

FINANCIAL EXPOSURE:

Rating the States on Economic Development Transparency

(read here: <https://goodjobsfirst.org/financialexposure>)

APPENDIX: California

Transparency scores for major state programs

(* see next page for scoring details)

Program Description	Recent Annual Cost	Online Recipient Disclosure	Recipient Disclosure Score*
California Competes - Income tax credit available to businesses that want to relocate to California or stay and grow in California.	\$296 million (2021)	Source	37/100
Employment Training Panel - Workforce training grants funded through a special payroll tax.	\$102 million (2020)	Source 1 Source 2	60/100
Film and TV Production Tax Credit - Credit against income and/or sales and use taxes, based on qualified	\$335 million (2021)	Source	29/100
New Employment Credit - Income tax credit available to companies that hire qualified full-time employees within designated geographic areas. The credit is based on 35% of qualified wages.	\$1.3 million (2019)	Source	29/100
Research Credit – Credit against corporate income tax for increased R&D expenditures	\$2.2 billion (2021)	none	0/100

Financial Exposure: Rating the States on Economic Development Transparency	<i>Maximum possible score</i>	California Competes	Employment Training Panel	Film and TV Production Tax Credit	New Employment Credit	Research Credit
Scoring Details for California Programs						
<i>Score criteria (point values in parentheses)</i>						
PROJECT INFORMATION						
address/coordinates (8); zip code (5); city or county (3)	8	3	4	0	0	0
month + year of agreement/contract/project (1)	1	1	0	0	0	0
nature of project (1)	1	1	1	1	0	0
ADVANCE NOTICE AND PUBLIC PARTICIPATION						
full applications (5); applicant names + amounts (2); applicant names (1)	5	0	5	0	0	0
cost-benefit analysis at least 15 days in advance (3)	3	0	0	0	0	0
meeting: full proposal (4); program + applicant (3); agenda (2); dates (1)	4	3	3	2	2	0
full draft agreements ahead of approval (3); full agreements after (1)	3	1	0	0	0	0
RECIPIENT IDENTITY						
federal employer identification number (1)	1	0	0	0	0	0
industry classification NAICS code (1)	1	0	0	0	0	0
parent company for all awardees (3)	3	0	0	0	0	0
SUBSIDY INFORMATION						
approved/awarded subsidy value (4)	4	4	4	4	0	0
disbursed/claimed subsidy amount (6)	6	6	6	0	6	0
status + penalty actions (10); status only (5)	10	0	5	0	0	0
JOB CREATION REPORTING						
number of projected new/retained jobs/trainees (6)	6	6	4	0	0	0
number of actual new/retained jobs/trainees (14)	14	0	14	14	14	0
WAGES/PAYROLL REPORTING						
projected wage/payroll for new/retained jobs (5)	5	3	2	0	0	0
actual wage/payroll for new/retained jobs (10)	10	0	5	0	0	0
EXPENDITURE/INVESTMENT REPORTING						
projected capital investment/expenditure/cost (1)	1	1	0	1	0	0
actual capital investment/expenditure/cost (4)	4	0	0	0	0	0
DATA ACCESSIBILITY AND USABILITY						
two clicks from program page (3); - 1 for every additional click	3	3	2	2	3	0
unambiguous data and explanations (2)	2	2	2	2	2	0
five years of data placed together (2); on different pages (1)	2	2	2	2	2	0
downloadable to database applications (3); downloadable to PDF (1)	3	1	1	1	0	0
TOTAL PROGRAM SCORE	100	37	60	29	29	0

see next page for scoring notes

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Scoring Notes: California

California Competes

Disclosure link: <https://business.ca.gov/california-competes-tax-credit/awardee-list/>

A comprehensive awardee list can easily be found on the Governor's Office of Economic Development website. The page lists the company name, location, industry, increase of full-time employees, capital investment amount, the amount awarded, and the date of approval. It also includes a PDF of the allocation agreement between the state and the company, as well as a table that discloses the amounts to be dispersed to the company in subsequent years and projected wages.

Two points were deducted from the projected wages category because the tables in the PDFs only list minimum annual wages and cumulative average annual wages, instead of disclosing specific amounts.

Employment Training Panel

Disclosure link 1: <https://etp.ca.gov/about-us/annual-reports/>

Disclosure link 2: <https://etp.ca.gov/panel-meetings/panel-packets-and-agendas>

Most of the disclosure data can be found in the program's annual reports, but some information is included in the panel's meeting packets and agendas.

The panel meeting packets sometimes contain an applicant company's address, and its projections for job and wage outcomes, which is why the program receives partial credit in these categories.

All other information can be found in ETP annual reports. Five points were deducted from the actual wage cost category because annual reports only disclose the combined total earned by all new employees and retrainees instead of disclosing specific amounts.

A point was deducted from the data accessibility category because the data isn't located all in one place.

Film and TV Production Tax Credit

Disclosure link: <https://film.ca.gov/tax-credit/>

PDFs that list the program's recipients are available at the bottom of the disclosure page. These PDFs include the project name, production company name, a project

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description, number of cast/crew hired, projected capital investment amount, and the amount awarded to the company.

A point was deducted from the data accessibility category because these PDFs are not specifically labeled, which made it difficult to find the data.

New Employment Credit

Disclosure link: <https://www.ftb.ca.gov/file/business/credits/new-employment-credit/claimed-credits-database.html>

A list of NEC recipients is on California's Franchise Tax Board website. The program's page only discloses the company name, the subsidy value dispersed for that year, and the number of jobs created.

Research Credit

There is no online recipient disclosure for this program. Disclosure is not permitted by law