

## AB 657 (CUNNINGHAM): SMALL BUSINESS LIAISONS

**POSITION:** On April 4, 2017, the Chamber's Small Business Roundtable supported AB 657. The Chamber's Public Policy Committee is scheduled to consider the bill on April 11, 2017.

**STATUS:** AB 657 was introduced by Assembly Member Jordan Cunningham on February 14, 2017 and re-referred to the Committee on Appropriations on March 28, 2017.

### AT-A-GLANCE

Each State agency is currently required to have a designated Small Business Liaison. AB 657 requires each State agency to report to the Governor's Go-Biz Office when a vacancy in the liaison exists and requires them to make a new designee within six months. The legislation also requires each State agency to post the name of the Small Business Liaison prominently on their website.

### SUMMARY

SB 1436 created the Small Business Liaison in each State agency in 2006. The intent behind that legislation was to provide support to small businesses in recognition that it takes substantial resources to navigate the bureaucracy of a State agency and it is unlikely that a small business will have such resources. Unfortunately, one currently must navigate the bureaucracy in order to find the name and contact information for the appropriate Small Business Liaison.

AB 657 is designed to make the following two notable refinements to improve the effectiveness of the Small Business Liaisons:

1. Requires each agency that "significantly regulates or impacts small businesses" to prominently display the name and contact information of the designated Small Business Liaison on their website.
2. Requires each agency that "significantly regulates or impacts small businesses" to notify the Governor's Office of Economic Development (GO-Biz) within 72 hours of a vacancy in the Small Business Liaison role.

### ANALYSIS

The Legislative Analyst Office's recommendations of note include additional clean-up language such as requiring each State Agency to notify GO-Biz of their current Small Business Liaison by March 1, 2018 and cleaning up the definition of a "small business," as well as more substantial recommendations such as reducing the period of time agencies have to designate a new Small Business Liaison from six months (as the legislation currently suggests) to three months.

The legislation proposes taking an approach of working with small businesses to comply, rather than expecting small businesses to have a thorough understanding of an agencies complex and ever-changing rules. Working with AB 912, this legislation is designed to make dealing with a bureaucracy a little bit easier.

### SUPPORT

- California Chamber of Commerce
- California Manufacturers & Technology Association
- National Federation of Independent Business

### OPPOSITION

None known