

ASSEMBLY BILL

No. 582

Introduced by Assembly Member Calderon

February 24, 2015

An act to add and repeal Chapter 4 (commencing with Section 15660) of Part 9 of Division 3 of Title 2 of the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 582, as introduced, Calderon. Entrepreneur Partnership Pilot Project Act of 2015.

Under existing law the State Board of Equalization collects and administers a variety of tax and fee programs with respect to matters including, but not limited to, vehicle fuels, timber, cigarettes and tobacco products, alcoholic beverages, emergency telephone services, integrated waste management, oil spills, hazardous materials, underground storage systems, and private railroad cars.

This bill would enact the Entrepreneur Partnership Pilot Project Act of 2015, which would establish the state executive-on-loan program within the State Board of Equalization for the purpose of utilizing the expertise of private-sector entrepreneurs to help make state governmental activities and practices more streamlined and accessible to small businesses. The program would authorize the director of the board to appoint a maximum of 5 persons during any calendar year to serve the board, on a voluntary basis, as an executive on loan with duties as set forth in the bill.

This bill would require the director of the board to accept appointment applications for the position of an executive on loan and to establish prescribed procedures for complying with the bill by March 1, 2016.

The bill would require the director to establish an informal working group of executives on loan to discuss best practices, experiences, obstacles, opportunities, and recommendations.

This bill would, notwithstanding any law, require the director to annually report on the program to the Governor and the Assembly Committee on Jobs, Economic Development, and the Economy, with the final report due January 1, 2019.

This bill would repeal these provisions January 12, 2021.

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. Chapter 4 (commencing with Section 15660) is
2 added to Part 9 of Division 3 of Title 2 of the Government Code,
3 to read:

4
5 CHAPTER 4. ENTREPRENEUR PARTNERSHIP PILOT PROJECT ACT
6 OF 2015
7

8 15660. (a) This chapter shall be known, and may be cited, as
9 the Entrepreneur Partnership Project Act of 2015.

10 (b) As used in this chapter, the following terms have the
11 following meanings:

- 12 (1) "Board" means the State Board of Equalization.
- 13 (2) "Director" means the executive director of the State Board
14 of Equalization, or his or her designee.
- 15 (3) "Executive on loan" means an individual appointed as an
16 executive on loan pursuant to the executive-on-loan program.
- 17 (4) "Program" means the executive-on-loan program, as
18 established by this chapter.

19 15661. (a) The executive-on-loan program is hereby
20 established within the board for the purpose of utilizing the
21 expertise of private-sector executives to help make state
22 governmental activities and practices more streamlined and
23 accessible to small businesses.

24 (b) (1) The director may appoint one or more executives on
25 loan under the program during the program's existence, however,
26 the director shall not appoint more than five executives on loan

1 during any calendar year. An entity, public or private, may
2 recommend candidates for the board to consider.

3 (2) Any person appointed as an executive on loan shall meet at
4 least one of the following qualifications:

5 (A) The individual shall have demonstrated success in working
6 with California small businesses and entrepreneurs.

7 (B) The individual shall have successfully developed, invented,
8 or created a product and brought the product to the marketplace.

9 (3) A person appointed as an executive on loan shall not have
10 a conflict of interest with the activities of the board, including, but
11 not limited to, having any existing business before the board.

12 (c) The director shall accept appointment applications for the
13 position of an executive on loan and shall establish procedures for
14 complying with this chapter by March 1, 2016. Among other
15 requirements, the procedures shall include all of the following:

16 (1) A process for screening prospective appointees, including
17 checking backgrounds and references.

18 (2) A standard memorandum of understanding that stipulates
19 the responsibilities of each party in undertaking an executive on
20 loan under the program, including, but not limited to, duties, goals,
21 expected outcomes, administrative support, and office participation.
22 This standard memorandum of understanding may function as a
23 model for future executive-on-loan programs.

24 (3) A reporting process that provides sufficient information for
25 the director to report as set forth in subdivision (c) of Section
26 15663.

27 (d) Prior to the appointment of an executive on loan, the board
28 shall approve the procedures established by the director pursuant
29 to subdivision (c).

30 (e) Before the effective date of an appointment under this
31 chapter, every individual selected to participate in the program
32 shall have entered into a memorandum of understanding with the
33 director. The memorandum of understanding shall be specific as
34 to the placement and clearly identify the duties, goals, expected
35 outcomes, administrative support, and office participation. The
36 memorandum of understanding shall set the benchmarks and
37 metrics for evaluating the success of the placement.

38 (f) An executive on loan may serve in that capacity for up to
39 the life of the pilot program.

1 (g) Procedures adopted pursuant to this chapter are hereby
2 exempted from the rulemaking provisions of the Administrative
3 Procedure Act (Chapter 3.5 (commencing with Section 11340) of
4 Part 1).

5 15662. (a) An executive on loan shall have all of the following
6 duties:

7 (1) Providing recommendations to the board on how to
8 streamline, eliminate, or modify potentially inefficient or
9 duplicative activities, processes, and programs, if any, of the board.

10 (2) Providing recommendations to the board on methods to
11 improve program efficiency at the board or new initiatives, if any,
12 that may be instituted at the board to address the needs of small
13 businesses and entrepreneurs.

14 (3) Assisting the board in improving outreach and service to
15 small business concerns and entrepreneurs including, but not
16 limited to, the following:

17 (A) Facilitating meetings and forums to educate small businesses
18 and entrepreneurs on programs or initiatives of the board.

19 (B) Facilitating in-service sessions with employees of the board
20 on issues of concern to entrepreneurs and small businesses.

21 (C) Providing technical assistance or mentorship to small
22 businesses and entrepreneurs in accessing programs at the board.

23 (b) An executive on loan shall serve on a project-based,
24 voluntary basis, and shall be given a timeline for completion. At
25 the discretion of the director, the executive on loan shall have
26 access to an office, computer, and other related support services
27 and equipment as the director determines to be necessary for the
28 executive on loan to discharge his or her duties.

29 15663. (a) An executive on loan shall report directly to the
30 director.

31 (b) The director shall establish an informal working group of
32 executives on loan to discuss best practices, experiences, obstacles,
33 opportunities, and recommendations.

34 (c) (1) Notwithstanding any law, including, but not limited to,
35 Section 10231.5, the director shall annually prepare and submit to
36 the Governor and the Assembly Committee on Jobs, Economic
37 Development, and the Economy a report on the program. The
38 report, at a minimum, shall include all of the following:

1 (A) A progress report on the activities of each executive on loan
2 during the reporting period, based on the applicable memorandum
3 of understanding.

4 (B) A general summary on how the overall program is
5 addressing the goals of the program, which are as follows:

6 (i) Making board-administered programs simpler, easier to
7 access, more efficient, and more responsive to the needs and
8 concerns of small businesses and entrepreneurs.

9 (ii) Providing for better outreach by the board to the private
10 sector.

11 (iii) Strengthening coordination and interaction between the
12 board and the private sector on issues relevant to entrepreneurs
13 and small business concerns.

14 (2) It is anticipated that program impacts will not be fully
15 measurable until recommended changes and activities are fully
16 implemented. The director shall continue measuring and reporting
17 the impact of the activities of the executive on loan for three years
18 following the placement of an executive-on-loan.

19 (3) The report shall be filed in compliance with Section 9795.

20 (4) The final annual report shall be filed by January 1, 2019.
21 15664. This chapter shall remain in effect only until January
22 1, 2021, and as of that dated is repealed.