

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2221

Introduced by Assembly Member Campos

February 20, 2014

An act ~~relating to housing.~~ *to add Article 3.5 (commencing with Section 12217) to Chapter 3 of Part 2 of Division 3 of Title 2 of the Government Code, relating to state government.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2221, as amended, Campos. ~~Low-income housing.~~ *Business Filing Coordination Council.*

Existing law requires certain business entities, including, but not limited to, a corporation, a limited partnership, and a limited liability partnership, to make various business filings with the Secretary of State. Existing law authorizes the Secretary of State to promulgate regulations and rules related to business filings and to refuse a filing based on a reasonable belief that the filing is unlawful, false, or has a fraudulent purpose.

This bill would establish, within the Secretary of State's office, the Business Filing Coordination Council composed of 7 members, as specified. The bill would require the council to, among other things, provide businesses with additional points of contact for concerns or suggested innovations for improving the state business climate through streamlined business filings and annually report to the Governor and Legislature on the progress of meeting its requirements.

~~Existing law states the intent of the Legislature to, among other things, promote the creation of affordable housing, if a demonstrated affordable~~

~~housing need exists in the community, as described in the approved housing element or regional housing needs assessment.~~

~~This bill would state the intent of the Legislature to require low-income housing to be sold to only low-income households.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-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) Filing business formation documents with the Secretary of*
 4 *State is often the first official step that most new businesses take*
 5 *when becoming a part of the California business community.*
 6 *(b) More than two million business documents of various kinds*
 7 *are processed by the Secretary of State’s Business Programs*
 8 *Division.*
 9 *(c) Efficient processing of business document filings is*
 10 *instrumental to helping businesses efficiently establish within the*
 11 *state.*
 12 *(d) Currently, the Secretary of State’s business document filing*
 13 *process is manual, paper-based, and labor-intensive and many*
 14 *paper copies kept on file are not duplicated, do not have a backup*
 15 *system, and could easily be lost in an accident or disaster.*
 16 *(e) While some automated workflow improvements have been*
 17 *made, the large majority of the 1.7 million business entities that*
 18 *file annually with the Secretary of State are forced to interface*
 19 *with antiquated processes.*
 20 *(f) To improve efficiency and security in document filing, the*
 21 *Secretary of State has created the California Business Connect*
 22 *Project.*
 23 *(g) The California Business Connect Project will benefit*
 24 *businesses by doing all of the following:*
 25 *(1) Ensuring a more secure processing of payments.*
 26 *(2) Providing online help in completing forms.*
 27 *(3) Reducing the cost and time required to establish and*
 28 *maintain a business.*
 29 *(4) Providing services 24 hours a day, seven days a week.*
 30 *(5) Allowing users to see all filing activities related to a business*
 31 *over the long term.*

- 1 (6) *Processing business filings faster.*
- 2 (7) *Helping businesses create jobs sooner.*
- 3 (8) *Bringing revenue to the state sooner.*
- 4 (9) *Reducing the use of paper.*
- 5 (10) *Providing reliable online research of entities doing business*
- 6 *in California.*
- 7 (11) *Providing online debtor information.*

8 (h) *Due to the critical role played by businesses of all sizes in*
9 *supporting the state by stimulating job creation and expanding*
10 *the economy, there are numerous state agencies that assist in*
11 *business formation and development.*

12 (i) *To ensure that California businesses receive the benefits*
13 *intended from the California Business Connect Project, the state*
14 *must facilitate coordination and cooperation between the Secretary*
15 *of State's office and state agencies that serve the millions of*
16 *California businesses that file documents with the Secretary of*
17 *State.*

18 SEC. 2. *Article 3.5 (commencing with Section 12217) is added*
19 *to Chapter 3 of Part 2 of Division 3 of Title 2 of the Government*
20 *Code, to read:*

21
22 *Article 3.5. Business Filing Coordination Council*

23
24 12217. (a) *There is established, within the Secretary of State's*
25 *office, the Business Filing Coordination Council.*

26 (b) *The Business Filing Coordination Council shall review and*
27 *collect data concerning the needs of businesses required to file*
28 *documents with the Secretary of State's office. The council shall*
29 *support, maintain, and improve the efficiency of business filings*
30 *and provide businesses with additional points of contact for*
31 *concerns or suggested innovations for improving the state business*
32 *climate through streamlined business filings.*

33 (c) *On or before December 31 of each year, the Business Filing*
34 *Coordination Council shall report to the Governor and the*
35 *Legislature on the progress of meeting the requirements in*
36 *subdivision (b) in compliance with Section 9795. The report shall*
37 *be made available on the Internet Web site of the Secretary of*
38 *State.*

39 12217.10. *The council shall be composed of the following seven*
40 *members:*

1 (a) *The Commissioner of Business Oversight, or his or her*
2 *designee.*

3 (b) *The Director of Consumer Affairs, or his or her designee.*

4 (c) *The Secretary of State, or his or her designee.*

5 (d) *The Director of Technology, or his or her designee.*

6 (e) *One member appointed by the Senate Committee on Rules.*

7 (f) *One member appointed by the Speaker of the Assembly.*

8 (g) *One member appointed by the Governor.*

9 *12217.15. Members of the Business Filing Coordination*
10 *Council shall serve without compensation, and state funds shall*
11 *not be used to compensate a member for his or her expenses.*

12 ~~SECTION 1. It is the intent of the Legislature to enact~~
13 ~~legislation that would require low-income housing to be sold to~~
14 ~~only low-income households.~~