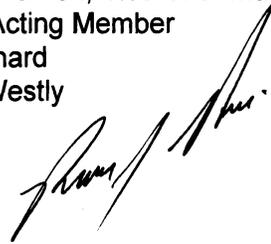


# Memorandum

To : Honorable John Chiang, Chair  
Honorable Claude Parrish, Vice Chairman  
Ms. Betty T. Yee, Acting Member  
Honorable Bill Leonard  
Honorable Steve Westly

Date : August 25, 2006

From : Ramon J. Hirsig  
Executive Director



Subject : **Fiscal Year 2007-08 Budget Change Proposals (BCPs)--Revised**

Enclosed are **revised** Budget Change Proposals (BCPs) for Fiscal Year 2007-08, for your consideration at the August 29, 2006 Board Meeting. These proposals include revisions that you have suggested to us over the last several days. Also, each BCP is introduced by a one page summary highlighting each proposal's key points.

- **BCP No. 1: Consumer Use Tax Section Revenue Enhancement**
- **BCP No. 2: U.S. Customs Program Augmentation**
- **BCP No. 3: Withdrawn**
- **BCP No. 4: Alcoholic Beverage Tax Program Workload**
- **BCP No. 5: Ongoing Tire Fee Increase Workload**
- **BCP No. 6: Electronic Waste (Ewaste) Recycling Fee Workload Adjustment**
- **BCP No. 7: International Fuel Tax Agreement (IFTA) Workload Growth**
- **BCP No. 8: Underground Storage Tank Fee Workload Increase**
- **BCP No. 9: Continuation of International Fuel Tax Agreement (IFTA)/North America Free Trade Agreement (NAFTA) Interim Program**
- **BCP No. 10: Fuel Taxes Division – Fuel Tax Compliance Projects**
- **BCP No. 11: Motor Vehicle Fuel Audit Staff Augmentation**

If you have any questions or need additional information, please contact me at 916-327-4975.

RJH:ms

Attachments

cc: Executive Team  
Mr. Rene Gutierrez  
Ms. Meg Svoboda

bc: Ms. Audrey Noda  
Mr. Neil Shah  
Ms. Margaret Pennington  
Mr. Alan LoFaso  
Ms. Marcy Jo Mandel  
Mr. Eric Reslock  
Mr. Perry Kenny

**STATE BOARD OF EQUALIZATION**

**FY 2007-2008 Budget Change Proposals**

**"TABLE OF CONTENTS"**

<u>Proposal No./Priority</u>	<u>Title of Proposed Change</u>
BCP No. 1	Consumer Use Tax Section Revenue Enhancement
BCP No. 2	U. S. Customs Program Augmentation
BCP No. 3	<b>Withdrawn</b>
BCP No. 4	Alcoholic Beverage Tax Program Workload
BCP No. 5	Ongoing Tire Fee Increase Workload
BCP No. 6	Electronic Waste (Ewaste) Recycling Fee Workload Adjustment
BCP No. 7	International Fuel Tax Agreement (IFTA) Workload Growth
BCP No. 8	Underground Storage Tank Fee Workload Increase
BCP No. 9	Continuation of International Fuel Tax Agreement (IFTA)/North America Free Trade Agreement (NAFTA) Interim Program
BCP No. 10	Fuel Taxes Division - Fuel Tax Compliance Projects
BCP No. 11	Motor Vehicle Fuel Audit Staff Augmentation

STATE BOARD OF EQUALIZATION

FY 2007-2008 Budget Change Proposals  
Current Year Impact

August 29, 2006

\*\*\*\* FISCAL SUMMARY\*\*\*\*

<u>Proposal No./Title</u>	<u>Positions</u>	<u>Personnel Years</u>	<u>Expenditures (000's)</u>
BCP No. 1      Consumer Use Tax Section Revenue Enhancement			
BCP No. 2      U. S. Customs Program Augmentation			
BCP No. 3 <b>Withdrawn</b>			
BCP No. 4      Alcoholic Beverage Tax Program Workload			
BCP No. 5      Ongoing Tire Fee Increase Workload			
BCP No. 6      Electronic Waste (Ewaste) Recycling Fee Workload Adjustment	-20.7	-19.7	-\$1,342
BCP No. 7      International Fuel Tax Agreement (IFTA) Workload Growth			
BCP No. 8      Underground Storage Tank Fee Workload Increase			
BCP No. 9      Continuation of International Fuel Tax Agreement (IFTA)/North America Free Trade Agreement (NAFTA) Interim Program			
BCP No. 10     Fuel Taxes Division - Fuel Tax Compliance Projects			
BCP No. 11     Motor Vehicle Fuel Audit Staff Augmentation			
<b>TOTAL</b>	<b>-20.7</b>	<b>-19.7</b>	<b>-\$1,342 *</b>

\* Special Funds: -\$1.342 million - See Funding Summary on next page for detail.

STATE BOARD OF EQUALIZATION

FY 2007-2008 Budget Change Proposals  
Current Year Impact

August 29, 2006

\*\*\*FUNDING SUMMARY\*\*\*

FUND	BCP No. (\$ In Thousands)											TOTAL BCPs
	BCP # 1	BCP # 2	BCP # 3	BCP # 4	BCP # 5	BCP # 6	BCP # 7	BCP # 8	BCP # 9	BCP # 10	BCP # 11	
GENERAL FUND (0001)												\$0
SPECIAL FUNDS												
BREAST CANCER FUND (0004)												-
EMERGENCY TELEPHONE (0022)												-
MOTOR VEHICLE FUEL (0061)												-
OCCUPATIONAL LEAD (0070)												-
CHILDHOOD LEAD (0080)												-
CIGARETTE & TOBACCO (0230)												-
OIL SPILL PREVENTION (0320)												-
INTEGRATED WASTE (0387)												-
UNDERGROUND TANK (0439)												-
ENERGY RESOURCES (0465)												-
CA CHILDREN AND FAMILIES FIRST TRUST (0623)												-
TIMBER TAX (0965)												-
GAS CONSUMPTION (3015)												-
ELEC. WASTE RECOVERY AND RECYCLING ACCT. (3065)						-1,342						-1,342
CIG. AND TOBACCO PROD. COMPLIANCE FUND (3067)												-
SUBTOTAL SPECIAL FUND	-	-	-	-	-	-1,342	-	-	-	-	-	-1,342
FEDERAL FUNDS (0890)												-
REIMBURSEMENTS (0995)												-
GRAND TOTAL	\$0	\$0	\$0	\$0	\$0	-\$1,342	\$0	\$0	\$0	\$0	\$0	-\$1,342

**STATE BOARD OF EQUALIZATION**  
**FY 2007-2008 Budget Change Proposals**  
**Budget Year Impact**

**August 29, 2006**

**\*\*\*\* FISCAL SUMMARY\*\*\*\***

<u>Proposal No./Title</u>	<u>Positions</u>	<u>Personnel Years</u>	<u>Expenditures (000's)</u>
BCP No. 1      Consumer Use Tax Section Revenue Enhancement	6.0	5.7	\$299
BCP No. 2      U. S. Customs Program Augmentation	12.5	11.9	1,029
BCP No. 3 <b>Withdrawn</b>			
BCP No. 4      Alcoholic Beverage Tax Program Workload	3.0	2.8	304
BCP No. 5      Ongoing Tire Fee Increase Workload	5.8	5.5	457
BCP No. 6      Electronic Waste (Ewaste) Recycling Fee Workload Adjustment	7.0	6.6	449
BCP No. 7      International Fuel Tax Agreement (IFTA) Workload Growth	11.0	10.4	-0- *
BCP No. 8      Underground Storage Tank Fee Workload Increase	8.5	8.1	817
BCP No. 9      Continuation of International Fuel Tax Agreement (IFTA)/North America Free Trade Agreement (NAFTA) Interim Program	11.5	8.4	806
BCP No. 10     Fuel Taxes Division - Fuel Tax Compliance Projects	2.0	2.0	952
BCP No. 11     Motor Vehicle Fuel Audit Staff Augmentation	7.0	6.6	918
<b>TOTAL</b>	<u>74.3</u>	<u>68.0</u>	<u>\$6,031</u> **

\* Redirection of existing funding of \$1,004,000.

\*\* General Fund: \$1.167 million, Special Funds: \$2.184 million, Reimbursements: \$0.922 million, and Federal Funds \$1.758 - See Funding Summary on next page for detail.

STATE BOARD OF EQUALIZATION  
 FY 2007-2008 Budget Change Proposals  
Budget Year Impact

August 29, 2006

\*\*\*FUNDING SUMMARY\*\*\*

FUND	BCP No. (\$ In Thousands)											TOTAL BCPs	
	BCP # 1	BCP # 2	BCP # 3	BCP # 4	BCP # 5	BCP # 6	BCP # 7	BCP # 8	BCP # 9	BCP # 10	BCP # 11		
GENERAL FUND (0001)	\$194	\$669		\$304									\$1,167
<b>SPECIAL FUNDS</b>													
BREAST CANCER FUND (0004)													-
EMERGENCY TELEPHONE (0022)													-
MOTOR VEHICLE FUEL (0061)											918		918
OCCUPATIONAL LEAD (0070)													-
CHILDHOOD LEAD (0080)													-
CIGARETTE & TOBACCO (0230)													-
OIL SPILL PREVENTION (0320)													-
INTEGRATED WASTE (0387)													-
UNDERGROUND TANK (0439)								817					817
ENERGY RESOURCES (0465)													-
CA CHILDREN AND FAMILIES FIRST TRUST (0623)													-
TIMBER TAX (0965)													-
GAS CONSUMPTION (3015)													-
ELEC. WASTE RECOVERY AND RECYCLING ACCT. (3065)						449							449
CIG. AND TOBACCO PROD. COMPLIANCE FUND (3067)													-
<b>SUBTOTAL SPECIAL FUND</b>	-	-	-	-	-	449	-	817	-	-	918		2,184
FEDERAL FUNDS (0890)									806	952			1,758
REIMBURSEMENTS (0995)	105	360			457								922
<b>GRAND TOTAL</b>	<b>\$299</b>	<b>\$1,029</b>	<b>\$0</b>	<b>\$304</b>	<b>\$457</b>	<b>\$449</b>	<b>\$0</b>	<b>\$817</b>	<b>\$806</b>	<b>\$952</b>	<b>\$918</b>		<b>\$6,031</b>