

California Appendix

Key Subsidy Programs

| Program | Annual Cost | Monitoring, Enforcement & Penalty Score* |
|--|---------------------------|--|
| Employment Training Panel - workforce training grants funded by the Employment Training Tax; California's sole discretionary economic subsidy program | \$36,400,000 (2009) | 69/100 |
| Enterprise Zone Program - designated areas in which companies receive subsidies such as property tax abatements and corporate income tax credits for hiring new employees | \$670,000,000 (2012) | 28/100 |
| Film and TV Production Tax Credit - created in response to spread of film subsidies throughout the country; provides credits that may be applied against corporate income and/or sales and use taxes for expenditures made by film productions | \$100,000,000 (2012) | 38/100 |
| Research and Development Tax Credit - credit against corporate income tax for increased R&D expenditures | \$1,265,000,000 (2012) | 38/100 |
| Average Monitoring, Enforcement & Penalty Score for All Programs* | | 43/100 |

*Adjusted to reflect the program's performance standards score in *Money for Something*. See next page for unweighted scoring details.

| Money-Back Guarantees for Taxpayers Scoring Details for California Programs | | <i>Maximum possible score for category</i> | <i>Employment Training Panel</i> | <i>Enterprise Zone Program</i> | <i>Film and TV Production Tax Credit</i> | <i>Research and Development Tax Credit</i> |
|--|--|--|----------------------------------|--------------------------------|--|--|
| Reporting | Has a requirement that recipients report to agency on performance outcomes (20 pts) | 20 | 20 | 20 | 20 | 20 |
| Verification | Agency awarding subsidy verifies performance outcomes reported by recipient (20 pts) | 20 | 20 | 20 | 20 | 20 |
| Type of Penalties | Penalty takes the form of recapture (10 pts) | 10 | 10 | 0 | 0 | 0 |
| | Penalty takes the form of rescission or program is performance based (5 pts) | 5 | 0 | 0 | 5 | 5 |
| | Penalty takes the form of recalibration (5 pts) | 5 | 5 | 0 | 0 | 0 |
| Scope of Penalties | Mandatory penalties for failure to meet performance requirements with no exceptions* (20 pts) | 20 | 10 | 0 | 20 | 20 |
| | Mandatory penalties for failure to meet performance requirements with some exceptions (15 pts) | | | | | |
| | Discretionary penalties for failure to meet performance requirements (10 pts) | | | | | |
| Online Disclosure of Enforcement Practices | Online publication of statistics on use of penalties (10 pts) | 10 | 10 | 0 | 0 | 0 |
| | Online publication of names of companies found to be non-compliant (5 pts) | 5 | 5 | 0 | 0 | 0 |
| | Online publication of names of companies penalized and dollar amounts (5 pts) | 5 | 0 | 0 | 0 | 0 |
| Total unweighted score | | 100 | 80 | 40 | 65 | 65 |
| TOTAL SCORE adjusted to reflect the program's performance standards score in <i>Money for Something</i> | | 100 | 69 | 28 | 38 | 38 |

*Programs deemed performance based automatically receive points in this category.
 For details on the programs see Appendix 4 in www.goodjobsfirst.org/moneyback.