

SMALL BUSINESS CALIFORNIA ACCOMPLISHMENTS 2011

Education Programs and Projects

- Small Business California completed its annual survey with over 1400 responses from small businesses around the state. As in the past, this survey had responses from every county in the state. The survey is used to set Small Business California's agenda and received media coverage around the state. The survey was delivered to every legislator in the state and the governor
- Small Business California has presented at numerous forums information on the Patient Protection and Affordable Care Act (PPACA) and how it impacts small businesses. These were for the Sacramento Journal, Rotary Clubs, Women's League of Voters, and other community groups. Small Business California continues to be a frequent source for the media.
- Small Business California sent letter with 14 associations to SBA Administrator asking SBA to assign Elizabeth Echols as point person for SBA compliance with 2007 energy bill. SBA has made the assignment.
- Scott Hauge represented Small Business California on the Board of Pacific Group on Health.
- Small Business California provides its membership with education and the latest information on all issues affecting small businesses at the state and federal levels through its website regular email updates, presentations to business groups, local Chambers of Commerce and industry trade associations.
- Small Business California represents its membership by actively participating as small business advisors to Assembly Jobs, Economic Development and the Economy Small Business Roundtable, Assembly Insurance Committee, Senate Labor and Industrial Relations, Governor's Office of Economic Development (GO ED), Department of General Services Small Business Advisory Council, Commission on Health & Safety & Workers' Compensation Employers' Advisory Group, Business ROAR (Regulatory Oversight And Review).
- Met with Assembly of Jobs Committees staff in prioritizing key issues for small businesses.
- Met with Governors Economic Policy Advisor, Mike Rossi, on issues effecting small businesses and will be working with him to support Small Business California (next development meeting will be Jan 19, 2012).
- Met with Cal Osha chief, Ellen Weidess and her staff to clarify employers responsibilities of providing an emergency preparedness program.

Legislative Accomplishments

- SB Cal has been working with the proponents of SB875, the California Accredited Investor Exemption Bill, for possible reintroduction in the Legislature this year. The bill was introduced last year by Senator Curran Price but was withdrawn from the Senate Banking and Finance Committee hearing due to opposition, but was able allow general solicitation for an offering up to \$1,000,000 a year provided that only accredited investors be permitted to invest, that each investor's investment be limited to 10% of his liquid new worth (excluding equity in one's

principal residence), that the issuer obtain a suitability questionnaire from each prospective investor indicating his time horizon, how risk averse he is, the types of investments he prefers and other criteria indicating whether his investment is suitable for each investor.

- SB Cal has been studying a proposal to establish a State Development Fund to provide matching funds with private investors for joint investment in Capital Access Companies, angel funds licensed by the California Department of Corporations. CAC's can be organized pursuant to an exemption from the Investment Company Act of 1940, with large groups of investors. The proceeds must be invested in California small businesses.

SB Cal provided informational materials that assisted with legislative matter which were signed into law by Governor Brown and will become effective on January 1, 2012:

- AB 29 (J. Perez) – Creates the Governor's Office of Economic Development
- AB 155 (C. Calderon) – Known as the E-Fairness bill, AB 155 will coordinate the enactment of federal law giving states the authority to require out-of-state internet retailers to collect state sales taxes and enable California small businesses to compete on a level playing field with on-line retailers.
- AB 335 (Solorio) – Enables the Department of Industrial Relations Division of Workers' Compensation to produce an informational pamphlet and create a web accessible site that explains the workers' compensation system and notices of benefits to employees.
- AB 361 (Huffman) – Establishes the formation of a new form of corporate entity known as benefit corporations and eases the requirements for a small business corporation to amend its articles of incorporation to take advantage of this option.
- AB 1426 (Solorio) – Reduces costs and increases transparency by eliminating an unnecessary layer of state government in removing the duplicative function of the court administrator position and distributing the duties to the Workers' Compensation Appeals Board and the Division of Workers' Compensation Administrative Director.
- SB 32 (Leno) – Would enable local restaurants and bars to infuse alcoholic beverages with herbs and flavorings by revising an outdated statute that prevents them from doing so.
- SB 826 (Leno) – Currently, the state is experiencing a shortage of workers' compensation data that is used among other things in accurately assessing employer's workers' compensation premiums. This data is already required by law to be reported by the insurance carrier's claims administrators; however, there was no penalty for non-compliance. SB 826 establishes a minor penalty on the claims administrator for the failure to report this data. The bill was fashioned in a way that will not pass on any additional costs to the employer, but to ensure a more accurate calculation of premium.

The following bills were strongly supported by Small Business California and may be taken up again in January (two-year bills), unless vetoed by the Governor as noted.

- AB 150 (Perea) – Mandates the goal of the state to do business with small businesses
- AB 541 (Morrell) – Proposes a study and assessment on the impacts of regulations on California small businesses
- AB 894 (V.M. Perez) – Assembly Jobs, the Economy and Economic Development's 2-Year Legislative Jobs Package

- AB 1379 (Bradford) – Pertaining to Emerging Domestic Markets, this bill would ensure that large pension funds invest in small businesses. (Vetoed)
- SB 67 (Price) – Same as AB 150, this bill will mandate the goal of the state to do business with small businesses
- SB 469 (Vargas) – The Protect Small and Neighborhood Business Act would have required that an economic impact analysis be completed before a superstore could be approved with the focus on the impact to local small businesses. (Vetoed)
- SB 823 (Corbett) – This bill will establish a “Made in California” label that will assist in the marketing of California-made products. This bill will also establish an advisory group of small businesses representatives who will advise the Governor’s Office of Economic Development (GO ED) on the requirements and the criteria for carrying the Made in California label. (Vetoed)

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Federal Legislation:

- HR 4 (Lungren) – Eliminates the 1099 Reporting that was included in the President’s Health Care Bill
- HR 1603 (Murphy) – Also known as the SMART Act (The Strengthening Medicare and Repaying Taxpayers), this bill would streamline the efficiency of the Medicare Secondary Payer System by establishing a system that would settle claims quicker and with less confusion.

Energy Project- Accomplishments

- Developed publication, "California Chambers Leading the Clean Economy" published in print and PDF editions and distributed to local chamber throughout the state.
- Researched clean vehicle developments and opportunities with an eye towards a similar publication aimed at small businesses saving fuel costs on sales, service and delivery using alternative fuels and transportation.
- Filed Comments / Motion to the CPUC regarding expansion of On Bill Financing support, enhanced measurement of energy savings and "deep retrofits" in California.

- Completed Research Grant funded by the SF based Bay Area Air Quality Management District aimed at accelerating business investments in clean fuel vehicles for delivery, sales and service. Final report requested assistance in providing for EV rentals for businesses that would carry company logos during lease periods, support for developing business based solar carport charging installations and for recognition support of the value of “business miles” where lower fuels costs can add to supporting clean vehicle lease or loan payments.
- Met with the Edison Electric Institute in Washington D.C. to encourage development of guides for the safety, reliability and off peak charging aspects of battery vehicles to help businesses to faster invest in clean fuel vehicles that are not affected by spiking gas prices.