

ASSEMBLY BILL

No. 541

Introduced by Assembly Member Morrell

February 16, 2011

An act to add Section 14022.2 to the Corporations Code, relating to small business.

LEGISLATIVE COUNSEL'S DIGEST

AB 541, as introduced, Morrell. California Small Business Board.

Existing law establishes the California Small Business Board in the Business, Transportation and Housing Agency and specifies its duties, including, but not limited to, advising the Governor, the director, as specified, and the Small Business Advocate regarding issues and programs affecting California's small business community, and holding public hearings in order to carry out the objectives of the agency.

This bill would require the board, until January 1, 2014, as a priority area of focus and deliberation, to review the state's licensing and permitting regulations as they impact small businesses, with special attention to the regulatory impact on small business startups, and would require each state agency to cooperate with the board in that review. The bill would require the board to report a summary of its findings and recommendations to the Governor, the Small Business Advocate, and the Legislature on July 1, 2012, July 1, 2013, and December 31, 2013, as specified.

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 14022.2 is added to the Corporations
2 Code, to read:

3 14022.2. (a) The Legislature finds and declares that:

4 (1) One purpose of the board is to provide special advice on
5 issues and programs affecting the state's small business
6 community, as specified in subdivision (e).

7 (2) In the current recession, small businesses face especially
8 difficult times.

9 (3) Bankruptcies in the state are reported to have increased by
10 81 percent compared with the 12-month period from September
11 2008 through August 2009, and is almost double the nationwide
12 increase of 41 percent.

13 (b) In order to assist the state in better supporting small business
14 development, the board shall, as a priority area of focus and
15 deliberation, review the impact of licensing and permitting
16 regulations on small businesses. The board should provide special
17 attention to the impact on small business startups.

18 (c) The board shall undertake its activities pursuant to this
19 section as part of the board's regularly scheduled quarterly
20 meetings and within existing resources.

21 (d) The board shall report a summary of its findings and
22 recommendations to the Governor, the Small Business Advocate,
23 and the Legislature on July 1, 2012, July 1, 2013, and December
24 31, 2013. The report, including recommendations, shall be in
25 sufficient detail as to guide the Governor and the Legislature to
26 take concrete steps to streamline and mitigate the impacts of the
27 state's current regulations described in subdivision (b) in a manner
28 to better support small businesses without diminishing employee
29 rights and health and safety protections.

30 (e) Each state agency, as defined in Section 11000 of the
31 Government Code, shall cooperate with the board in the board's
32 review of state licensing and permitting regulations and shall
33 respond to all inquiries by the board in a timely manner. The board
34 shall report to the Small Business Advocate any significant
35 challenges the board experiences in obtaining the cooperation and
36 timely responses required by this subdivision.

1 (f) The priority focus of the board on the impact of regulations
2 on small businesses required by this section shall be in effect until
3 January 1, 2014.

4 (g) The reports required by this section shall be made in
5 accordance with Section 9795 of the Government Code.

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