

BOE FY 2012/13 BUDGET CHANGE PROPOSAL OVERVIEW
(as of 09/09/11 - in 000's)

Budget Items	2012/13				2013/14			
	Positions	Total Cost	Revenue	Benefit/ Cost Ratio	Positions	Total Cost	Revenue	Benefit/ Cost Ratio
<p>BCP's - Chaptered Bills - Trailer Bills</p> <p>Trailer Bill: ABx 1 28 - Use Tax Nexus: This bill would require businesses engaging in online sales to pay tax. This budget trailer bill would define a "retailer engaged in business in this state" for purposes of imposing a use tax collection obligation on that retailer, to include any retailer that has substantial nexus with California for purposes of the Commerce Clause of the United States Constitution and any retailer upon whom federal law permits this state to impose a use tax collection duty.</p> <p>*Assembly Bill (AB) 155 has recently been amended to repeal and reenact the provisions of ABx1 28 with an urgency clause that will require a two-thirds vote. If this law is passed, the referendum should no longer be valid. BOE will revise fiscal summaries if AB 155 is passed.</p>	37.0	\$4,775	\$200,000	_a/ 49.3:1	40.0	\$4,465	\$200,000	_a/ 46.9:1
		GF: \$3,104 R: \$1,671				GF: \$2,902 R: \$1,563		
<p>Trailer Bill: ABx 1 29 - Fire Prevention Fee: This bill would require the BOE to assess and collect a fire prevention fee charged for each structure on a parcel that is within a state responsibility area. The bill would require the State Board of Forestry and Fire Protection, on or before September 1, 2011, to adopt emergency regulations to establish a fire prevention fee in an amount not to exceed \$150 on each structure subject to the fee.</p> <p>*Assembly Bill (AB) x1 24 has been amended to reflect clean-up language prepared at the direction of the Department of Finance and the Department of Forestry and Fire Protection. The current language includes a direct appropriation for BOE. BOE will revise fiscal summaries, if necessary, if ABx1 24 is passed.</p>	69.2	\$8,851	TBD	_b/	69.2	\$7,160	_b/	
		GF: \$8,851				SF: \$7,160		
<p>BCP: Tax Gap II: This proposal addresses California's estimated \$2.3 billion sales and use tax gap by enhancing the previous efforts included in the Tax Gap I Initiatives plan (BCP #2 FY 2008-09) for fiscal years 2008-09 through 2010-11 as well as undertaking new efforts that focus on improved compliance related to the following three areas: use tax, registered taxpayers, and non-filers and tax evaders.</p>	18.0	\$4,386	\$14,950	3.4:1	18.0	\$1,688	\$14,950	8.9:1
		GF \$2,928 R \$1,458				GF \$1,155 R \$533		
Total:	124.2	\$18,012	\$214,950	-	127.2	\$13,313	\$214,950	-

_a/ Revenues based on Legislative Budget Committee projections. Discussions with DOF have resulted in revised administrative costs.

_b/ The Fire Protection fee has been established at \$90 and \$70 with some expemtions possible. Revenues for the fee have not been calculated. Original bill estimated revenues at \$200,000,000. CalFire will also incur costs to administer the program.