Date of Hearing: April 17, 2018

ASSEMBLY COMMITTEE ON JOBS, ECONOMIC DEVELOPMENT, AND THE ECONOMY Sharon Quirk-Silva, Chair AB 2463 (Quirk-Silva and Cervantes) – As Introduced February 14, 2018

SUBJECT: Small Business Assistance Act of 2018

SUMMARY: Establishes the Small Business Assistance Program for the purpose of providing technical assistance to small businesses through partnership agreements with one or more federally designated small business technical assistance centers. Specifically, **this bill**:

- 1) Establishes the Small Business Assistance Act of 2018 and makes a number of findings and declarations, including, but not limited to:
 - a) Small businesses form the core of the California economy and it is in the interest of the state to increase opportunities for entrepreneurs, the self-employed, and microbusiness and small business owners to have better access to business and technical resources.
 - b) The federal government funds and operates a range of technical assistance programs through contracts with nonprofit organizations who commit to serve and support small businesses in California. All of these programs provide free and low-cost services to California small businesses. It is in the interest of the state to collaborate with these centers under the state role of helping to provide an economic environment in which small businesses can be successful.
- 2) Establishes the California Small Business Assistance Program, within the Governor's Office of Business and Economic Development (GO-Biz), for the purpose of assisting small business by entering into partnership agreements with one or more federal small business technical assistance centers.
- 3) Requires the Director of GO-Biz to adopt regulations that are consistent with the purposes of this act.
- 4) Requires the Director of GO-Biz to consult with local, regional, federal, and other state public and private entities that share the similar missions to support small businesses in California.
- 5) Requires Go-Biz, upon appropriations of funds for this purpose, to make grants to federal small business technical assistance centers.
- 6) Requires, unless otherwise specified, that all moneys appropriated for the purpose of this act be deposited in the Small Business Assistance Account, which is created by this bill, within the California Economic Development Fund, as specified.
- 7) Requires a federal small business technical assistance center to submit a prescribed report to GO-Biz on or before November 30 of any fiscal year that the center receives a grant pursuant to this article. The bill requires that the acceptance of these reporting requirements be a condition of accepting the funds. At a minimum, the report is required to include:
 - a) The number of businesses assisted;
 - b) The amount of funds awarded;

- c) The size of businesses assisted, based on the number of employees at the time those businesses were assisted, as reported by the assisted businesses. Reporting shall be in categories of business size, as determined by the office;
- d) The city and county in which the businesses are located; and
- e) The industry sectors of the businesses assisted, as reported by the assisted businesses.
- 8) Requires the Director of GO-Biz to include a summary of the Small Business Assistance Program within the annual report of the Office of the Small Business Advocate, as specified.
- 9) Defines a "federal small business technical assistance center" to mean an administrative lead center, a women's business center, a veterans business outreach center, a manufacturing extension partnership center, a minority business development center, and a procurement technical assistance center that operates in California under a federal contract.
- 10) Defines, consistent with federal law, the terms "administrative lead center," "small business development center," "manufacturing extension partnership center," "minority business development center," "procurement technical assistance center," "veterans business center," and "women's business center."
- 11) Sunsets the provisions of this bill on January 1, 2024.

FISCAL EFFECT: Unknown

POLICY FRAME: Small businesses form the core of the California economy. Too often overlooked, these small size businesses often do double duty as the state top job creators and innovations. Based on prior program experience, technical to small businesses results in many advantages, including lower default rates, higher sales tax revenues, and new hires. AB 2463 establishes the Small Business Assistance Act to provide grants to federal small business technical assistance centers for the purpose of providing direct assistance to small businesses within their statewide network of 72 offices.

The analysis includes information on the California small business economy, the federal small business technical assistance programs, and the existing GO-Biz Capital Infusion Program. Suggested amendments are included in Comment 12.

COMMENTS:

1) The Role of Small Business within the California Economy: California's dominance in many economic areas is based, in part, on the significant role small businesses play in the state's \$2.6 trillion economy. Among other advantages, small businesses are crucial to the state's international competitiveness and are an important means for dispersing the positive economic impacts of trade within the California economy.

Nonemployer firms make up the single largest component of businesses in California with over \$4.7 million sole proprietorships being reported in 2015. Excluding nonemployer firms, businesses with less than 20 employees comprise nearly 72% of all businesses and employ approximately 18% of all workers. These non-employer and small employer firms create jobs, generate taxes, and revitalize communities.

In hard economic times, smaller size businesses often function as economic engines. The trend continued in this most recent recession with the number of nonemployer firms increasing from 2.6 million firms (\$137 billion in revenues) for 2008 to 2.8 million firms (\$138 billion in revenues) for 2010. In the post-recession economy, small businesses are expected to become increasingly important due to their ability to be more flexible and better suited to meet niche market needs. Their small size, however, results in certain challenges in meeting regulatory requirements, accessing capital, and marketing their goods and services. California's network of technical assistance providers help businesses with a range of services, including access to quality training, one-on-one counseling, mentoring, marketing data, and other business development resources.

2) Governor's Office of Business and Economic Development: In April 2010, the Governor's Office of Economic Development was established to provide a one-stop-shop for serving the needs of businesses and economic developers. While initially established through Executive Order S-01-10 and partnership agreements with the SBDCs, the office was later codified and renamed the Governor's Office of Business and Economic Development. [*AB 29 (John A. Pérez), Chapter 475, Statues of 2010*]

The Governor's 2012 reorganization plan (GRP2), further aligned the state's economic developmentrelated administrative structure. Key changes included dismantling of the Business, Transportation, and Housing Agency and the shifting of a number of programs and services to GO-Biz including:

- The Small Business Loan Guarantee Program;
- The California Travel and Tourism Commission;
- The California Film Commission;
- The Film California First Program; and
- The Infrastructure and Economic Development Bank.

In 2017, GO-Biz assisted over 18,000 companies through programs and services administered through its six service units: California Business Investment Services, the Office of Permit Assistance, the Office of the Small Business Advocate (OSBA), International Affairs and Business Development, the California Competes Tax Credit Program, and the Innovation and Entrepreneurship Program.

The OSBA oversees a number of programs and services, including advocacy on small business regulatory and legislative issues; administering the Made in California Labeling Program; maintaining an informational website; and providing advisory assistance to small businesses in the areas of regulatory compliance, business start-up and expansion, capital formation, and disaster preparedness. The Capital Infusion Grant Program is also administered through the OSBA, and it provides grants to SBDCs to provide one-on-one counseling to help small businesses access capital.

AB 2463 expands the state's relationship with the federal SBDC Program. In doing so, this would further GO-Biz's ability to serve as a strategic resource for start-ups, small businesses, and entrepreneurs in California.

3) Capital Infusion Program: The Capital Infusion Program provides competitive grant funding to the California SBDC Network, the state's largest network of small business technical assistance providers. Through the state program, the California SBDC Network has been able to expand their one-on-one, no-cost, confidential consulting to small business owners to help them attain loans, investor capital, understand and resolve their credit readiness issues, and develop funding strategies for business expansion or start-up.

Funding for this program was first authorized as part of the fiscal year 2014-15 state budget and later reauthorized in the following three fiscal years. Most but not all SBDCs participate in the competitively awarded program (34 SBDCs in the first year, 41 in the second year, and 42 in the third year).

Fiscal Year	State Dollars Committed	Capital Infusion Generated	Clients Served
2014-15	\$2,000,000	\$202,645,465	10,053
2015-16	\$2,000,000	\$173,856,832	10,251
2016-17	\$1,500,000	\$263,314,473	11,728
*2017-18	\$3,000,000	TBD	TBD

In fiscal years 2014-15 and 2016-17, over 32,000 small business clients were assisted and nearly \$640 million in capital infusion was generated.

Capital Infusion Out Comes (2016-17)			
SBDC Region	Capital Infusion	Small Business Clients Served	
Los Angeles	\$31,183,073	2,515	
Northeastern CA	\$26,605,352	1,400	
Northern CA	\$28,447,577	2,163	
Orange County/Inland Empire	\$122,034,575	1,455	
San Diego and Imperial	\$22,436,092	2,672	
UC Merced (Central California)	\$32,607,804	1,523	
Total	\$263,314,473	11,728	
Source: 2016-17 Annual Report of the Small Business Advocate			

While clearly a successful program, demonstrated by consistently providing a return on state investment of over 1500%, there are areas of the state, industry sectors, and types of businesses that either do not require or are not currently qualified for additional capital. Businesses that may be located in more rural areas or be very small in size could use additional types of assistance. AB 2463 is designed to supplement and not supplant the existing Capital Infusion Program.

4) **State Support for Federal Small Business Technical Assistance Centers**: Prior to the demise of the California Technology, Trade, and Commerce Agency in 2003, California had a direct relationship with the federal government as an SBDC Administrative Lead Center and received federal matching funds to oversee and coordinate these activities.

In 2010, Speaker John A. Pérez negotiated \$6 million for the SBDCs as part of the final budget negotiations with the Governor. [*AB 1632 (Assembly Budget Committee) Chapter 731, Statutes of 2010*]. In the 2010-11 federal fiscal year, the for-once fully funded California SDBCs consulted with 50,000 businesses, including 50% women, 48% minorities, and 12% veterans. In addition, the SBDCs:

- Created and retained 7,944 jobs, which was a 38% increase over the prior year;
- Assisted in 740 business startups, which was a 23% increase over the prior year;
- Helped small business clients to increase sales by \$220,000, which was a 71% increase over the prior year; and

• Helped small business clients raise \$176 million in new capital, which was a 22% increase over the prior year.

Since 2010, state funding for the SBDCs has been more limited and narrowly focused on assisting small businesses access capital. While useful, some businesses require substantial assistance from other services and counseling before taking the step to acquire additional capital. Serving these businesses has been challenging and, in some cases, the SBDCs have returned funds to the SBA due to an inability to acquire a local match. AB 2463 expands the scope of the state's relationship with the SBDCs and other federal small business technical assistance centers.

5) **Governor's Proposed Budget 2018-19**: The Governor's proposed budget for fiscal year 2018-19 includes a legislative proposal to extend the California Competes Tax Credit for an additional five years. In addition to extending tax credit authority, the Governor is proposing to reduce the overall value of the annual tax credit awards from \$200 million per year to \$180 million per year and remove the mandate to annually set aside 25% (\$50 million) of these credits for small business taxpayers.

In a separate, but related budget proposal, the Governor is proposing a five-year commitment of \$20 million per year for small business technical assistance. AB 2463 establishes a statutory program that would use \$17 million of \$20 million as capitalization.

6) **Small Business Development Centers**: The SBDC program is sponsored by the federal SBA and functions as a cooperative effort of the private sector, the educational community, and federal, state, and local governments. Small businesses can access a range of free and low costs services through a SBDC, including one-on-one counseling and workshops that assist the business owners in better understanding and developing effective business and marketing plans, accessing capital, and reaching foreign markets.

The SBDC program's budget is \$125 million for federal fiscal year 2017, which authorizes California to draw-down up to \$13.9 million in federal funds. Pursuant to federal law/regulation, the program is annually measured by the number of businesses served, the number of one-on-one counseling hours provided, the number of jobs created, and the amount of capital raised.

In California, SBDCs are administered through a partnership between the California State Universities at Chico, Humboldt, and Fullerton; the University of California at Merced; Long Beach City College; and Southwestern Community College, Chula Vista.

Formal management of the partnership is provided through the six Administrative Lead Centers that are designated by, and responsible to, the SBA. Each Administrative Lead Center serves a specific geographic area comprised of several SBDCs. The California SBDC network serves businesses throughout California with over 40 service centers and administrative lead centers.

In 2016, the California SBDC network reported that they had advised more than 17,469 clients by providing, among other services, over 98,600 one-on-one business advising hours and hosting 1,895 training events. The SBDC network helped launch 1,231 new businesses, raised over \$787.5 million in capital, and created 6,663 jobs.

7) **Manufacturing Extension Partnership Center**: The Manufacturing Extension Partnership program is administered through the National Institute of Standards and Technology (NIST) within the US Department of Commerce. The program is delivered through a nationwide network of centers which

offer a range of services tailored to meet the current and future needs of small and medium-sized manufacturers. These services, among others, include: technology transfer, export assistance, new product development, market diversification, productivity improvement, and workforce development. CMTC works with the manufacturer to identify their needs and delivers hands-on customized on-site technical assistance and training, typically engaging the manufacturer and their employees from four to twelve months.

In California, the Manufacturing Extension Partnership Program is delivered through the California Manufacturing Technology Consulting, which holds a 5-year program agreement.

The Manufacturing Extension Partnership program's budget is \$130 million for federal fiscal year 2017, which authorizes the California Center to draw-down up to \$14 million in federal funds. Pursuant to federal regulations, the program is annually measured by the number of manufacturers served, amounts of job creation and retention, cost savings to clients, total new capital investments, and increased company revenues.

Among other distinctions, California Manufacturing Technology Consulting is a founding member of the California Network for Manufacturing Innovation, which is a collaborative that includes Lawrence Livermore Laboratory, Lawrence Berkley National Laboratory, University of Southern California, University of California Irvine, MANEX, and El Camino Community College. The goal of the California Network for Manufacturing Innovation is to improve the transfer of technology to California manufacturers. In addition, CMTC has embedded employees at two Manufacturing USA Institutes, NextFlex in San Jose and the Clean Energy Smart Manufacturing Innovation Institute in Los Angeles, to transfer advanced manufacturing technologies to small manufacturers.

In 2016, the California Manufacturing Extension Partnership Program served 1,079 manufacturers, which resulted in \$663 million in new and retained sales, \$321 million in new client investments, \$112 million in cost saving to client businesses, and supported the creation/retention of 10,078 manufacturing jobs reported via third party client surveys from NIST. Using the US Department of Labor multiplier of 2.5:1, the program impacted 25,195 total jobs in California.

In 2017, as a result of the requirement to meet federal matching requirements, CMTC was unable to draw down the full \$14 million award for California. California funding will assure that the California Manufacturing Extension Partnership Program will draw-down full federal funding.

8) **Procurement Technical Assistance Center Program**: The Procurement Technical Assistance Center (PTAC) program is administered through the Defense Logistics Agency within the US Department of Defense. The program was established to expand the number of businesses capable of participating in government contracts. Procurement Technical Assistance Centers provide a wide range of government contracting assistance from workshops to one-on-one mentoring.

California has six Procurement Technical Assistance Centers, including: Los Angeles County Office of Small Business/PTAC (*Los Angeles*); Monterey Bay PTAC (*Seaside*); Procurement Assistance Center at Riverside Community College District (*Corona*); Norcal Procurement Technical Assistance Center (*Arcata*); San Diego Contracting Opportunities Center – PTAC (*National City*); and California Capital Financial Development Corporation (*Sacramento*). The American Indian Chamber Education Fund – PTAC (*Los Angeles*) serves Native American-owned businesses in California, Arizona, Nevada, and Utah.

Among other services, the Procurement Technical Assistance Center can assist a business in determining their readiness to successfully compete for and complete government contracts; identifying the various vendor databases and registrations/certifications used in government contracting; researching potential agencies' prior procurement histories to help make competitive bids; networking and matchmaking that lead to teaming and subcontracting opportunities; pinpointing potential government contracting opportunities that align with their skill sets; and understanding and completing a solicitation package.

Procurement Technical Assistance Center assistance is not limited to federal government contracts. Businesses can learn about local and state contracting opportunities, as well. Businesses can also learn about related accounting and reporting requirements and the various government contract payment systems.

Based on 2016 data collected from five of the seven Procurement Technical Assistance Centers which serve California businesses, over 3,500 businesses were served, which resulted in 1,061 contracts with an average of \$159.4 million in contract awards per Procurement Technical Assistance Center. Every \$1 of investment has resulted in \$93 in contract awards, representing a 1:93 or 9,300% return on investment.

9) The Veteran Business Outreach Center Program: The Veteran Business Outreach Center program is administered through the SBA, with two of the 20 centers nationwide being designated to serve veterans in California. While all SBA small business centers provide services to all entrepreneurs, including veterans, the Veteran Business Outreach Centers have additional programs and services to address the sometimes unique needs of veterans in starting and operating businesses.

A primary focus of the Centers is to facilitate and provide instruction of the SBA's "Introduction to Entrepreneurship," known as "Boots to Business," which is a course offered within the Department of Defense Transition Assistance Program. The more recently introduced program "Boots to Business Reboot" brings the "Boots to Business" curriculum off military installations and into communities for veterans, members of the National Guard and Reserve, and military spouses. Other services provided by the Centers include pre-business plan workshops, entrepreneurial training, one-on-one counseling, and feasibility analysis of business plans and site locations. In addition to serving active duty entrepreneurs, the Centers serve service-disabled veterans and Reserve, Guard, and military spouse/survivor entrepreneurs, as well as any other small business owners interested in starting a new or expanding/diversifying an established small business.

The minimum federal contract for a Veteran Business Outreach Center is \$150,000 and the maximum is \$250,000. Unlike the other federal small business technical assistance programs, there are no matching fund requirements to draw-down these moneys. Pursuant to federal law/regulation, the program is annually measured by the number of businesses served, the number of one-on-one counseling hours provided, the number of jobs created, and the amount of capital raised.

California veterans and their spouses are served through a Sacramento-based nonprofit specifically dedicated to this contract and a community college-based nonprofit administered through the MiraCosta College in Oceanside. The Sacramento-based center serves northern and central California, as well as Nevada. Santa Barbara, Ventura, Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Imperial Counties are served by the MiraCosta College Center.

10) **Women's Business Centers (WBC)**: The Women's Business Center program is sponsored by the federal SBA and was established to provide in-depth, substantive, and outcome-oriented business services to women entrepreneurs of both nascent and established businesses, including a representative number of which are socially and economically disadvantaged. The Women's Business Centers operate through a network of over 100 nonprofits nationally, including 12 nonprofit organizations in California.

The Women's Business Center program's budget is \$18 million for federal fiscal year 2017, which authorizes California to draw-down up to \$1.8 million in federal funds. Pursuant to federal regulations, the program is measured by successful business startups, job creation and retention, and increased company revenues.

California's network of women's business centers include:

- AnewAmerica Women's Business Center (East Bay, SF area)
- AnewAmerica Women's Business Center (San Jose)
- Asian Pacific Islander Small Business Program WBC LTSC Community Development Corp (Los Angeles)
- California Capital Financial Development Corporation (Sacramento)
- Coachella Valley WBC at California State University of San Bernardino
- Inland Empire Women's Business Center at California State University of San Bernardino
- Jefferson Economic Development Institute (Mount Shasta serves 5 northern counties)
- Mendocino Women's Business Center @ West Company (Fort Bragg)
- Pacific Asian Consortium Employment (PACE) Women's Business Center (Los Angeles)
- Renaissance Entrepreneurship Center (San Francisco Bay Area)
- Women Business Partners Program at Mission Community Services Corp. (San Luis Obispo)
- Women's Economic Ventures (Santa Barbara)
- Valley Economic Development Center Women's Business Center (Los Angeles)

The Women's Business Center program is the smallest of the SBA programs, with each center receiving a maximum award of \$185,000 per year in federal funds. In federal fiscal year 2017, assistance from the Women's Business Centers resulted in the creation or retention of over 2,200 jobs in California. The Women's Business Centers provided one-on-one counseling to nearly 3,000 business clients, provided training in group settings to over 19,600 businesses, and helped clients access over \$30 million in capital. The average loan size of reporting Women's Business Centers was \$205,000.

11) **Minority Business Outreach Center (MBOC)**: The Minority Business Outreach Center program is administered by the US Department of Commerce's Minority Development Agency. The program provides a range of services to minority-owned businesses seeking to expand to new markets, both foreign and domestic, as well as a wide range of technical assistance and business services including business consulting, private equity and venture capital opportunities, and facilitating joint ventures and strategic partnerships. The primary focuses of the Minority Business Outreach Center program are to build management capacity, job creation/retention resulting from facilitating contracts, and financing for medium-sized businesses.

The Minority Business Outreach Center Export Centers help businesses with identifying suitable foreign markets; matching and securing alternative sources of capital and financing, and educating minority-owned business owners of the benefits of strategic growth alternatives.

California has four Minority Business Outreach Centers, including:

- Fresno MBDA Business Center serves as a Native American Business Center and focuses, among other things, on helping entrepreneurs become procurement partners on High Speed Rail. The Fresno MBDA collaborates with Owens Valley Career Development Centers and reports serving over 5,500 tribal members from Stockton to Ventura County in California.
- Los Angeles MBDA Business Center provides core business services and is operated by the University of Southern California (USC) in partnership with the City of Los Angeles, Mayor's Office of Economic & Business Policy.
- Pasadena MBDA Business Center provides core business services and is operated by the So Cal Corporate Growth Partners.
- Sacramento MBDA Export Center provides core business services with a focus on exports. It is operated by the California Asian Pacific Chamber of Commerce.
- San Jose MBDA Business Center provides core business services and is operated by ASIAN, Inc. of San Francisco.

12) **Proposed Amendments**: Below is a list of amendments the committee may wish to consider.

- a) Update the name of the program to Small Business Assistance and Expansion Program;
- b) Extend the sunset on the program to cover the reporting period;
- c) Provide that small businesses may be assisted by free and low cost one-on-one counseling and training;
- d) Add specificity to the purpose of the program;
- e) Add legislative intent related to Minority Business Development Centers;
- f) Authorize individual and group applications;
- g) Authorize grant awards for both single-year and multiple years;
- h) Revise the reporting criteria to be based on the completion of the agreement;
- i) Authorize GO-Biz to expand the reporting criteria and to set the format for submittals; and
- j) Make other technical changes.

13) **Related Legislation**: Legislation related to this measure includes the following:

a) *AB 184 (E. Garcia) Small Business Technical Assistance Act of 2015*: This bill would have designated the Governor's Office of Business and Economic Development as the lead entity for facilitating the state's engagement with five key federal small business technical assistance programs: the Small Business Development Centers; the Women's Business Center program; the Veteran Business Outreach Center program; the Service Corps of Retired Executives; and the Procurement Technical Assistance Cooperative Agreement program. Status: Held on the Suspense File of the Assembly Committee on Appropriations, 2015.

- b) *AB 837 (Campos) Economic Development Program Reporting*: As passed by JEDE, this bill would have required annual reporting to GO-Biz from the Small Business Development Center Leadership Council on its activities in any year that the state contributes funds. Amendments taken in the Senate deleted the content of the bill and added language relating to CalPERS with Assemblymember Wieckowski as the author. Status: Vetoed by the Governor, 2014. The veto message reads: "*This measure creates an exemption to the California Public Employees' Pension Reform Act of 2013. I am unwilling to begin chipping away at these reforms.*"
- c) *AB 1632 (Assembly Budget Committee) Financing and Technical Assistance Funds for Small Businesses*: This bill provided \$32.35 million in funds for small business finance and technical assistance, which leveraged \$174 million in federal and in-kind funding. The \$32.35 million was allocated as follows: \$20 million was appropriated for use within the state Small Business Loan Guarantee Program; \$6 million to provide a federal match for California SBDCs to draw-down federal dollars; \$6 million for the California Capital Access Program for loss reserve programs; and \$350,000 to the Federal Technology Program to draw-down federal dollars. Status: Signed by the Governor, Chapter 731, Statutes of 2010.
- d) *AB 2206 (Price) Small Business Development Centers*: This bill would have re-established the California Small Business Development Center Program through the auspices of the Business, Transportation, and Housing Agency. Status: Held in Assembly Committee on Appropriations, 2008.
- e) *AB 2670 (Medina) Small Business Technical Assistance Centers*: This bill would have designated the Governor's Office of Business and Economic Development as the lead state entity for overseeing the state's participation and collaboration with the federal small business technical assistance programs. Status: Held on the Suspense File in the Assembly Committee on Appropriations, 2014. As a result of this bill and AB 2717, \$2 million dollars was provided in the budget to the SBDCs for assisting small businesses access capital.
- f) *AB 2717 (Bonta) Funding for Small Business Development Centers*: This bill would have appropriated \$6 million for the purpose of assisting SBDC Administrative Lead Centers provide the mandatory match to draw-down federal funds. Status: Held on the Suspense File in the Assembly Committee on Appropriations, 2014. As a result of this bill and AB 2670, \$2 million dollars was provided in the budget to the SBDCs for assisting small businesses access capital.
- g) *AB 2900 (JEDE) Small Business Centers Reporting*: As passed by JEDE, this bill would have required a state department that awards funds to a federal small business technical assistance center to report to the Legislature in the following year. Among other data, the department would be required to report on the number of businesses assisted, industry sectors of those businesses, and the general geographic location. Amendments taken in the Senate removed the contents of the bill and added the provisions in AB 2901 with amendments. As signed, this bill expands the mandatory annual reporting of data on the California Competes Tax Credit to include the city and county of the business location, and whether the business is located in areas of high unemployment or high poverty, as specified. Status: Signed by the Governor, Chapter 582, Statues of 2016.

REGISTERED SUPPORT / OPPOSITION:

Support 12 Small Things Access Plus Capital Accion

Airport Mobil Towing American Grilled Cheese Kitchen AnewAmerica Community Corporation Aqua Skin and Nail Care Bay Area Urban Manufacturing Initiative (BAUM) **Bitches Britches Records** Bonti **Bouquet Canyon Kennels Brandt Ventures** Buddhi Boxx California Asian Pacific Chamber of Commerce California Association of Competitive **Telecommunications Companies (CALTEL)** California Association of Micro Enterprise **Opportunity (CAMEO)** California Black Chamber of Commerce California Capital Financial Development Corporation California Hispanic Chambers of Commerce California League of Food Producers California Metals Coalition (CMC) California Sunriders Inc. **CDC Small Business Finance** Children's Therapy Network Inc. Chinatown Service Center Christina's Angels CIELO City of Antioch City of Berkeley City of Brentwood City of Concord City of Fremont City of Los Banos City of Morgan Hill City of Murrieta City of Newark City of Oakdale City of Oakland City of Oakley City of Pleasanton City of Rancho Cucamonga City of Riverside City of San Jose City of San Leandro City of San Rafael City of Union City City of Vallejo Clientworks, Inc. College of Marin College of Siskiyous College of the Canyons

College Web Media CONNECT Control Corrective Skincare Systems Inc. Corte Madera Chamber of Commerce CSU Bakersfield David Mercer Consulting, Inc. Delhi Center Designs On A Vine Boutique Dimic Steel Tech, Inc. Dominican University of California Economic Development Department of the City of Menifee Economic Vitality Corporation **Fine Lines Communications Fire Starter Studios** Flasher Barricade Association Fresno Business Council Fresno Regional Workforce Development Board Gary A. Foltz Professional Law Corporation Golden Gate Restaurant Association Greater Geary Boulevard Merchants & Property **Owners** Association Hispanic 100 **Hispanic Business Consultants** HR Business Solutionz Hub Cities In Trust Legal Inbound Design InterACT Computing Enterprise, Inc. Invest in Women Entrepreneurs Initiative Isabella Gourmet Foods Julie London K&L Gates LLP Kundalini Kitchen LAEDC Lancaster Alloys Company, Inc. LaPenai Design Latino Coalition Lemmon Employment Law & Conflict Resolution Lendistry Lenson Consulting Lenson Life Coaching Lifework Solutions, aka Monica Lenches Real Estate Little Tokyo Service Center Main Street Launch Mariposa County Mendocino County Board of Supervisors

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Microenterprise Collaborative of Inland Southern California Microsemi Corporation Mid-State Development Corporation Mike Dozier Consulting Mill Valley Chamber of Commerce Miramar Venture Partners **Mission Community Services** Moreno Valley Chamber of Commerce Mother Lode Job Training Motoroso Napa Valley College National Association of Women Business Owners (NAWBO) – Sacramento Valley National Federation of Independent Business (NFIB) Nevada County Economic Resource Council, Inc. North East Mission Business Association (NEMBA) Northern California Independent Booksellers Association (NCIBA) Nuhubit Software Studios OCS Construction Services, Inc. **OCTANe** Office of Economic Development for the City of Garden Grove One Source Insurance **Opportunity Fund Opportunity Stanislaus Orange County Business Council** Orange County Hispanic Chamber of Commerce Pacific Coast Regional Small Business **Development Corporation** Petite Sweets PhageTech, Inc. Plumbing Heating Cooling Contractors of California (PHCC) Promenade Temecula Public Law Center PureFit Premium Protein Bars Quality Behavior Solutions, Inc. Rancho Santiago Community College District **Recros Medica**

Regional Chamber of Commerce - San Gabriel Vallev Renaissance Entrepreneurship Center **Reves de Sabine** Rosenstein & Associates **RSM US LLP** San Francisco Builders Exchange San Francisco Chamber of Commerce San Francisco Council of District Merchants Association (SFCDMA) San Francisco Locally Owned Merchants Alliance San Francisco Small Business Network Santa Barbara Matchmaking Search To Involve Pilipino Americans Sierra Business Council Siskiyou Economic Development Council Small Business California Small Business Majority Small Manufacturers Association of California Soft Health Technologies Sonoma County Economic Development Board Stanislaus County Board of Supervisors Stradling Yocca Carlson & Rauth Summit Technology Laboratory Temecula Valley Chamber of Commerce Thai Community Development Center **Thomas Gallaway Corporation** TP Food Processing Inc. Trace-Ability, Inc. Tuolumne Economic Development Authority Umpqua Bank Valley Economic Development Center Valley Vision Visual Terrain, Inc. Waff-N-Roll Werth-It Whalebird Kombucha Women's Business Center Women's Economic Ventures Working Solutions WSI Smart Marketing YWCA San Francisco & Marin and 122 individuals

Opposition – None on File

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