

AMENDED IN ASSEMBLY APRIL 28, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2692

**Introduced by Assembly ~~Member Tran~~ Members *Tran and V. Manuel Perez*
(Coauthors: Assembly Members *Bill Berryhill and Logue*)**

February 19, 2010

~~An act to add and repeal Chapter 11 (commencing with Section 8850) of Division 1 of Title 2 of the Government Code, relating to state government.~~ *An act to add Section 14022.2 to the Corporations Code, relating to small business.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2692, as amended, Tran. *California Small Business Regulatory Reform Commission. 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 to hold public hearings in order to carry out the objectives of the agency.

This bill would require the board, until January 1, 2013, 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, 2011, July 1, 2012, and December 31, 2012, as specified.

~~Existing law authorizes various state entities to regulate businesses operating within the state.~~

~~This bill would, until January 1, 2014, create the Small Business Regulatory Reform Commission, consisting of 7 members appointed by Governor, the Senate Committee on Rules, and the Speaker of the Assembly, and authorize the commission to recommend reforms to state regulations that will encourage the development and expansion of small businesses operating within the state by submitting an annual report to the Governor and Legislature.~~

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 previous 12-month period
11 (September 2008 through August 2009), and is almost double the
12 nationwide 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, 2011, July 1, 2012, and December
24 31, 2012. The report, including recommendations, shall be in

1 sufficient detail as to guide the Governor and the Legislature to
2 take concrete steps to streamline and mitigate the impacts of the
3 state’s current regulations described in subdivision (b), in a
4 manner to better support small businesses without diminishing
5 employee rights and health and safety protections.

6 (e) Each state agency, as defined in Section 11000 of the
7 Government Code, shall cooperate with the board in the board’s
8 review of state licensing and permitting regulations and shall
9 respond to all inquiries by the board in a timely manner. The board
10 shall report to the Small Business Advocate any significant
11 challenges the board incurs in obtaining the cooperation and
12 timely responses required by this subdivision.

13 (f) The priority focus of the board on the impact of regulations
14 on small businesses required by this section shall be in effect until
15 January 1, 2013.

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

18 SECTION 1. ~~Chapter 11 (commencing with Section 8850) is~~
19 ~~added to Division 1 of Title 2 of the Government Code, to read:~~

20
21 CHAPTER 11. SMALL BUSINESS REGULATORY REFORM
22 COMMISSION
23

24 8850. ~~(a) There is in state government the Small Business~~
25 ~~Regulatory Reform Commission, consisting of seven members,~~
26 ~~selected as follows and who serve at the pleasure of their~~
27 ~~appointing authority:~~

- 28 (1) ~~Four members appointed by the Governor.~~
29 (2) ~~Two members appointed by the Senate Committee on Rules.~~
30 (3) ~~One member appointed by the Speaker of the Assembly.~~

31 (b) ~~Members of the Small Business Regulatory Reform~~
32 ~~Commission may receive a per diem for days on which the~~
33 ~~commission meets and be compensated for reasonable travel~~
34 ~~expenses to attend those meetings.~~

35 8851. (a) ~~The Small Business Regulatory Reform Commission~~
36 ~~is authorized to recommend reforms to state regulations that will~~
37 ~~encourage the development and expansion of small businesses~~
38 ~~operating within the state, including, but not limited to, reforms~~
39 ~~that will decrease expenses incurred by small businesses that result~~

1 ~~from state regulations and encourage small businesses to hire~~
2 ~~employees and buy supplies and materials from within the state.~~
3 ~~(b) The Small Business Regulatory Reform Commission shall~~
4 ~~make its recommendations by submitting an annual report to the~~
5 ~~Governor and Legislature.~~
6 ~~8852. This chapter shall remain in effect only until January 1,~~
7 ~~2014, and as of that date is repealed, unless a later enacted statute,~~
8 ~~that is enacted before January 1, 2014, deletes or extends that date.~~