

AMENDED IN SENATE MARCH 27, 2006

**SENATE BILL**

**No. 1436**

---

---

**Introduced by Senator Figueroa**

February 22, 2006

---

---

An act to add Section 11541.5 to, and to add Article 14 (commencing with Section 11148) to Chapter 1 of Part 1 of Division 3 of Title 2 of, the Government Code, relating to small business development.

LEGISLATIVE COUNSEL'S DIGEST

SB 1436, as amended, Figueroa. Small business: ~~regulation process.~~ *state agency information.*

Existing law generally sets forth the procedures for the adoption and enforcement of regulations by state agencies, *including regulations affecting small businesses in the state.*

*Governor's Reorganization Plan No. 2 of 2005 establishes the Department of Technology Services, and sets forth the duties of the department in overseeing the technology services of the state.*

~~This bill would state the intent of the Legislature to enact legislation to assist small businesses in complying with regulatory standards designed to protect the public and to allow small businesses to correct minor violations before the business is subject to punitive regulatory action for a first offense by establishing specified requirements as part of the regulatory process~~ *require the department to create a link to state agency Web sites at the State of California Internet portal specifically for the use of small businesses in accessing information regarding startup requirements and regulatory compliance applicable to the particular business.*

*The bill would require each state agency, that significantly regulates small business or significantly impacts small business, to designate at least one individual who shall serve as a small business liaison for the agency, with specified duties that include reviewing and updating content on the agency Web site that is accessible through the small business link at the State of California Internet portal.*

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. Article 14 (commencing with Section 11148) is  
2     added to Chapter 1 of Part 1 of Division 3 of Title 2 of the  
3     Government Code, to read:

4  
5                     Article 14. Small Business Liaisons  
6

7     11148. (a) *It is the intent of the Legislature in enacting this*  
8     *article to assist small businesses in this state in complying with*  
9     *regulatory standards designed to protect the public.*

10    (b) *It is the further intent of the Legislature:*

11    (1) *That, to improve compliance results, information be*  
12    *provided by regulatory agencies by printed material or*  
13    *electronically, including at each agency’s Internet Web site, to*  
14    *all small businesses, as defined for that purpose, that would state*  
15    *in clear, plain language the actions required to comply with the*  
16    *regulation.*

17    (2) *That each agency that significantly regulates small*  
18    *business designate at least one individual to serve as the small*  
19    *business liaison with the role and responsibility of ombudsman*  
20    *for that agency.*

21    11148.5. (a) *Each state agency that significantly regulates*  
22    *small business or that significantly impacts small business shall*  
23    *designate at least one person who shall serve as a small business*  
24    *liaison. The agency shall utilize existing personnel and resources*  
25    *to perform the duties of small business liaison.*

26    (b) *Each state agency that significantly regulates small*  
27    *business or that significantly impacts small business shall widely*  
28    *publicize the position of small business liaison in appropriate*

1 agency publications and on the agency’s Web site if the agency  
2 has a Web site.

3 (c) The small business liaison shall be responsible for all of  
4 the following:

5 (1) Receiving and responding to complaints received by the  
6 agency from small businesses.

7 (2) Providing technical advice and assisting small businesses  
8 in resolving problems and questions.

9 (3) Reporting small business concerns and, where  
10 appropriate, reporting recommendations to the agency secretary  
11 or to the agency head, as defined in Section 11405.50.

12 (4) Reviewing and updating, on a semiannual basis, content  
13 on the agency Web site that is accessible through the small  
14 business link provided on the State of California Internet portal  
15 pursuant to Section 11541.5.

16 (d) The small business liaison shall not advocate for or  
17 against the adoption, amendment, or repeal of any regulation or  
18 intervene in any pending investigation or enforcement action.

19 (e) For purposes of this section, “small business” has the  
20 same meaning as set forth in Section 11342.610.

21 SEC. 2. Section 11541.5 is added to the Government Code, to  
22 read:

23 11541.5. (a) The Department of Technology Services shall  
24 create a link to state agency Web sites at the State of California  
25 Internet portal specifically for the use of small businesses,  
26 designed to assist entrepreneurs and small business owners in  
27 accessing information regarding startup requirements and  
28 regulatory compliance applicable to the particular business.

29 (b) For purposes of this section, “small business” has the  
30 same meaning as set forth in Section 11342.610.

31 ~~SECTION 1. (a) It is the intent of the Legislature to enact~~  
32 ~~legislation to assist small businesses in this state in complying~~  
33 ~~with regulatory standards designed to protect the public.~~

34 ~~(b) It is further the intent of the Legislature to enact legislation~~  
35 ~~to allow small businesses in this state to correct minor violations~~  
36 ~~before the business is subject to punitive regulatory action for a~~  
37 ~~first offense, by establishing, as part of the process of~~  
38 ~~promulgation and enforcement of state regulations, both of the~~  
39 ~~following requirements:~~

- 1     ~~(1) That information be provided by the regulatory agency by~~  
2     ~~printed material or electronically, including at the agency's~~  
3     ~~Internet website, to all small businesses, as defined for that~~  
4     ~~purpose, that would state in clear, plain language the actions~~  
5     ~~required to comply with the regulation.~~
- 6     ~~(2) That notice of non-compliance be provided to a small~~  
7     ~~business, as defined for that purpose, in violation of a regulation,~~  
8     ~~prior to the initiation of any punitive action in the enforcement of~~  
9     ~~the regulation, except in cases of danger to public health and~~  
10    ~~safety.~~