

AMENDED IN SENATE JULY 11, 2019

AMENDED IN SENATE JUNE 26, 2019

AMENDED IN ASSEMBLY MAY 17, 2019

CALIFORNIA LEGISLATURE—2019–20 REGULAR SESSION

ASSEMBLY BILL

No. 414

Introduced by Assembly Member Bonta

February 7, 2019

An act to add Section 61050 to the Revenue and Taxation Code, relating to health care coverage.

LEGISLATIVE COUNSEL'S DIGEST

AB 414, as amended, Bonta. Health care coverage: minimum essential coverage.

Existing federal law, the Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. Existing state law creates the California Health Benefit Exchange (Exchange), also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. PPACA generally requires individuals, and any dependents of the individual, to maintain minimum essential coverage, as defined, and, if an individual fails to maintain minimum essential coverage, PPACA imposes on the individual taxpayer a penalty. This provision is referred to as the individual mandate.

~~Senate Bill 78, of the 2019–20 Regular Session, would create~~ Existing state law creates the Minimum Essential Coverage Individual Mandate to ensure an individual and the individual's spouse and dependants

dependents maintain minimum essential coverage, and ~~would impose~~ *imposes* the Individual Shared Responsibility Penalty for the failure to maintain minimum essential coverage.

This bill, on or before March 1, 2022, and annually on or before March 1 thereafter, would require the Franchise Tax Board to report to the Legislature on specified information regarding the Minimum Essential Coverage Individual Mandate, the Individual Shared Responsibility Penalty, and state financial subsidies paid for health care coverage.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 61050 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 61050. (a) On or before March 1, 2022, and annually on or
- 4 before March 1 thereafter, the Franchise Tax Board shall report
- 5 to the Legislature on information regarding this part and Title 24
- 6 (commencing with Section 100700) and Title 25 (commencing
- 7 with Section 100800) of the Government Code, including all of
- 8 the following:
- 9 (1) The total number of ~~qualified individuals~~ *applicable*
- 10 *households* paying the penalty and the total number of ~~qualified~~
- 11 ~~dependents for whom qualified individuals~~ *applicable households*
- 12 pay the penalty, by county and by adjusted gross income class.
- 13 (2) The total penalty amounts imposed, by county and by
- 14 adjusted gross income class.
- 15 (3) The total statewide penalty amount imposed.
- 16 (4) The total number of exemptions applied, and the most
- 17 common qualifications for exemptions applied.
- 18 (5) The number of ~~qualified individuals~~ *applicable households*
- 19 who pay the penalty and the number of dependents claimed by
- 20 ~~qualified individuals~~ *applicable households* who pay the penalty,
- 21 by federal poverty level category. The federal poverty level shall
- 22 be estimated using adjusted gross income and number of
- 23 individuals in the tax household, using the following categories:
- 24 (A) At or between 0 percent and 138 percent of the federal
- 25 poverty level.

1 (B) At or between 139 percent and 266 percent of the federal
2 poverty level.

3 (C) At or between 267 percent and 400 percent of the federal
4 poverty level.

5 (D) At or above 401 percent of the federal poverty level.

6 ~~(6) The number and total amounts of penalties imposed on~~
7 ~~applicable entities and collected pursuant to subdivision (j) of~~
8 ~~Section 61005.~~

9 ~~(7)~~

10 (6) The number and amount of state financial subsidies paid
11 and adjustments made through reconciliation, by county and by
12 federal poverty level category as described in paragraph (5).

13 (b) The report shall be submitted pursuant to Section 9795 of
14 the Government Code.

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