

STATE AND CONSUMER SERVICES

The State and Consumer Services Agency's (SCSA) mission is to help educate consumers and make government more efficient, effective, and accountable for all California taxpayers. The SCSA entities are responsible for civil rights enforcement, consumer protection, and the licensing of 2.5 million Californians in more than 240 different professions. The SCSA entities provide oversight and guidance for the procurement of more than \$8.9 billion worth of goods and services, the management and development of state real estate, operation and oversight of two state employee pension funds, collection of state taxes, hiring of state employees, adoption of state building standards, and the administration of two state museums.

The 2011-12 Governor's Budget includes total funding of \$33.1 billion (\$597.3 million General Fund) and 15,955.5 positions for all SCSA entities.

CALIFORNIA SCIENCE CENTER

The California Science Center is a state-funded museum that provides free admission to their permanent exhibits, including the exhibits at the California African American Museum. Exhibits focus on science, math, and technology as well as the history, art, and culture of African Americans. While admission to the California Science Center is generally free, fees are charged periodically for various special exhibits. The Budget includes \$31.8 million (\$23.1 million General Fund, including \$4.8 million for rental payments used to pay lease revenue bonds, \$6.8 million Exposition Park

Improvement Fund, and \$1.9 million reimbursements) to support the operation of the California Science Center.

The significant General Fund solutions are as follows:

- Unallocated Reduction—An ongoing decrease of \$3.7 million beginning in 2011-12 for support of the California Science Center. The Budget will also authorize the California Science Center to establish a nominal admission fee to offset this reduction.

FRANCHISE TAX BOARD

The Franchise Tax Board (FTB) is tasked with administration of the state's personal income tax and corporations tax. Activities include tax return processing, filing enforcement, audit, and collection of delinquent amounts owed.

The significant General Fund solutions are as follows:

- Audit Workload Growth—An increase of \$3.2 million and 34 positions for discretionary workload in the Audit Program. This will result in General Fund revenues of \$6.5 million in 2011-12, increasing to \$13 million in subsequent years.
- Financial Institution Record Match—An increase of \$1.3 million and 3 positions for the Financial Institution Record Match (FIRM). Under FIRM, financial institutions will establish a quarterly records match process between their customer records and the FTB's records of delinquent taxpayers. If the records match shows a delinquent taxpayer has funds deposited with the financial institution, the institution would remit to the FTB an amount sufficient to satisfy the outstanding debt. Only those taxpayers whose tax debt has been fully adjudicated would be subject to FIRM. FIRM would build off of the existing, federally mandated Financial Institutions Data Match (FIDM) Program. Because FIRM would use the FIDM infrastructure, and because financial institutions would be allowed to recover fees for their costs, the institutions' costs will be negligible. This initiative will result in General Fund revenues of \$10 million accruable to 2010-11 and \$30 million in 2011-12.
- Voluntary Compliance Initiative—An increase of \$500,000 and 5 positions for a second Voluntary Compliance Initiative to reduce abusive tax shelters and other tax avoidance transactions. This initiative will result in General Fund revenues of \$56 million accruable to 2010-11 and \$40 million in 2011-12.