

FRANCHISE TAX BOARD MEETING

June 24, 2024

The Franchise Tax Board met in open session at 1:00 p.m. at the Franchise Tax Board, 9646 Butterfield Way, in Sacramento, California. Present were Controller Malia M. Cohen, Deputy State Controller Hasib Emran, Member Sally J. Lieber, and Member Michele Perrault, Department of Finance, for Member Stephenshaw.

Franchise Tax Board Staff Participating:

Selvi Stanislaus, Jozel Brunett, Shane Hofeling, Cristina Rubalcava, Brad Coutinho, Armon McConnell, Valorie Reynon, Matthew Miller, Doug Middleton, Thi Luong, Alaina Andrews, Michael Banuelos and Jeanne Harriman.

Other Participants:

Teri Olle - Economic Security California Action (E-Mail)

Dennis J. Ventry, Jr. - UC Davis

Ruben Sanchez – Haven Neighborhood Services

Erin Hogeboom – San Diego for Every Child

Stephanie Liem – Grace/End Child Poverty California

Yesenia Jimenez – Grace/End Child Poverty California

Danielle Bautista – United Ways of California

Monica Lazo – Economic Security California Action

Rebecca Gonzales – Western Center on Law & Poverty

Erendira Luna – Haven Neighborhood Services

America Valdin – Haven Neighborhood Services

Item 1. – Approval of Minutes

The minutes of the March 26, 2024 Franchise Tax Board meeting were approved 3-0.

Item 2. – 2023 Employee Awards

The Board received a presentation and watched a video detailing FTB's 2023 Employee Awards.

Item 3. – 2024 Filing Season Update

The Board received a staff report on FTB's 2024 Filing Season Update.

Public comments were received by Erendira Luna with Haven Neighborhood Services and

Ruben Sanchez with Haven Neighborhood Services.

Item 4. – MICE Initiative Update

The Board received a staff report on the MICE Initiative Update.

The Board adjourned for a five-minute recess. Upon calling the meeting back into session, Controller Malia M. Cohen joined the Board Meeting and took over duties as Chair.

Item 5. – Administrative Matters

A. Conceptual 2025-26 Budget Change Proposals

The Board received a staff report on the following Conceptual 2025-26 Budget Change Proposals:

1. Enterprise Data to Revenue (EDR2) Phase 2
2. Political Reform Audit Resources
3. Financial Information System for California (FI\$Cal) 2.0
4. Mainframe Storage Hardware/Software Refresh
5. Campus Security Guards
6. Field Office Leases
7. Contact Center Platform and Customer Callback Software Refresh

B. Contracts Over \$2 Million

FTB Staff requested Board approval of an Interagency Agreement with the California Department of Community Services and Development.

The Board voted 3-0 to approve the request.

Item 6. - CalEITC Filing Initiatives

Member Lieber introduced the agenda item for the Board's consideration. Upon the conclusion of Member Lieber's remarks, the Board received a staff report on the CalEITC Filing Initiatives: A Report on the Status of the Implementation of Concepts Presented in the FTB's SB 1409 Report to the Legislature to Increase Claims for the California Earned Income Tax Credit.

Public comments were received by the following individuals:

Dennis J. Ventry provided comment regarding data sources and timing issues with regard to CalFile and Direct File

Erin Hogeboom from San Diego for Every Child called in supporting a full integration between the IRS Direct File tool and CalFile.

Stephanie Liem with Grace/End Child Poverty California called in thanking FTB for aiming to streamline services for taxpayers. She expressed support for IRS's Direct File.

Yesenia Jimenez with Grace/End Child Poverty California called in supporting IRS's Direct File and support for its full integration with CalFile.

Danielle Bautista with United Ways of California called in supporting and urging the integration of CalFile and IRS's Direct File.

Monica Lazo with Economic Security California Action called in supporting IRS's Direct File.

Rebecca Gonzales with Western Center on Law & Poverty called in giving full support for the full integration between CalFile and IRS's Direct File.

Erendira Luna with Haven Neighborhood Services called in also giving support for the integration of CalFile and IRS's Direct File.

America Valdin with Haven Neighborhood Services called in supporting the CalFile and IRS's Direct File integration.

Written Public Comments were received from Teri Olle at Economic Security California Action.

Item 7. - Executive Officer's Time

Selvi had no comments to report.

Item 8. – Board Members' Time

Member Lieber made a request to the Board to have separate agenda item on the September Board Meeting regarding an all-government approach to the Earned Income Tax Credit.

Controller Cohen recognized an intern that joined her office, Azriel Jones.

Controller Cohen adjourned the meeting at 3:06 p.m.

Board Liaison

Date