

AMENDED IN ASSEMBLY APRIL 22, 2002

AMENDED IN ASSEMBLY APRIL 11, 2002

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 2562

Introduced by Assembly Member Vargas
(Coauthors: Assembly Members Ashburn and Zettel)

February 21, 2002

An act to add Sections 14045, 15363.20, and 15363.25 to the Government Code, relating to economic development, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 2562, as amended, Vargas. Border Economic Relief, Development, and Security Act of 2002.

(1) Existing law generally sets forth the duties of the Department of Transportation in implementing transportation programs in the state.

This bill would enact the Border Relief, Development, and Security Act of 2002.

This bill would require the department to strive to decrease border-crossing wait times and increase border security by distributing international border-crossing wait time information over an AM radio station that broadcasts at least 15 miles from the border points of entry in San Ysidro, Otay Mesa, and Calexico, and advertising the radio station announcements. It would require the department to form a border task force, ~~to consist~~ *consisting* of representatives of specified entities, *or to participate in an existing task force or similar body that*

convenes representatives of the specified entities, to assess border infrastructure and technology options that decrease the wait time at the border and increase security, and to prepare a report to be distributed to the Legislature and each federal entity represented on the border task force, or similar entity, no later than March 1, 2003, that contains the recommendations of the border task force or similar entity.

~~This bill would also appropriate \$147,000 from the General Fund to the Department of Transportation to implement specified recommendations from a specified department study in regard to the Otay Mesa Port of Entry Southbound Cargo Facility.~~

(2) Existing law generally sets forth the duties of the *Office of Small Business in the Technology, Trade, and Commerce Agency* in promoting economic development in the state. *Existing law establishes the California Small Business Development Center within the Office of Small Business, with specified goals and the responsibility to administer a statewide plan developed by the agency.*

This bill would require the agency, to the extent *that* funds are appropriated for that purpose, to ~~allocate funds to the Cities of San Diego and Calexico, to administer, with the consent of these cities, a small business revolving loan program, and a program~~ *provide for loans and loan guarantees to border businesses through the small Business Loan Guarantee Program and the California small business financial development corporations. The bill would require the California Small Business Development Center Program to provide, or contract for the provision of, specified types of technical assistance and information for border businesses. It would appropriate \$450,000 from the General Fund to the agency, \$1,000,000 to be allocated for purposes of the small business revolving loan program, \$250,000 to be allocated for purposes of the loans and loan guarantees, and \$200,000 to be allocated for the technical assistance and information program.*

(3) The California Anti-Terrorism Information Center, ~~which is~~ established by a memorandum of understanding entered into between the Governor and the Attorney General, ~~with~~ *has* specified duties in collecting from, and providing information to, law enforcement agencies in the state with regard to terrorism issues.

This bill would require the center, no later than March 1, 2003, to *consult with federal border agencies and binational working groups and to report to the Governor and the Legislature with regard to the state's border points of entry, at San Diego-Tijuana, San Ysidro, and Otay Mesa.*



(4) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: ²/₃. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

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

1 SECTION 1. The Legislature hereby finds and declares all of
2 the following:

3 (a) The horrific act of terror committed upon the United States
4 of America on September 11, 2001, caused economic distress for
5 businesses and individuals across the nation and California.

6 (b) ~~Nowhere in California was the~~ *The* economic impact of the
7 tragedy ~~more~~ *was* severely felt ~~than~~ along the California-Mexico
8 border, in which border-crossing delays prevented customer
9 mobility and strangled the economic base of small businesses in
10 the communities of San Ysidro, Otay Mesa, and Calexico.

11 ~~(e) The health, safety, and welfare of the people of California~~
12 ~~depend upon the development and stability of private business,~~
13 ~~industry, and commerce.~~

14 ~~(d)~~

15 (c) The San Diego-Tijuana border crossing is the busiest
16 international border in the world, with more than 50 million
17 crossings each year. In the 1999–2000 fiscal year, 41 million
18 northbound crossings occurred at the San Ysidro border crossing,
19 and another 11 million occurred at Otay Mesa. Approximately 95
20 percent of these crossings occur between 4 a.m. and 11 p.m.,
21 reflecting the great number of workers, students, shoppers, and
22 family-related crossings.

23 ~~(e)~~

24 (d) Therefore, it is the intent of the Legislature in enacting this
25 act to stimulate and preserve business in the depressed border area
26 of the state by providing for loans and technical assistance, and
27 promoting economic development.

28 SEC. 2. This act shall be known and may be cited as the
29 Border Economic Relief, Development, and Security Act of 2002.

30 SEC. 3. Section 14045 is added to the Government Code, to
31 read:

32 14045. The department shall strive to decrease border
33 crossing wait times and increase border security by doing all of the



1 following, along with any other activity the department deems
2 appropriate:

3 (a) Distributing international border-crossing wait time
4 information over an AM radio station that broadcasts at least 15
5 miles from the border points of entry in San Ysidro, Otay Mesa,
6 and Calexico.

7 (b) Erecting two signs to advertise radio station
8 announcements, along I-5, I-805, and State Route 905, at locations
9 that are approximately 10 miles and two miles from California's
10 international border with Mexico on each route, and one sign,
11 located approximately three miles from California's international
12 border with Mexico along State Route 111 in Imperial County. The
13 signs shall contain the following information in reasonable-size
14 font:

15 (1) The radio station number.

16 (2) A statement that border-crossing information can be
17 attained by tuning to the listed radio station.

18 A message board may be erected in the place of one of the signs
19 along each of the routes.

20 (c) Forming a border task force to assess border infrastructure
21 and technology options that decrease ~~the wait time at the border~~
22 *border crossing wait times* and increase *border security*. The task
23 force shall consist of representatives of the following entities, at
24 their option:

25 (1) The City of San Diego.

26 (2) The City of Calexico.

27 (3) The San Diego Association of Governments (SANDAG).

28 (4) The United States Immigration and Naturalization Service.

29 (5) The United States Border Patrol.

30 (6) The United States Customs.

31 ~~(7) The Mexican Customs.~~

32 ~~(8) The City of Tijuana.~~

33 ~~(9) The City of Mexicali.~~

34 ~~(10) The San Diego Regional Technology Alliance.~~

35 *The task force may invite and include participation by*
36 *representatives of the Mexican Customs Service, the City of*
37 *Tijuana, the City of Mexicali, and the San Diego Regional*
38 *Technology Alliance.*

39 (d) *In lieu of forming the task force specified in subdivision (c),*
40 *the department may satisfy the requirements of subdivision (c)*



1 *through its participation in an existing task force or similar body*
2 *that convenes representatives of the entities specified in*
3 *subdivision (c) and that substantively addresses border*
4 *infrastructure, technology options, border crossing wait times,*
5 *and border security.*

6 (e) Preparing a report to be distributed to the Legislature and
7 each ~~federal~~ entity represented on the task force, *or similar body*
8 *as specified in subdivision (d)*, no later than March 1, 2003, that
9 contains the recommendations of the border task force, *or similar*
10 *body as specified in subdivision (d)*.

11 SEC. 4. Section 15363.20 is added to the Government Code,
12 to read:

13 15363.20. (a) The *Office of Small Business in the*
14 *Technology, Trade, and Commerce Agency shall, to the extent that*
15 *funds are appropriated for that purpose, allocate funds to the Cities*
16 *of San Diego and Calexico, to administer, with the consent of these*
17 *cities, a small business revolving loan program.*

18 ~~(b) The small business revolving loan program shall make low~~
19 ~~interest loans or lease guarantees, or both, not to exceed one~~
20 ~~provide for loans and loan guarantees to border businesses~~
21 ~~through the Small Business Loan Guarantee Program and~~
22 ~~California small business financial development corporations.~~

23 (b) *Loans made under this section shall not exceed one hundred*
24 *thousand dollars (\$100,000) to any one applicant, to of the border*
25 *businesses whose loan applications are judged to be sound by the*
26 *lending committee of an institution that has been selected through*
27 *a competitive process to administer the loans. Preference by a*
28 *financial development corporation or a lending institution*
29 *administering loans or loan guarantees on behalf of a financial*
30 *development corporation. Preference shall be given to loan*
31 *applicants whose business development proposals expand or*
32 *locate business in the immediate border region.*

33 ~~(c) Annual loan administration and related services for the loan~~
34 ~~program shall not exceed 5 percent of the total annual loan volume.~~

35 ~~(d)~~

36 (c) For purposes of this section, “border businesses” means
37 businesses located within the border development zone, as defined
38 in subdivision (b) of Section 53398.1.

39 SEC. 5. Section 15363.25 is added to the Government Code,
40 to read:



1 15363.25. (a) The *California Small Business Development*
 2 *Center Program in the Office of Small Business in the Technology,*
 3 *Trade, and Commerce Agency* shall, to the extent funds are
 4 appropriated for that purpose, ~~allocate funds to the Cities of San~~
 5 ~~Diego and Calexico, to administer, with the consent of these cities,~~
 6 ~~a program to provide,~~ *provide* or contract for the provision of,
 7 technical assistance and information for border businesses, in
 8 English and Spanish, which shall include, but need not be limited
 9 to, all of the following:

10 (1) Reworking or developing a business plan to better focus on
 11 existing or new market opportunities.

12 (2) Connecting existing or startup businesses with needed
 13 resources.

14 (3) Providing financial and accounting assistance.

15 (4) Providing information on efficiently interacting or
 16 conducting business with the government.

17 (5) Providing information on conducting and enhancing
 18 cross-border commerce.

19 (6) Developing a unique identity for the border business
 20 community that will create new customer and client opportunities
 21 and reduce current business dependency on commute-time
 22 sensitive border traffic.

23 (b) For the purpose of this section, “border businesses” means
 24 businesses located within the border development zone, as defined
 25 in subdivision (b) of Section 53398.1.

26 SEC. 6. The California Anti-Terrorism Information Center
 27 shall *consult with federal border agencies and binational working*
 28 *groups and,* no later than March 1, 2003, report to the Governor
 29 and the Legislature on both of the following:

30 (a) The preparedness of the state’s border points of entry, at San
 31 Diego-Tijuana, San Ysidro, and Otay Mesa, to prevent a terrorist
 32 act.

33 (b) Improvements that can be made to the state’s three border
 34 points of entry to increase security while concurrently reducing
 35 border-crossing wait times.

36 SEC. 7. Notwithstanding Section 13340 of the Government
 37 Code, the sum of ~~one million three hundred forty seven thousand~~
 38 ~~dollars—(\$1,347,000)~~ *four hundred fifty thousand dollars*
 39 *(\$450,000),* is hereby appropriated from the General Fund,
 40 without regard to fiscal years, as follows:



1 (a) The sum of ~~one million dollars (\$1,000,000), to the two~~
2 ~~hundred fifty thousand dollars (\$250,000) to the California Small~~
3 ~~Business Expansion Fund in the State Treasury for the Office of~~
4 ~~Small Business in the Technology, Trade, and Commerce Agency~~
5 ~~for allocation to the Cities of San Diego and Calexico, for the~~
6 ~~purpose of implementing to implement~~ Section 15363.20 of the
7 Government Code, ~~as added by Section 4 of this act.~~

8 (b) Two hundred thousand dollars (\$200,000) to the *California*
9 *Small Business Development Center Program* in the Technology,
10 Trade, and Commerce Agency ~~for allocation to the Cities of San~~
11 ~~Diego and Calexico, for the purpose of implementing to~~
12 ~~implement~~ Section 15363.25 of the Government Code, ~~as added by~~
13 ~~Section 5 of this act.~~

14 (c) ~~One hundred forty seven thousand dollars (\$147,000), to~~
15 ~~the Department of Transportation to implement~~
16 ~~Recommendations Nos. 15 and 16 of the department's study,~~
17 ~~"Value Analysis Report/Otay Mesa Port of Entry Southbound~~
18 ~~Cargo Facility June 2001."~~

19 SEC. 8. Due to the unique nature of the problems faced by the
20 Cities of San Diego and Calexico and the area of the state in
21 proximity to California's international border with Mexico, the
22 Legislature finds and declares that a general statute cannot be made
23 applicable within the meaning of Section 16 of Article IV of the
24 California Constitution. Therefore, the special legislation
25 contained in this act is necessarily applicable only to the regions
26 described in this act.

27 SEC. 9. This act is an urgency statute necessary for the
28 immediate preservation of the public peace, health, or safety
29 within the meaning of Article IV of the Constitution and shall go
30 into immediate effect. The facts constituting the necessity are:

31 In order that needed economic assistance to border areas of the
32 state may be provided at the earliest possible time, it is necessary
33 that this act take effect immediately.

