from making contributions to Board Members; and extending the blackout period by which individuals and businesses with petitions before the board are prohibited from contributing to Board Members' political committees from one year prior to their petition hearing until three months after.

In addition, amendments to this Legislation adds new provisions to the law prohibiting Board Members from soliciting behested payments over 5 thousand dollars one year preceding and three months subsequent of a hearing from businesses or their agents with petitions before the Board. In general, behested payments do not represent a conflict of interest for members of the Legislature or the Constitutional Officers of the State, provided they are appropriately disclosed. However, the duties of the members of the Board of Equalization are not analogous to Legislators or Executive Branch officers. The Board of Equalization carries out a number of quasi-judicial functions in their capacity as the Appeals Board for tax payers in California.

It is that function which separates the Board of Equalization from their peers in the Legislature. Board Member decisions can have enormous financial impacts on individuals. The highly technical and complex nature of many Board of Equalization cases presents the opportunity for corruption, as these cases are difficult to monitor and analyze by watchdog groups. A Board Member could, under existing law, solicit behested payments from individuals and businesses with petitions before the board to a



charity or non-profit which the Board Member has a financial interest in, clearly subverting the express intent of campaign finance law to draw a hard line between Board votes and campaign contributions.

This legislation closes a potential avenue for corruption. It strengthens disclosure requirements for Board Members, so the public can better access contribution information. And it ensures the people of California that decisions made by the Board of Equalization are made fairly and impartially. For these reasons, we respectfully request your AYE vote on AB 1828 when it appears before your committee.

In Peace and Friendship,

A handwritten signature in blue ink, appearing to be 'Fiona Ma', written in a cursive style.

Chairwoman Fiona Ma, CPA