



# STATE BOARD OF EQUALIZATION STAFF LEGISLATIVE BILL ANALYSIS

Date Amended:	<b>05/13/10</b>	Bill No:	<b><a href="#">AB 2788</a></b>
Tax:	<b>Special Taxes</b>	Author:	<b>Committee on Revenue &amp; Taxation</b>
Related Bills:	<b>SB 63 (Ch. 21, Stats. 2009)</b>	Position:	<b>Support as Sponsor</b>

## BILL SUMMARY

This bill contains **Board of Equalization (Board) sponsored provisions** to do the following:

- Amend Revenue and Taxation Code (RTC) Sections 41030, 41031, 41032, 41136.1, 41137, 41137.1, 41138, 41139, 41140, 41141, and 41142, to correct the responsible state agency reference in the **Emergency Telephone Users (911) Surcharge Act** to conform to the Governor's Reorganization Plan 1.
- Amend RTC Sections 45855, 45863, 45981, and 45982 and amend Public Resources Code Section 42463 to correct the responsible state agency reference in the **Integrated Waste Management Fee Law** to conform to statutory changes.

**Correct State Agency Reference in the  
Emergency Telephone Users (911) Surcharge Act**  
*Amends Sections 41030, 41031, 41032, 41136.1, 41137, 41137.1,  
41138, 41139, 41140, 41141 and 41142 of the Revenue and Taxation Code*

## ANALYSIS

### CURRENT LAW

Under existing law, the 911 Surcharge Act (Part 20 (commencing with Section 41001) of Division 2 of the RTC) imposes a surcharge on amounts paid by every person in the state for (1) intrastate telephone communication services in this state, and (2) Voice over Internet Protocol (VoIP) service that provides access to the "911" emergency system by utilizing the digits 9-1-1 by any service user in this state.

Until January 1, 2010, Section 41030 required the Department of General Services (DGS) to annually determine the surcharge rate that it estimates will produce sufficient revenue to fund the current fiscal year's 911 costs. The DGS was required to make its determination of the surcharge rate each year no later than October 1 and notify the Board of the new rate, pursuant to Section 41031. Immediately upon notification by the DGS, Section 41032 required the Board to publish the new rate in its minutes and notify service suppliers of the new rate, as described. The surcharge rate is presently 0.50 percent of the amounts paid for intrastate telephone service and VoIP service in this state.

The surcharge is paid to the Board and deposited in the State Treasury to the credit of the State Emergency Telephone Number Account in the General Fund. In part, the funds in this account are used to pay the DGS for its cost to administer the 911 emergency telephone number system.

Effective May 10, 2009, the Governor's Reorganization Plan (GRP) 1 consolidated state information technology functions under office of the State Chief Information Officer

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(OCIO). Among other things, the GRP 1 transferred all the duties, functions, employees, property, and related funding of the DGS's Division of Telecommunications to the OCIO. The Telecommunications Division was previously responsible for determining the 9-1-1 surcharge rate each year and for the administration of the 9-1-1 emergency telephone number system.

#### **PROPOSED LAW**

This bill would amend Section 41030, 41031, 41032, 41136.1, 41137, 41137.1, 41138, 41139, 41140, 41141, and 41142 of the RTC to simply make the necessary state agency reference correction, from the DGS to the office of the OCIO, under the 911 Surcharge Act to conform to the GRP 1.

#### **COMMENTS**

**Purpose.** This provision would simply make the necessary state agency reference correction, from the DGS to the OCIO, under the 911 Surcharge Act to conform to the GRP 1.

**Correct a State Agency Reference in the Integrated Waste Management Fee Law**  
*Amend Revenue and Taxation Code Sections 45855, 45863, 45981, and 45982*  
*and Public Resources Code Section 42463*

#### **ANALYSIS**

##### **CURRENT LAW**

**Integrated Waste Management (IWM) Fee Law.** Under current law, Division 30 (commencing with Section 40000) of the Public Resources Code (PRC), known as the California Integrated Waste Management Act of 1989, imposes an IWM fee on each operator of a disposal facility based on the amount, by weight or volumetric equivalent, as determined by the Department of Resources Recycling and Recovery (DRRR), of all solid waste disposed of at each disposal site.

The IWM fee is collected and administered by the Board in cooperation with the DRRR pursuant to the Integrated Waste Management Fee Law (Part 23 (commencing with Section 45001) of Division 2 of the RTC).

**Covered Electronic Waste Recycling Fee (eWaste Act).** Under existing law, the eWaste Act (Chapter 8.5 (commencing with Section 42460) of Part 3 of Division 30 of the PRC) requires a consumer to pay a fee of a specified amount upon the purchase of a new or refurbished covered electronic device.

The Board collects and administers the eWaste fees in partnership with the DRRR. For purposes of the eWaste Act, PRC Section 42463 contains definitions for various terms, including, but not limited to, the term "board," which is defined to mean the CIWMB. The term "board" is also defined as the DRRR in PRC Section 40110, which governs the California Integrated Waste Management Act of 1989, including the eWaste Act.

### PROPOSED LAW

This bill is a housekeeping measure that would amend Sections 45855, 45863, 45981, 45982 of the RTC to simply make the necessary state agency reference correction (from IWMB to the DRRR) to the Integrated Waste Management Fee Law to conform to Senate Bill 63.

This bill would also amend Section 42463 of the PRC, to delete the definition of “board” contained in the eWaste Act in the PRC. The term is already correctly defined in the California Integrated Waste Management Act of 1989 (Section 40110), which governs the eWaste Act.

### BACKGROUND

Effective January 1, 2010, Senate Bill 63 (Chapter 21, Statutes of 2009), among other things, abolished the CIWMB and transferred its duties and responsibilities to the DRRR, within the California Natural Resources Agency, which the bill also created.

Among other things, Senate Bill 63 amended various sections of the PRC and the Government Code to replace “CIWMB” with “DRRR,” including PRC Section 40400, which now reads, in part: “Any reference in any law or regulation to the ... California Integrated Waste Management Board shall hereafter apply to the Department of Resources Recycling and Recovery.” Section 40401 was likewise amended to read, in part: “Except as otherwise specified by statute, the Department of Resources Recycling and Recovery succeeds to and is vested with all of the authority, duties, powers, purposes, responsibilities, and jurisdiction of the former California Integrated Waste Management Board.”

Senate Bill 63 did not, however, amend any of the RTC sections of the Integrated Waste Management Fee Law that reference the CIWMB. Senate Bill 63 also did not revise the definition of “board” for purposes of the eWaste Act.

### COMMENTS

**Purpose.** This provision would simply make the necessary state agency reference correction (from IWMB to the DRRR) to the Integrated Waste Management Fee Law in the RTC to conform to Senate Bill 63.

This bill would also delete the definition of “board” contained in the eWaste Act in the PRC. The term is already correctly defined in the California Integrated Waste Management Act of 1989 (Section 40110), which governs the eWaste Act.

### COST ESTIMATE

Enactment of this bill would not impact the Board’s administrative costs.

### REVENUE ESTIMATE

This bill would not affect the revenues collected for the state by the Board.

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