EXECUTIVE BRIEF

STATE BOARD OF EQUALIZATION

Fiscal Year 2009-10

Natural Gas Public Purpose Programs Surcharge

Background

This proposal requests $257,000, (Special Funds) in Fiscal Year (FY) 2009-10 and $217,000 (Special Funds) in FY 2010-11 and 2011-12 to establish 2.0 three-year limited-term positions to meet workloads of identifying, registering, auditing, and verifying payments required to be made to the Board of Equalization (BOE) by natural gas utilities and consumers of natural gas drawn directly from pipelines, per the Natural Gas Surcharge Law (Part 1, Division 1, Public Utilities Code, Enacted Statutes of 2000, Chapter 932 [AB 1002], in effect January 1, 2001).

Potentially, the additional positions could increase revenues by an estimated $4,400,000 beginning in FY 2009-10 based on an increase of 1% of current revenues. We are making a conservative revenue estimate using 1% of the current fund revenues of $440 million for purposes of developing this BCP because the compliance rate is virtually unknown and un-audited. Audits may also produce refunds; show areas where educational outreach is necessary and identify for registration purposes consumers of natural gas as well as provide clarification of the tax laws. The benefit to cost ratio for this proposal is estimated to be 17.1 to 1 for FY 2009-10, and 20.3 to 1 in FY 2010-11 and 2011-12.

Staff recently reviewed California Public Utility Commission (PUC) records for the year 2004 and compared to BOE revenue figures for that period. The PUC data indicates 11,752,317 million therms of natural gas, subject to the surcharge, were consumed in 2004. Detailed public utility gas corporation records obtained from the PUC website were reviewed that allocate 10,419,662 million therms, by surcharge reporting category, for the "big three" natural gas public utility corporations, Pacific Gas and Electric, San Diego Gas and Electric, and Southern California Gas with the remaining 1,332,655 million therms attributed to the smaller utilities and consumers of natural gas. This analysis concluded that for the year 2004 there is a potential statewide underreporting of the surcharge of between $32 million to $52 million dollars.

Request

The requested 1.0 Business Taxes Specialist I position will verify payments by program registrants and identify non-registered consumers (primarily non-utility company resellers of natural gas) who are required to pay the surcharge directly to the BOE. The requested 1.0 Tax Technician III position's workload will consist of registration, return processing, refunds, delinquencies and collections.

Currently space is not available on the 18th floor to accommodate these 2.0 new positions and alternative housing arrangements will be required.

Current Need

Natural Gas Surcharge revenues are used to fund critically important and legislatively mandated programs of low-income assistance, energy conservation, and other related purposes. During the first eight years that this surcharge program has been in existence, due to the high level of oversight provided by the California Public Utilities Commission and other, state and federal, government agencies, there had not been a need for an aggressive audit program of the eight public utility gas corporations and the three consumers registered with the BOE. However, with

increases in the number of industrial consumers who are directly "tapping" into interstate natural gas transmission pipelines, BOE requires resources to proactively identify, register, and audit these new users.

Workload to be Addressed

Existing Excise Taxes Division (ETD) staff has performed limited outreach to identify consumers that has been largely unsuccessful. Without the requested resources ETD will be unable to actively identify and register consumers and verify the correct payment of natural gas surcharge as required by the enabling legislation.

STATE BOARD OF EQUALIZATION
FISCAL YEAR 2009-10
PROPOSAL No. XX

TITLE OF PROPOSED CHANGE:

Natural Gas Public Purpose Programs Surcharge

SUMMARY OF PROPOSED CHANGES:

This proposal requests $257,000 (Special Funds) in fiscal year (FY) 2009-10 and $217,000 (Special Funds) in FY 2010-11 and 2011-12 to establish 2.0 three-year limited term positions to meet workloads consisting of identifying, registering, auditing and verifying Natural Gas, Public Purpose Programs Surcharge (PPPS) payments required to be made to the Board of Equalization (BOE) by natural gas utilities and consumers of natural gas drawn directly from pipelines, per the enabling legislation, Assembly Bill (AB) 1002 (Chapter 932, Statutes of 2000).

Potentially, the additional positions could increase revenues by an estimated $4,400,000 beginning in FY 2009-10 based on an increase of 1% of current revenues. We are making a conservative revenue estimate using 1% of the current fund revenues of $440 million for purposes of developing this BCP because the compliance rate is virtually unknown and un-audited. Audits may also produce refunds; show areas where educational outreach is necessary and identify for registration purposes consumers of natural gas as well as provide clarification of the tax laws. The benefit to cost ratio for this proposal is estimated to be 17.1 to 1 for FY 2009-10, and 20.3 to 1 in FY 2010-11 and 2011-12.

STATE BOARD OF EQUALIZATION

Fiscal Year 2009-10

Natural Gas Public Purpose Programs Surcharge

A. Nature of Request

This proposal requests $257,000 (Special Funds) in fiscal year (FY) 2009-10 and $217,000 (Special Funds) in FY 2010-11 and 2011-12 to establish 2.0 three-year limited term positions to meet workloads consisting of identifying, registering, auditing and verifying Natural Gas, Public Purpose Programs Surcharge (PPPS) payments required to be made to the Board of Equalization (BOE) by natural gas utilities and consumers of natural gas drawn directly from pipelines, per the enabling legislation, Assembly Bill (AB) 1002 (Chapter 932, Statutes of 2000).

California Public Utility Commission (PUC) records for the year 2004 were reviewed by staff and compared to BOE revenue figures for the same period. The PUC data reports 11,752,317 million therms of natural gas, subject to the surcharge, were consumed in 2004. Public utility gas corporation records obtained from the PUC website were analyzed that allocate 10,419,662 million therms, by surcharge reporting category, for the "big three" natural gas public utility corporations, Pacific Gas and Electric (PG&E), San Diego Gas and Electric (SDG&E), and Southern California Gas (SCG), with the remaining 1,332,655 million therms attributed to the smaller utilities and consumers of natural gas. Staff analysis of this data concluded that for the year 2004 there is a potential statewide underreporting of the surcharge of between $32 million to $52 million dollars.

Staff analysis of potential underreporting of the surcharge is supported in prepared testimony provided the PUC by the "big three" public utilities, PG&E, SDG&E and SCG in Joint Application 07-12-006[1] made on December 11, 2007, that stated, in part:

> "PPPS [surcharge] costs represent 20-30 percent of the transportation bill for medium-sized industrial customer. Some customers may be taking service from alternate service providers not paying the "non-bypassable" PPPS charge to the BOE. The non-bypassable aspect of AB 1002 depends on the enforcement efforts of the BOE. If the BOE does not vigorously pursue collection of all PPPS amounts owed, customers of interstate pipelines can effectively bypass PPPS. The greater the potential tax obligation related to PPPS, the more a customer has to gain from "taking their chances" and not paying the tax."

This request provides benefits in two parts, in addition to providing for the auditing of natural gas surcharge payments of registered accounts, this proposal also allows for the minimum of required resources, on a pilot program basis, to identify and register new consumers of natural gas. Consumers of natural gas are required to voluntarily register with the BOE to report and pay the surcharge. However, as stated in the public utilities testimony referenced above, if the BOE does not vigorously pursue collection of all surcharge amounts owed,

[1] Joint Application 07-12-006, December 11, 2007 Southern California Gas Company, San Diego Gas and Electric Company, Pacific Gas and Electric Company – State Mandated Social Program Cost Allocation – Prepared Testimony, Page 1-11.

consumers of natural gas can effectively bypass the surcharge. This proposal allows for outreach to inform, identify and register consumers of natural gas subject to the surcharge not currently registered with the BOE.

The BOE presently receives funding of $416,000 annually (Governor's FY 2007-08 Budget) to administer the program but no positions have been established to perform the work. Of this funding, the Excise Taxes Division (ETD) receives the equivalent of .6 PY annually to perform program work with the balance of the funding being allocated primarily to the BOE's Technology Services Division for information technology from a FY 2003-04 deficiency adjustment and net zero impact budget revision that reallocated program funding sources. This proposal requests that this funding be augmented to provide resources to address actual program workloads and approval to establish 2.0 limited-term positions in the ETD. For the most part, the ETD is only able to provide the minimal processing of returns that come in each quarter. ETD administers seven tax programs which have grown significantly to the point where we cannot continue to redirect staff from other programs to address the critical surcharge program workloads without adversely affecting other programs or causing backlogs.

The requested 1.0 Business Taxes Specialist I (BTS I) position will perform audits of registrants and survey providers to identify non-registered consumers (primarily non-utility company resellers of natural gas) who are required to pay the surcharge directly to the BOE. The requested 1.0 Tax Technician III (TT III) position's workload will consist of registration, return processing, refunds, delinquencies and collections.

Natural Gas PPPS revenues are used to fund critically important and legislatively mandated programs of low-income assistance, energy conservation, and other similar purposes. During the eight years this surcharge program has been in existence there have been no audits conducted of the program's registrants. Both public utility gas corporations and consumers of natural gas are required to register with the BOE and pay the surcharge; during this eight year period only three consumers and eight large public utility gas corporations have voluntarily registered with the BOE. The ETD has performed limited outreach to identify consumers that has been largely unsuccessful. Without the requested resources ETD will be unable to actively identify and register consumers of natural gas as required by the enabling legislation.

Per analysis of PUC data reflecting potential underreporting of the surcharge of between $32 and $52 million for the representative year 2004, and through the identification of new revenue sources resulting from outreach to identify and register additional consumers of natural gas, the BOE believe additional annual revenue of $4.4 million annually will be generated per this proposal.

This is a conservative estimate based on an annual 10% audit recovery at the low end of the identified underreporting of the surcharge that is bolstered by any additional revenue generated from the identification and registration of consumers of natural gas not currently registered with the BOE. For purposes of developing this BCP, because the compliance rate is virtually unknown and unaudited we are requesting resources on a three year limited-term pilot program in order to determine effectiveness of the program and document results.

The benefit to cost ratio for this proposal is estimated to be 17.1 to 1 for FY 2009-10, and 20.3 to 1 in FY 2010-11 and ongoing.

B. Background/History

The Natural Gas Surcharge Law, Article 10 (commencing with section 890) of Chapter 4 of Part 1 of Division 1 of the Public Utilities Code, imposes a surcharge on all natural gas consumed in this state for the funding of public purpose programs. Public purpose programs fund low-income rate assistance, weatherization, energy efficiency, conservation and public interest research programs. The BOE is responsible for the collection of surcharges collected by public utility gas corporations, as defined in subdivision (b) of section 891, and from consumers who purchase natural gas from interstate pipelines, as defined in subdivision (c) of section 891. This request would establish BOE resources to administer the program as required and intended by the legislation in support of these worthwhile low-income public purpose programs. The program generated significant, yet unaudited, revenues of $440,430,000 in FY 2006-07.

The BOE administers and collects the surcharge on natural gas that is regulated by the PUC on natural gas utility service for approximately 10.7 million customers that receive natural gas from PG&E, SCG, SDG&E, Southwest Gas, and several smaller natural gas utilities.

Most of the natural gas used in California comes from out-of-state natural gas basins. In 2005, California customers received 37% of their natural gas supply from basins located in the Southwest, 23% from Canada, 25% from the Rocky Mountains, and 15% from basins located within California.

Natural gas from out-of-state production basins is delivered into California via the interstate natural gas pipeline system. The five major interstate pipelines that deliver out-of-state natural gas to California consumers are the Gas Transmission Northwest Pipeline, Kern River Pipeline, Transwestern Pipeline, El Paso Pipeline, and Mojave Pipeline. (Another pipeline, the North Baja – Baja Norte Pipeline, takes gas off the El Paso Pipeline at the California/Arizona border, and delivers that gas through California into Mexico.)

Most of the natural gas transported via the interstate pipelines, as well as some of the California-produced natural gas, is delivered into the PG&E and SCG intrastate natural gas transmission pipeline systems (commonly referred to as California's "backbone" natural gas pipeline system). Natural gas on the utilities' backbone pipeline systems is then delivered into the local transmission and distribution pipeline systems, or to natural gas storage fields. Some large noncore customers take natural gas directly off the high-pressure backbone pipeline systems, while core customers and other noncore customers take natural gas off the utilities' distribution pipeline systems.

Some of the natural gas delivered to California customers may be delivered directly to them without being transported over the regulated utility systems. For example, the Kern River/Mojave pipeline system can deliver natural gas directly to some large customers, "bypassing" the utilities' systems. Much of California-produced natural gas is also delivered directly to consumers.

Although most of California's core customers purchase natural gas directly from the regulated utilities, core customers have the option to purchase natural gas from independent, unregulated natural gas marketers. Most of California's noncore customers, on the other hand, make natural gas supply arrangements directly with producers or purchase natural gas from marketers.

Low-income public assistance programs and cost-effective energy efficiency and conservation activities funded by the surcharge include, California Alternate Rates for Energy, Research, Development and Demonstration, Energy Efficiency, Low Income Energy Efficiency, Self-Generation Incentive Program. These state-mandated natural gas surcharge social programs are public benefit programs in the form of rate discounts which are funded by customers through natural gas rates, and are based on the amount of natural gas consumed. These programs, in part, provide rate discounts to qualifying low-income California utility customers, provide for home weatherization at no cost, fund research and development in new gas technology, provide affordable low emission, and energy-efficient gas combustion equipment.

The Associated Press, reported on July 17, 2008 that the cost of natural gas rose 42%[2] between July 2007 and July 2008. The PUC has adjusted the surcharge rate up proportionally to cover these increased costs and unaudited revenues collected by the BOE have increased 246% from $179,107,000 in 2001 to $440,430,000 in 2007.

Deregulation has provided consumers increasing opportunities for obtaining natural gas directly from interstate pipelines and the BOE is currently without resources to identify, educate and register consumers and collect the surcharge on the natural gas they obtain directly from interstate pipelines. This proposal would establish positions for use in program specific activities of identification, education, registration, of consumers of natural gas, auditing of program registrants, and return processing. The current fully allocated appropriation would continue to be utilized by other work areas at BOE to perform program related tasks.

C. State Level Consideration

This proposal is consistent with the BOE's strategic plan goals and objectives of improving taxpayers' knowledge of the legal requirements for doing business in California. Consistent with this objective, the BOE will: Develop creative tools and marketing and outreach programs to educate California's diverse taxpayer base and provide them with the information and materials they need to comply with their legal responsibilities and to identify and analyze areas of noncompliance and develop approaches to address targeted areas of concern.

In addition, this proposal allows the BOE to comply with the provisions of the California Natural Gas Surcharge Law which requires the BOE to administer the surcharge supporting the PUC that establishes the surcharge rate to fund low-income assistance programs and cost effective energy efficiency and conservation activities and public interest research and development. The BOE is required to identify, register and collect the surcharge from both consumers of natural gas delivered by an interstate pipeline and public utility gas corporations.

[2] 10 therms, Pacific Gas and Electric baseline, last July $13.45, now $19.14.

D. Justification/Analysis of All Feasible Alternatives

Alternative 1 - Approve budget augmentation for 2.0 staff positions and related resources, on a three-year limited-term basis.

This proposal requests funding and authority to establish 2.0 positions and related resources, beginning July 1, 2009 on a three-year limited-term basis. This alternative would provide resources and staffing to allow the ETD to efficiently administer the program and also provides time to document benefits achieved before committing to permanent funding. These resources will allow ETD to efficiently administer the program by performing audit verification of surcharge payments and educational outreach, increase voluntary compliance, and increase efficiency and effectiveness with processing new and ongoing workloads in the Natural Gas Surcharge Program. This alternative is recommended in order to provide the BOE with adequate staff to conduct actual program workloads and protect the state's tax revenue base.

Summary of Positions requested

	FY 2009-10		FY 2010-11		Ongoing	
	Positions	OT Hours	Positions	OT Hours	Positions	OT Hours
Tax Technician III 1/	1.0	50.0	1.0	50.0	1.0	50.0
Business Taxes Spec. I 2/	1.0	0.0	1.0	0.0	1.0	0.0
Total Positions/Resources	**2.0**	**50.0**	**2.0**	**50.0**	**2.0**	**50.0**

1/ Position based on 1,800 hours.
2/ Position based on 1,600 hours.

Tax Technician III (TT III)

The establishment of 1.0 TT III position is requested to handle new and ongoing workloads related to consumers of natural gas and public utility gas corporations that are currently registered or may not be registered with the ETD to collect or pay the surcharge. This workload, as directed by the BTS I program lead, includes review of public utility gas corporation records and other source documents to identify and contact potential consumers of natural gas for registration with the BOE. This workload includes extensive telephone and written contact with private, public and government entities that may be subject to the surcharge. In addition to this outreach in identifying and registering natural gas suppliers and consumers, TT III duties include, maintaining current registration information, tax return review and processing to detect errors, initiating refunds, adjusting incorrect payments, clearing delinquencies, issuing billings, working on accounts receivable collection cases, appeals process workload relating to petitions on determinations and claims for refund, providing program information to interested parties, and supplying program specific statistical data (including PUC reports) as required (see Exhibit I on page 10 for workload details).

Business Taxes Specialist I (BTS I)

The BTS I position is responsible for the overall effectiveness of the surcharge program. The BTS I will audit surcharge program registrants and verify the public utility gas corporations and consumers of natural gas are reporting correctly. In the last eight years there has been no audit presence and very limited educational outreach. As a result, the potential is high that problems with voluntary compliance, misreporting and even over-collection may exist. The BTS I position is vital to the effective administration of this program in verifying and auditing the accounts required to be registered to pay the surcharge. Part of the BTS I duties will be to coordinate an annual survey requesting that out-of-state pipeline utilities and in-state public utilities provide information regarding consumers of natural gas who draw directly off natural gas pipelines.

While the low-income public purpose program costs funded by the surcharge and the resulting surcharge rate have increased dramatically[3] since inception of the program in 2001 the reported revenue has gone unverified and unaudited as there are no staff or resources to address the workload. It is critically important that audit and outreach resources be provided, to audit and verify that surcharge payments that fund the low-income public policy programs are fully realized especially in view of recent soaring energy costs. A senior level staff auditor (BTS I) is needed in the program to perform this verification of surcharge payments made by the large public utility gas corporations that utilize complex tracking and reporting systems and the consumers of natural gas that draw natural gas directly from interstate pipelines under the control of the natural gas public utility corporations. The BTS I functions as a program lead with a high level of expertise and provides technical guidance and training to staff in addition to performing outreach and field audits. This position also evaluates, researches, controls, and corresponds with taxpayers on petitions for redetermination and claims for refund, which may generate additional field work (see Exhibit I on page 10 for workload detail).

Pros:

- Provides the required positions and resources for BOE to effectively administer the Natural Gas Surcharge Program on a three year limited-term basis.
- Funds a pilot program to provide protection of annual surcharge revenue base while ensuring compliance with the tax laws, and protects the public who remit these taxes from over collection.
- Provides the required positions and resources for a pilot program to effectively perform critical identification and registration of consumers of natural gas and time to document results.
- Increases revenues which support a variety of public purpose programs (such as low-income assistance, weatherization, and energy efficiency, conservation and public interest research programs.)
- Allows time to document benefits of having additional staff before committing to permanent establishment.
- Provides adequate level of staff to address immediate workload needs.

Cons:

- Meets workload needs temporarily when workload indicators support on-going need.
- Hinders ability to recruit, hire, train and maintain quality staff because of limited-term assignment.

[3] See industry comments detailed in footnote #1.

Alternative 2 - Approve budget augmentation for 2.0 staff positions and related resources on a permanent basis for the Natural Gas Surcharge Program.

This alternative requests funding and authority to establish permanent baseline funding for 2.0 positions and related resources beginning July 1, 2009. These resources will allow ETD to efficiently administer the program by performing audit verification of surcharge payments and educational outreach, increase voluntary compliance, and increase efficiency and effectiveness with processing new and ongoing workloads in the Natural Gas Surcharge Program. This alternative is recommended in order to provide the BOE with adequate staff to conduct actual program workloads and protect the state's tax revenue base.

Pros:

- Provides the required positions and resources for BOE to effectively administer the Natural Gas Surcharge Program.
- Provides protection of annual surcharge revenue base while ensuring compliance with the tax laws, and protects the public who remit these taxes from over collection.
- Provides the required positions and resources for BOE to effectively perform critical identification and registration of consumers of natural gas.
- Increases revenues which support a variety of public purpose programs (such as low-income assistance, weatherization, and energy efficiency, conservation and public interest research programs).

Cons:

- Establishes new permanent positions.
- Requires a special fund budget augmentation to provide resources.

E. Facility/Capital Outlay Consideration

BOE is currently completing a "restacking plan" for BOE's Headquarter building. This plan will allow BOE to address current optimum occupancy issues, align program functions/activities, identify additional offsite lease space, and for growth.

F. Outcomes and Accountability

This proposal will be implemented beginning July 1, 2009. The outcomes identified in this BCP and associated revenue gain will be measured by the number of new registrations, return filings, billings, audit leads, and audit recovery. Statistical reports that provide detailed and summarized compliance and audit results are currently in place and are reported on a monthly, quarterly and yearly basis to management and other stakeholders. The program's supervisory team will maintain control and oversight of program operations.

G. Timetable

The BOE requests establishment of the positions beginning July 1, 2009.

January 2009 – June 2009	July 2009 – June 2010 (BY)	July 2010 – June 2011 (+1 & Ongoing)
• Advertise employment positions to begin Fiscal Year 2009-10 • Develop enhanced registration procedures • Develop industry and consumer educational outreach • Develop audit procedures	• Hire and train 1.0 BTS I effective July 1, 2009 • Hire and Train 1.0 TT III effective July 1, 2009 • Finalize outreach and audit procedures • Identify consumer of natural gas • Train TT III compliance position to increase efficiency in return processing, billing adjustments, clearing delinquencies, processing refunds, and outreach support functions • Review and revise program activities and procedures as warranted	• Increase outreach • Increase identification of consumers of natural gas • Increase number of accounts for audit selection • Increase efficiency in return processing, billing adjustments, clearing delinquencies, processing refunds, and outreach support • Evaluate program activities and procedures and revise as warranted

H. Recommendation

Alternative 1 is recommended to provide the necessary staff and resources on a three-year limited-term basis for the BOE to efficiently and effectively administer the Natural Gas Surcharge Program in the collection of taxes for disbursement to the state's Gas Consumption Surcharge Fund in support of vitally important low-income, energy related, public purpose assistance programs.

I. Fiscal Detail

See attached "Fiscal Detail" schedules.

Tax Tech III Workload Detail

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	H = Hours M = Minutes	Time Per Occurrence	Occurrences Per Year	Total Hours
Tax Technician III					
	Industry and Consumer Outreach	H	5.0	100	500
	Identify and Register Consumers	H	3.5	250	875
	Audit Direct Support	M	30.0	100	50
	Telephone Inquiry and Advisory Support	M	15.0	600	150
	Correspondence	M	15.0	200	50
	Account Maintenance & Registration	M	30.0	60	30
	Return Processing & Verification	M	30.0	60	30
	Billings & Refunds	H	1.0	25	25
	Appeals Processing	H	5.0	10	50
	Statistical Reports & Special Projects	H	1.0	90	90
	Total Hours per year				**1,850**
	Position based on 1,800 hours				**1.0**
	Overtime				**50**

BTS I Workload Detail

Workload Detail					
		Time Measure		On-going Activities	
Classification	Activity	H = Hours M = Minutes	Time Per Occurrence	Occurrences Per Year	Total Hours
Business Taxes Specialist I					
	Industry and Consumer Outreach	H	5.0	150	750
	Field Audit	H	50.0	10	500
	Desk Audit	H	25.0	10	250
	Audit Review, Appeals, Billings, Refunds, Reports and Special Projects	H	5.0	20	100
	Total Hours per year				**1,600**
	Position based on 1,600 hours				**1.0**

BCP No.
DATE: August 19, 2008

STATE OF CALIFORNIA
BUDGET CHANGE PROPOSAL--FISCAL DETAIL
STATE OPERATIONS
FISCAL YEAR 2009-10
(Dollars in Thousands)

Title of Proposed Change: Natural Gas Public Purpose Programs Surcharge

Program/Element/Component: 75 - Natural Gas Surcharge Program

	PERSONNEL YEARS					
	CY	BY	BY + 1	CY	BY	BY + 1
TOTAL SALARIES AND WAGES _a/		2.0	2.0		$114	$114
Salary Savings		-.1	-.1		-6	-6
NET TOTAL SALARIES AND WAGES		1.9	1.9		108	108
Staff Benefits_a/					40	40
Distributed Administration_b/					19	16
TOTAL PERSONAL SERVICES		1.9	1.9		$167	$164

OPERATING EXPENSE AND EQUIPMENT		
General Expense	$22	$4
Distributed Administration	5	4
Printing		
Communications	1	1
Postage		
Travel--In-State	20	20
Travel--Out-of -State		
Training	1	1
Facilities Operations	40	23
Consulting & Professional Services: Interdepartmental		
Consulting & Professional Services: External		
Department of Technology Services		
Data Processing	1	
Equipment		
Other Items of Expense: (Specify Below)		

_a/ See page 13 of 13 for itemized staff benefits and classification detail.

_b/ Represents Distributed Administration costs resulting from this BCP. The Distributed Administration costs for existing BOE programs will reflect a corresponding decrease which will be addressed in the Planning Estimate process.

		BCP No.		
		CY	BY	BY + 1
TOTAL OPERATING EXPENSE AND EQUIPMENT			$90	$53
TOTAL EXPENDITURES (State Operations)			$257	$217
Source of Funds				
General Fund	(0001)			
Special Funds:				
Breast Cancer Fund	(0004)			
State Emergency Telephone	(0022)			
Motor Vehicle Fuel Account	(0061)			
Occupational Lead Prevention Fund	(0070)			
Childhood Lead Poisoning Prev. Fund	(0080)			
Cig. and Tobacco Prod. Surtax Fund	(0230)			
Oil Spill Prevention and Admin. Fund	(0320)			
Integrated Waste Management	(0387)			
Underground Storage Tank Fund	(0439)			
Energy Resources Programs Account	(0465)			
CA. Children and Families First Trust Fund	(0623)			
Federal Trust Fund	(0890)			
Timber Tax Fund	(0965)			
Gas Consumption Surcharge Fund	(3015)		257	217
Water Rights Fund	(3058)			
Elec. Waste Recovery and Recycling Acct.	(3065)			
Cig. and Tobacco Prod. Compliance Fund	(3067)			
Federal Funds				
Other Funds				
Reimbursements	(0995)			
Net Total Augmentation (Source of Funds)			$257	$217

DETAIL OF STAFF BENEFITS AND PERSONAL SERVICES

Staff Benefits Detail:	CY	BY	BY + 1
		(Whole Dollars)	
OASDI		$8,262	$8,262
Health Insurance		12,673	12,673
Retirement		18,117	18,117
Workers' Compensation		43	43
Industrial Disability Leave		76	76
Non-Industrial Disability Leave		55	55
Unemployment Insurance		16	16
Other		281	281
TOTAL		$39,523	$39,523

Classification	Positions CY	Positions BY	Positions BY + 1	Salary Range _a/	Amount CY	Amount BY	Amount BY + 1
Property Special Taxes Department							
Excise Taxes Division							
Bus. Taxes Spec. I		1.0	1.0	$74,016		$74,016	$74,016
Tax Technician III		1.0	1.0	39,036		39,036	39,036
Blanket Funds:							
Overtime (Various)						1,408	1,408
Temporary Help							
TOTAL SALARIES AND WAGES		2.0	2.0			$114,460	$114,460

_a/ The salary is the mid-step of the salary range for the stated classification.

DEPARTMENT: State Board of Equalization
BCP NO.
FISCAL YEAR 2009-10
DATE:

SUPPLEMENTAL INFORMATION

Dollars in Thousands

		Current Year	Budget Year	Budget Year + One
Proposed Equipment:				
N/A				
	Total			
Proposed Contracts:				
N/A				
	Total			
One-Time Costs:				
General Expense			$18	
Facilities Operations			17	
Data Processing			1	
	Total		$36	
Future Savings:				
N/A				
	Total			
Full-Year Cost Adjustments:				
N/A				
	Total			