

AMENDED IN ASSEMBLY MAY 1, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 837**

---

---

**Introduced by Assembly Member Campos**  
*(Coauthors: Assembly Members Fong and Fox)*

February 21, 2013

---

---

An act to add Section 12096.4.9 to the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 837, as amended, Campos. Economic development programs: reporting.

The Economic Revitalization Act establishes the Governor's Office of Business and Economic Development, also known as "GO-Biz," to serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth.

This bill would require ~~an administrative lead center~~, *the State Chair of the California Small Business Development Center Leadership Council*, established under a specified federal program, to report *specific information* to GO-Biz ~~and the Legislature~~ for relating to any year that state funds are appropriated to support *an Administrative Lead Center* under that federal program, ~~and make legislative findings and declarations in this regard.~~ This bill, *and* would also, *in turn*, require the director of GO-Biz to *provide that report to the Legislature and post a the report required under these provisions on the office's GO-Biz Internet Web site.* This bill would also require the state chair, as a condition of accepting state funds, to allow access to other information

about the program under certain conditions. This bill would make legislative findings and declarations in this regard.

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

3 (a) The California Small Business Development Center Program,  
4 a part of the federal Small Business Development Center Program,  
5 plays a primary role in providing technical assistance to the state’s  
6 small businesses and provides verified positive outcomes to the  
7 state’s economy.

8 (b) Within the state, the California Small Business Development  
9 Center Program is administered through six Regional Small  
10 Business Development Center Networks, as follows: Northern  
11 California, Northeastern California, Central California, Orange  
12 County/Inland Empire, Los Angeles, and San Diego. Each regional  
13 network is managed by an Administrative Lead Center, designated  
14 by the federal Small Business Administration through a cooperative  
15 agreement, and affiliated with one of the following public  
16 institutions *institution* of higher education: ~~California State~~  
17 ~~University, Humboldt; California State University, Chico;~~  
18 ~~University of California, Merced; Long Beach Community College~~  
19 ~~District; California State University, Fullerton; and Southwestern~~  
20 ~~Community College District.~~ The centers are responsible for  
21 securing required one-to-one matching funds to draw down federal  
22 appropriations, according to a population-based formula determined  
23 by the United States Census, and the regional networks are held  
24 accountable for their productivity and required to submit regular  
25 performance reports to the Office of Small Business Development  
26 Centers, within the federal Small Business Administration.

27 (c) Throughout the six regional networks there are more than  
28 30 full-time Small Business Development Centers, with multiple  
29 additional outreach locations serving small businesses in this state.  
30 These centers provide assistance to existing businesses in the areas  
31 of financing, government contracting, business planning and  
32 management, marketing, international trade, energy efficiency and  
33 sustainability, and disaster preparedness. The centers also provide

1 expert advice to technology companies in the areas of business  
2 and financial plan preparation, angel and venture capital  
3 presentation preparation, funding strategies, product positioning,  
4 market launch strategies, applications for federal grants, technology  
5 transfers with research universities, intellectual property issues,  
6 and strategic partnerships. The centers work in collaboration with  
7 various partners to provide these services, including, but not limited  
8 to, ~~community colleges, grantees of the federal Minority Business~~  
9 ~~Development Agency, the federal Small Business Administration,~~  
10 *the United States Department of Commerce, the United States*  
11 *Department of Agriculture, the Governor's Office of Business and*  
12 *Economic Development, the California Innovation Hub Program,*  
13 ~~the California Community Colleges Economic and Workforce~~  
14 ~~Development Program, Colleges, the California State University,~~  
15 *the University of California,* local workforce investment boards,  
16 *economic developers, cities, counties,* and chambers of commerce.

17 (d) The California Small Business Development Center  
18 Leadership Council is comprised of the directors of the six  
19 ~~Regional Small Business Development Center Networks.~~  
20 *Administrative Lead Centers that coordinate the regional networks*  
21 *of small business development centers.* The council is the statewide  
22 entity tasked with negotiating partnerships on behalf of the  
23 California Small Business Development Center Program,  
24 leveraging operational and technical assistance for best practices  
25 across the six regions, and working with the state government to  
26 maximize the economic impact of the federal Small Business  
27 Development Center Program within the state.

28 SEC. 2. Section 12096.4.9 is added to the Government Code,  
29 to read:

30 12096.4.9. (a) On or before August 30 following any year that  
31 state funds are appropriated to *an Administrative Lead Center for*  
32 *the support of the California Small Business Development Center*  
33 ~~Program, the Administrative Lead Center that oversees the~~  
34 ~~Regional Small Business Development Center Network that~~  
35 ~~received that state funding shall~~ *State Chair of the California Small*  
36 *Business Development Center Leadership Council shall provide*  
37 *a written report to the office and the Legislature, in compliance*  
38 ~~with Section 9795, on the activities and performance goals of the~~  
39 ~~California Small Business Development Center Program in that~~  
40 ~~region. An Administrative Lead Center accepts this reporting~~

1 requirement as a condition of receiving the state funds described  
2 in this subdivision, consistent with the requirements of this section.  
3 (b) Each Administrative Lead Center accepts the reporting  
4 requirement in this section as a condition of receiving state funds.  
5 As a further condition for receiving state funds, the State Chair of  
6 the California Small Business Development Center Leadership  
7 Council shall arrange to provide the office with access to similar  
8 information, in both a similar timeframe and format, that an  
9 Administrative Lead Center may provide to the federal Small  
10 Business Administration on client services and the economic impact  
11 of the California Small Business Development Center Program.  
12 Information provided to the office shall meet applicable privacy  
13 standards and shall not disclose the name of an individual business.  
14 ~~(b)~~  
15 (c) A report prepared pursuant to subdivision (a) shall include,  
16 but not be limited to, all of the following data:  
17 (1) Number of businesses assisted.  
18 (2) Number of employees employed by those businesses *at the*  
19 *time those businesses were assisted.*  
20 (3) Number of jobs created.  
21 (4) Number of jobs retained.  
22 (5) ~~Number~~ *Estimated amount* of state tax dollars generated  
23 from those businesses.  
24 (6) Industry sectors of the businesses assisted, *as reported by*  
25 *the assisted businesses.*  
26 (7) *Increase in sales reported by businesses assisted as a result*  
27 *of the program.*  
28 (8) *The amount of capitol infusion, in both debt and equity,*  
29 *obtained by assisted businesses.*  
30 ~~(7)~~  
31 (9) Total amount of federal funds allocated to the region during  
32 the reporting period.  
33 ~~(e)~~  
34 (d) The director shall *submit a copy of the report required*  
35 *pursuant to subdivision (a) to the Legislature in compliance with*  
36 *Section 9795 and post the report on the office's Internet Web site*  
37 *no later than 30 days after the report is transmitted to the Governor*  
38 *and Legislature office receives the report.*

O