# CALFORNIC DE ALECTAR DI SONO DE LA CALLOR DE

# GOVERNOR'S OFFICE OF BUSINESS AND ECONOMIC DEVELOPMENT

#### STATE OF CALIFORNIA • OFFICE OF GOVERNOR GAVIN NEWSOM

Office of Small Business Advocate,
Made in California Program &
Permit Assistance Program
Annual Report to the Governor and Legislature
October 2017- September 2018

Pursuant to Sections 12097(d), 12098.4(b), and 12098.10(g) of the Government Code

# January 2019

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# **Overview**

Annual reports are required to the Governor and the Legislature for the Office of Small Business Advocate (OSBA), the Made in California Program, and the Permit Assistance Program, pursuant to Government Code Sections 12097(d), 12098.4(b), and 12098.10(g) respectively. All three programs operate within the Governor's Office of Business and Economic Development (GO-Biz). This combined report provides information on the activities and priorities of each program during the reporting period covering October 1, 2017 to September 30, 2018.

# Office of Small Business Advocate

The OSBA operates as a unit within GO-Biz. The roles and responsibilities for OSBA are described in Government Code Sections 12098-12098.9. As stated in the statute:

(a) The Legislature finds and declares that it is in the public interest to aid, counsel, assist, and protect, insofar as is possible, the interests of small business concerns in order to preserve free competitive enterprise and maintain a healthy state economy.

(b) In order to advocate the causes of small business and to provide small businesses with the information they need to survive in the marketplace, there is created within the Governor's Office of Business and Economic Development the Office of Small Business Advocate.

The OSBA has four primary focus areas:

- 1. Advocacy
- 2. Information Gathering/Dissemination
- 3. Agency Coordination
- 4. Business Assistance

# **California Small Business Statistics**

The United States Small Business Administration (SBA) provides annual statistics on California's small businesses. According to their "2018 Small Business Profile," California is home to 3.9 million small businesses. Over 99.8 percent of the state's businesses are small businesses, employing 7.0 million workers in the state (48.8 percent of the state's total workforce). Firms with fewer than 100 employees provide the largest share of small business employment, reporting approximately 5.0 million workers. Firms employing fewer than 20 employees experienced the largest annual gain in employment, adding 174,952 net jobs.<sup>2</sup> Small businesses are also a key driver of California's exports. Over 70,000 small businesses engage in exporting, generating 43.2 percent of California's \$152.1 billion in total known exports.

<sup>&</sup>lt;sup>1</sup> The SBA generally defines a small business as meeting the following criteria: 500 employees for most manufacturing and mining industries and \$7.5 million in average annual receipts for many nonmanufacturing industries. <a href="https://www.sba.gov/content/summary-size-standards-industry-sector">https://www.sba.gov/content/summary-size-standards-industry-sector</a>

<sup>&</sup>lt;sup>2</sup> According to the SBA's California Small Business Profiles, net small business job change data is based on the 2015 Statistics of US Businesses (SUSB).

Compared with other states, California leads in the number of small businesses, with over 1.3 million more than the state with the next highest number of small businesses. California's small businesses constitute nearly 12 percent of all small businesses in the United States, outpacing Texas (2.6 million), Florida (2.5 million), and New York (2.1 million).<sup>3</sup>

# 2017-2018 OSBA Accomplishments

During the October 1, 2017 to September 30, 2018 reporting period, the OSBA centered its work around the unit's four focus areas.

# **Advocacy**

The OSBA engages with policy makers, small business stakeholders, and the small business community throughout the year to understand small business concerns and explore potential solutions to small business issues.

In 2015 and 2016 report periods, OSBA staff conducted a statewide series of small business forums with legislators. These events primarily focused on programs and services offered by GO-Biz for small business and included additional speakers, such as other state agencies or local resources for small business, as needed. During the current reporting period, OSBA staff conducted two additional forums as a follow-up to the event series held in the prior report periods.

The OSBA also worked extensively with the Governor's Office, the Legislature, and the California Department of Finance to allocate \$23 million of funding to three grant programs supporting the expansion of small businesses technical assistance at federally funded centers throughout California. These programs are described in detail in the "Business Assistance" section of this report.

#### **Information Gathering/Dissemination**

The OSBA team produced or participated in a variety of small business-related events during the reporting period. OSBA is regularly invited to participate in state, regional, and municipal economic development meetings to provide both a statewide perspective on small business issues and input on local small business challenges and opportunities.

The OSBA also utilizes its own email distribution list to engage with the small business community and keep them informed of upcoming events. The current distribution list has nearly 3,000 contacts and is included as part of the larger GO-Biz distribution list. The OSBA is also active on social media and posts information on OSBA and GO-Biz activities and news on Twitter, Facebook, and LinkedIn.

#### **General Small Business Events**

Below is a sampling of general events in which OSBA staff participated.

Alliance Economic Inclusion Small Business Expo – Los Angeles, June 15, 2018. The Federal
Deposit Insurance Corporation (FDIC), Los Angeles Small Business Development Center Network,
City of Los Angeles and local financial Institutions and nonprofit agencies hosted an expo for

<sup>&</sup>lt;sup>3</sup> All statistics in this section were taken from the SBA's 2018 Small Business Profiles for individual states and the nation. <a href="https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-CA.pdf">https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-CA.pdf</a>
<a href="https://www.sba.gov/advocacy/2018-small-business-profiles-states-and-territories">https://www.sba.gov/advocacy/2018-small-business-profiles-states-and-territories</a>

new and existing small businesses and nonprofit organizations. The expo included workshops with information about loan programs, starting a business, and permit requirements. OSBA staff hosted a resource table and participated in a workshop.

- Business Financials and Loan Readiness Sacramento, December 8, 2017. OSBA staff
  participated in a presentation that described financing programs for businesses to support startup or expansion. The presentation included an overview of GO-Biz's services for businesses as
  well as general financing options available to business owners.
- Business to Business Roundtable Forum Compton, January 24, 2018. The purpose of this
  event, which was hosted by City of Compton Councilmember Emma Sharif, was to inform,
  enlighten, and inspire businesses in the City of Compton. OSBA staff spoke about the various
  programs and tax incentives under GO-Biz, such as permit assistance, international affairs and
  investment, the California Competes Tax Credit, and the Jump Start Loan Program from the
  California Infrastructure and Economic Development Bank (IBank).
- California Cybersecurity Workforce Development Summit, Cybersecurity Innovation Challenge (CCIC), and CCIC Day at the Capitol San Luis Obispo and Sacramento, June and August, 2018.
   OSBA staff partnered with California Polytechnic State University, San Luis Obispo (Cal Poly SLO) and their California Cybersecurity Institute (CCI) to host three major events, the first annual Cybersecurity Workforce Development Summit (Summit) on June 22<sup>nd</sup>, the third annual CCIC on June 23-25, and the CCIC Day at the Capitol on August 13<sup>th</sup>.

The Summit covered industry trends, particularly in California, and the workforce development and education pathways being developed to mitigate the labor and skills gaps affecting businesses. Senator Bill Monning (District 17) opened the Summit as the Keynote Speaker and Assembly Member Jacqui Irwin (District 44), Chair of the Assembly Select Committee on Cybersecurity, participated as a panelist. GO-Biz secured leaders from the California Workforce Development Board, the Division of Apprenticeship Standards, the U.S. Department of Homeland Security, and industry leaders to participate on a Summit panel.

The CCIC was a three-day statewide cybersecurity student competition designed to introduce students to cybersecurity as a future course of study and career. This year's CCIC hosted 20 cybersecurity middle school and high school teams charged with solving digital forensic and physical security challenges. OSBA staff supported the event and students as they completed each challenge.

Following the competition, GO-Biz hosted the top four CCIC teams at a Day at the Capitol and coordinated recognition by the California State Senate and Assembly and a panel discussion with state department cybersecurity experts. Each school was recognized on the Floor of the Assembly and presented with a Resolution honoring the success of the students and schools in advancing the field of cybersecurity. The delegation of students and coaches included team members from veteran competitor North Hollywood High School (1st place) from Los Angeles, Jesuit High School (2nd place) from Carmichael, Del Norte High School (3rd Place) from San Diego, and the newest competitor, Centennial High School (4th place) from Bakersfield.

Resolutions were presented by Assembly Member Irwin, as well as Senators and Assembly Members representing all the districts that the schools were located in, including: Assembly

Members Sharon Quirk-Silva (District 65), Ed Chau (District 49), Adrin Nazarian (District 46), Ken Cooley (District 8), Brian Maienschein (District 77), and Vince Fong (District 34); and Senators Jerry Hill (District 13), Bob Hertzberg (District 18), Richard Pan (District 6), Jim Nielsen (District 4), Joel Anderson (District 38), and Jean Fuller (District 16).



Pictured: Students from the California Cyber Innovation Challenge Day at the Capitol.



Pictured: Assembly Members Jacqui Irwin, Ken Cooley, and Vince Fong with California Cyber Innovation Challenge team members.

- California Department of Tax and Fee Administration (CDTFA) Small Business Events –
   Alhambra, May 4, 2018; Cypress, January 30, 2018; and Glendale, June 25, 2018. OSBA staff
   delivered presentations during the above CDTFA events to describe GO-Biz's programs and
   services available to assist entrepreneurs and existing business. The presentations included
   information about the California Competes Tax Credit, permit assistance, and IBank's Jump Start
   Loan Program.
- California Public Utility Commission (CPUC) Small/Diverse Business Expo Long Beach, April
  25, 2018. This event, which was in collaboration with the City of Long Beach and the CPUC,
  consisted of a matchmaking expo to connect government buyers with small businesses seeking
  government contracts. It provided an opportunity for small and diverse businesses to learn how

to obtain contracts with government agencies and utility companies. OSBA staff hosted a resource table.

- Community Resource Fair Pasadena, September 13, 2018. The Community Resource Fair is
  an annual event hosted by Assembly Member Chris Holden (District 41). The event included
  agencies and resources from the city, county, and state, such as the California Highway Patrol,
  California Department of Insurance, Red Cross, County of Los Angeles, and City of Pasadena. The
  purpose of the event was to provide residents and business in District 41 with direct access to
  government and nonprofit organizations. OSBA staff hosted a GO-Biz resource table.
- San Joaquin Procurement Expo Stockton, September 13, 2018. This event was hosted by the San Joaquin Public Agency Consortium, a collaboration of state and local agencies and small business assistance organizations that promote the growth of small businesses in Stockton and surrounding areas. OSBA staff provided an overview of the resources and services that GO-Biz offers to small businesses.
- Small Business ADA Compliance Workshop Discovery Bay, August 9, 2018. The OSBA, in partnership with the Office of Assembly Member Jim Frazier (District 11) and the Discovery Bay Chamber of Commerce, hosted a workshop on American Disability Act compliance and related resources. The purpose of the workshop was to help local small business owners better understand ADA compliance requirements and the various programs and services from the state that are available to help business owners. The workshop featured a panel presentation moderated by OSBA staff and leadership from the California Commission on Disability Access, the California Division of State Architects, and the California State Treasurer's Office.
- Small Business Event Inglewood, September 13, 2018. OSBA staff spoke on a panel hosted by Assembly Member Autumn Burke (District 62) to inform small business of state and local resources for small businesses. OSBA staff provided information on GO-Biz's programs and services, as well as general information on the Opportunity Zones program.

# California Small Business Month Events/Resources

Every year since 2013, California's Governor has declared the month of May as California Small Business Month and recognized the importance of small business and entrepreneurs to the state. To commemorate California Small Business Month during the reporting period, the OSBA participated in events to benefit the small business community throughout the month of May. These events included the following:

- **Digital Tools for Growth Workshop Oakland, May 17, 2018.** OSBA presented on a panel that described public and private sector resources that are available to small businesses to help them

grow. The group discussed the range of innovative solutions being created and offered by the public sector through the state and City of Oakland, as well as the private sector.

- Los Angeles City Small Business Expo Los Angeles, May 2, 2018.
   This event was hosted by the Los Angeles Mayor's Office of Economic Development at Los Angeles Technical Trade College. The event included workshops on obtaining small business loans and procurement opportunities with the city and state. OSBA staff hosted a resource table featuring GO-Biz programs and assistance available to the small business community.
- Regional Regulatory Reform Roundtable Folsom, May 2, 2018. This event was hosted by the
  SBA's Office of Advocacy and featured a roundtable discussion of federal regulatory issues
  impacting small businesses in the Sacramento region. Attendees included SBA Office of
  Advocacy staff, local business owners, and local small business stakeholder organizations. OSBA
  staff described how GO-Biz provides businesses with individual assistance with issues ranging
  from access to capital to state regulatory compliance.

The OSBA also partnered with California Community Colleges to host the "Celebrating California Small Business Month" website. The website featured a comprehensive list of small business activities from state, federal, and local partners throughout the state during the month of May, as well as information on small business programs and services.

#### **Post-Wildfire Recovery Events**

The OSBA participated in various events to support post-wildfire recovery. OSBA staff moderated discussions and shared information on available state and federal programs to support the business recovery process.

- Post-Disaster Economic Recovery "Building Back Better" Oakland, August 29, 2018. This
  panel discussion was part of the 2018 Federal Emergency Management Agency/Department of
  Homeland Security Private/Public Regional Workshop/Conference. OSBA staff moderated a
  panel featuring representatives from the City of Santa Rosa, Sonoma County, and Mendocino
  County to discuss resources and strategies to promote post-wildfire business recovery and
  greater resilience against future disasters.
- Santa Barbara County Post-Wildfire Economic Forum Santa Barbara, January 5, 2018. OSBA staff met with local officials, business owners, and chambers of commerce and tourism bureau staff to discuss the Thomas Fire's effect on the local economy and identify resources to assist.
- Small Business Roundtable Oxnard, February 21, 2018. This event brought together state, local, and federal agencies, along with financial institutions, to inform small businesses of resources available to help with rebuilding after the Thomas wildfire and subsequent mudslides. GO-Biz hosted a resource table.
- Thomas Fire Small Business Resource Meeting Ventura, February 22, 2018. OSBA staff joined Assembly Member Monique Limon (District 37 to meet with small businesses impacted by the Thomas Fire. OSBA staff met individually with business owners to provide information on resources specific to their needs.

# **Agency Coordination**

The OSBA, in partnership with the GO-Biz Permit Assistance Unit, manages an Interagency Working Group that convenes small business officers and advocates from various state agencies to focus on business utilization of the California Business Portal, an online tool that was developed by GO-Biz in partnership with the CA Department of Technology's Leadership Academy, to consolidate business and compliance information from multiple federal, state, and local governments. The Interagency Working Group maintains four subcommittees:

- 1. Regulations, Permits, Compliance
- 2. Incentives
- 3. Workforce
- 4. Procurement

Each subcommittee works to update and maintain content on the California Business Portal pages that pertains to those focus areas and find additional ways to collaborate.

In addition, the OSBA regularly participates in several workgroups managed by different agencies, including the Department of General Services Small Business Council Meetings and Small Business Advocates Workshops, CalTrans Small Business Council Meetings, and the Taxpayer Advocates Quarterly Meeting, a convening of taxpayer advocates from the Franchise Tax Board, CDTFA, Employment Development Department, and the United States Internal Revenue Service. The Small Business Advocate also meets with small business advocates in other agencies to discuss programmatic issues and identify ways to collaborate.

The OSBA also coordinates with the different units of GO-Biz to support small businesses. Here are two examples of collaborative efforts in the past year:

- 2018 Global Climate Action Summit (GCAS): Held in San Francisco from September 12-14, GCAS brought leaders and people together from around the world to celebrate the achievements of states, regions, cities, companies, investors, and citizens with respect to climate action. OSBA staff organized the GCAS Innovation Showcase Competition which highlighted over 20 small businesses and startups doing innovative work impacting clean technology and the environment the opportunity to exhibit in front of nearly 4,000 attendees and compete for a grand prize package, which included a cash prize from a private donor, mentorship, and an article on Inc.com. Many of these businesses were also provided time to present to the guests visiting the Innovation Showcase through 15-minute presentations, pitching their services and products. OSBA staff and staff from other GO-Biz units provided event-related support.
- Australian Parliament Delegation: The OSBA and GO-Biz's International Affairs and Investment
  Unit presented on trade, innovation, and entrepreneurship at a delegation from the Parliament
  of New South Wales, Australia that was hosted by the Senate Office of International Relations.
  OSBA staff described the state's resources and services to support commercialization, exporting,
  and international investment.

#### Agency Coordination in Post-Wildfire Recovery

During the reporting period, small businesses in Northern and Southern California were impacted by an array of devasting wildfires, including the Atlas, Tubbs, Nuns, Redwood Valley Complex, Thomas, and

Carr Wildfires. The OSBA partnered with federal and state agencies to support and local agencies and organizations in the post-wildfire recovery efforts in each region. Following each disaster, OSBA staff participated in weekly calls with the Governor's Office of Emergency Services (OES), the Federal Emergency Management Agency (FEMA), and the SBA to stay informed about state and federal business recovery resources and assist partners as needed. OSBA staff joined OES in meeting with local agencies and small businesses in the impacted areas and attended meetings with local partners to assist in identifying strategies to resolve business recovery issues. OSBA staff also worked once a week from October through December at the Sonoma County Economic Development Board to provide support to local partners.

# **Business Assistance**

The OSBA assists individual businesses by providing information on small business resources and services offered by partners throughout the state. During the reporting period, OSBA and GO-Biz staff assisted over 430 small businesses by email or phone. In addition, the OSBA administers business assistance programs, which include grant programs for federal technical assistance providers and CA Made, a state labeling program for manufactured goods.

# Post-Wildfire Recovery Business Assistance

GO-Biz also assisted small businesses with disaster recovery after the wildfires in Northern and Southern California. The OSBA created a comprehensive post-wildfire disaster recovery guide with federal, state, and local resources for businesses. Given the significant scope of the damage in Santa Rosa, OSBA staff also worked directly in the Sonoma County Local Resource Center shortly after the fires, helping individuals navigate the Center and locate the agencies and resources appropriate to their needs.

#### Capital Infusion Program

The OSBA oversees the Capital Infusion Program (CIP), which provides competitive grant funding to the California SBDC Network, the largest technical assistance program for small businesses in California. The California SBDC Network is comprised of five regional networks, each having one administrative hub or "Lead Center" and a network of SBDC sub-centers. As shown in the following map, SBDC sub-centers are located throughout the state.

The CIP is aimed at helping SBDCs expand their one-to-one, no-cost, confidential consulting to help small business owners attain loans or investor capital, understand and resolve credit-readiness issues, and develop funding strategies for business expansion or startup. CIP awards must be matched 1:1 by the SBA. The OSBA manages all aspects of the program's administration, including the application process, agreement execution, and the monitoring of performance and compliance.





Between 2014-15 and 2017-18, CIP funding was allocated to GO-Biz on an annual, one-time only basis. The 2018-19 Budget provided a continuation of \$3 million in annual funding for the program through 2022-23. The following are two charts showing statewide funding and results for CIP to date.

**Statewide Program Funding and Results to Date** 

Fiscal Year	State Dollars Committed	Grantees	Capital Infusion Generated	Clients Served
2014-15	\$2,000,000	34	\$202,645,465	10,053
2015-16	\$2,000,000	41	\$173,856,832	10,251
2016-17	\$1,500,000	41	\$263,314,473	11,728
2017-18	\$3,000,000	45	\$225,248,874	17,915
2018-19	\$3,000,000	44	In progress	In progress

2017-18 Statewide Results by Region

	Capital	Clients
Region	Infusion	Consulted
Los Angeles	\$52,375,370	4,567
Northern CA – Western Region	\$35,988,849	3,227
Northern CA – Eastern Region	\$34,318,785	2,581
Orange County/Inland Empire	\$62,188,970	2,464
San Diego and Imperial	\$24,434,215	3,796
UC Merced (Central California)	\$24,578,138	1,280
Total	\$233,884,327	17,915

A sampling of CIP success stories showing the diversity of clients and capital infusion milestones are provided below.

Grantee: Bakersfield SBDC Client: Sculpt 365, Tehachapi, CA

Sculpt 365, a veteran-owned gym, worked with the Bakersfield SBDC to obtain assistance in expanding into new locations. The SBDC provided consulting expertise and market research to help inform potential locations. Sculpt 365 has since opened two new locations in Bakersfield, received capital infusion of \$1,290,000 invested \$300,000 in equipment, and created 22 new jobs.

#### **Grantee: Cal Coastal SBDC**

# Client: Sumano's Bakery, LLC, Watsonville, CA

Sumano's Bakery, LLC has been making sourdough bread in Watsonville, CA for the past 16 years. The business bakes, sells, and delivers bread daily to local restaurants and grocery stores in the surrounding area. Cal Coastal SBDC provided the CEO with management and loan application guidance to help secure several loans to fund an expansion of the business and the purchase of an organic mushroom farm. Since acquiring this funding, the owner has started an additional business (Sumano's Organic Mushrooms), created 13 new full-time jobs, retained 4 full-time jobs, and logged gross sales of over \$5.5 million.

# **Grantee: San Diego SBDC Client: Waitz, San Diego, CA**

Launched in 2017 by recent engineering graduates of the University of California-San Diego, Waitz has developed "people counter" technology that utilizes Bluetooth and WiFi signal scanning to measure real-time and predicted foot traffic activity in campus environments such as college and corporate campuses.

The San Diego SBDC assisted Waitz in obtaining an equity investment to grow the business by providing strategic planning, negotiation strategy and connections and introductions to funding groups. The firm received \$250,000 in an equity "angel" investment and utilized its equity financing to hire one full-time and one part time employee, relocate its offices, and fund further development of its technology.

#### **Grantee: Sierra SBDC**

#### Client: American Renewable Power, Loyalton, CA

American Renewable Power (ARP) is a biomass power company that purchased the abandoned Sierra Pacific Power Plant in Loyalton, CA. ARP is also developing an eco-tech park designed to host up to thirteen biomass-related businesses. Sierra SBDC consultants worked with the client to develop a

business plan to support the purchase of the property with private investment dollars (\$5.6 million) and a \$100,000 grant submission to the Sierra Nevada Conservancy for a project master plan. SBDC consultants continue to work with the client on the master plan and marketing strategy to attract new businesses.

# Grantee: Siskiyou SBDC Client: C Karuk, Somes Bar, CA

C Karuk is a wildfire consulting service launched in 2018 by a Karuk Tribe member and service-disabled U.S. Marine veteran. The firm provides critical water delivery services to CalFire, the Karuk Tribe, and others in the isolated, fire-prone forest region of Coastal Northwest California. The SBDC advisor assisted the owner by developing financial projections to secure loan approvals of \$315,000 and a revolving line of credit of \$50,000. The client subsequently launched his new business, obtaining the specialty equipment, secured qualified drivers, and all CalFire, FedFire, and Tribal approvals and certifications.

# Small Business Technical Assistance Grant Programs

In 2018-19, GO-Biz was allocated \$23 million in General Fund dollars to support the CIP and two new grant programs for federal small business technical assistance centers throughout California: the Small Business Technical Assistance Expansion Program (SB TAEP) and Small Business Technical Assistance Program (SB TAP). Eligible centers include the SBDC Network, Women's Business Centers, Veteran Business Outreach Centers, and Procurement Technical Assistance Centers, among others. These centers are designated by federal funding partners to provide one-on-one confidential consulting and/or training to help small businesses and entrepreneurs start, expand, facilitate investment, and create jobs in California.

The SB TAEP was created to expand the capacity of federal small business technical assistance programs in the state. The program was enacted in <u>Government Code Section 12100-12100.69</u>. SB TAEP provides \$17 million each year through 2022-23 to expand existing small business services, such as free or low-cost one-on-one consulting and low-cost training. SB TAEP's funding is focused on services to underserved business groups, including women, minority, and veteran-owned businesses and businesses in low-wealth, rural, and disaster-impacted communities. The SB TAP provides \$3 million in one-time grant funding to a subset of federal small business technical assistance centers to fund consulting, training, research, marketing, and operations.

The development and implementation of SB TAEP and SB TAP comprised a significant share of the OSBA's efforts during the reporting period. The OSBA helped develop the statutory language and provided data and programmatic information to support the budget trailer bill underlying SB TAEP. Once the programs were approved in the 2018-19 Budget, OSBA staff prepared and released program announcements, which contained details on the funding, eligibility criteria, performance and reporting requirements, and application. OSBA staff answered questions from prospective applicants and hosted an informational webinar on the technical assistance programs to provide an overview and describe the application process. OSBA staff also managed the application review process, finalized awards, and executed agreements with grantees.

For the 2018-19 grant year, 83 centers received SB TAEP awards, while 27 centers received SB TAP awards. The 2018-19 grant year began on October 1, 2018. A list of all CIP, SB TAEP, and TAP awardees is available on the SB TAEP website.

# Made in California (CA Made)

#### **Overview**

In 2013, Governor Brown signed Senate Bill 12 (Corbett, Chapter 541, Statutes of 2013), which created within GO-Biz the Made in California Program ("CA Made"). CA Made is a state labeling program designed to encourage consumer product awareness and to promote the purchase of products manufactured in California. The OSBA is responsible for administering the program.

A manufacturer must meet the following requirements to participate in CA Made:

- 51 percent or more of a product's value added must be from California.
- The finished product must be able to lawfully use a "Made in U.S.A." label pursuant to Section 17533.7 of California's Business and Professions Code.
- Agricultural products subject to Buy California program are excluded.
- A third-party certification is required at least once every three years.

As defined in <u>Government Code Section 12098.10(e)3</u> a qualified third-party certifier is an "individual, group, or association that possesses a professional license, certification, or other equivalent documentation indicating sufficient training, education, or expertise to perform a regulatory compliance audit."

# **Progress to Date**

On June 7, 2016, regulations for CA Made were approved and filed and an official webpage for CA Made was launched – <a href="www.camade.ca.gov">www.camade.ca.gov</a>. A digital advertising campaign was launched in late summer 2016 for the program that included both digital banner placements across a variety of manufacturing, small business and business publication websites, and promotion on major social media platforms. In addition, OSBA staff incorporated CA Made information as part of its small business forums and stakeholders meetings that it conducted across the state. The promotional efforts generated attention and led prospective applicants to the website. During the marketing roll-out between August and December 2016, the CA Made website received over 6,200 page views during over 2,400 sessions from 1,844 unique users.

Despite GO-Biz's promotional efforts, the OSBA has received only one complete application for the program since its launch. The complete application was approved in April 2017, resulting in the first and only CA Made licensee to date. Additionally, only one organization has expressed interest in serving as a third-party certifier.

To better ascertain how best to move forward with the program, the OSBA launched a CA Made Focus Group series in 2016 to elicit feedback from manufacturers and manufacturing stakeholders about the program. Focus group sessions were held in December 2016 in Modesto, Chico, Torrance and San Diego. Many manufacturers expressed that third-party certification is impractical and that the costs related to the process are cost prohibitive (currently \$550 for firms with 0-99 employees and \$990 for firms with 100 or more employees, plus the third-party certifier's expenses associated with travel for onsite visits). In addition to these direct costs, manufacturers cited indirect costs associated with finding a third-party certifier, hosting on-site visits, and providing required documentation. Manufacturers in the focus groups also expressed concern about the risk of disclosing confidential information and uncertainty over who could perform the certification within their specific manufacturing sector besides the current sole third-party certifier.

Since 2017, the OSBA has focused activities on increasing CA Made's value proposition to manufacturers by developing partnerships with other programs that support the state's manufacturers. In 2017, the OSBA completed partnerships with the California Alternative Energy and Advanced Transportation Financing Authority and Employment Training Panel to post links to the CA Made website, collaborate in marketing, and provide company referrals. During the reporting period, the OSBA executed an agreement with California Manufacturing Technology Consulting (CMTC) to offer CA Made licensees additional benefits available through CMTC's Made in California program, such as business-to-business networking, technical assistance, and supplier scouting. A new partnership was also formed with CalRecycle to promote cross-marketing through website links and company referrals. In addition, a new page was added to the CA Made website to highlight statewide programs that support manufacturing in areas ranging from workforce training to research and development.

# **Expenditures**

The program fully expended its one-time allocation of marketing funds in 2016. There were no program expenditures in 2017-18.

# Office of Permit Assistance

The Office of Permit Assistance (OPA) provides support to the business community by providing permitting and regulatory guidance to individuals and businesses, works with regulating agencies to improve and streamline permitting and licensing processes, and provides mediation and 3rd-party facilitation to resolve conflicts between applicants and regulatory bodies.

During the reporting period of **October 1, 2017 – September 30, 2018** highlights of the OPA included:

- Organized and executed23 unique Lean Six Sigma projects with the participation of 9 state agencies and 10 departments, improving operations across the state. Details of the project achievements can be found beginning on page 20.
- Supported Fire Recovery efforts through the state in Northern and Southern California.
- Provided mediation services for business to regulator interactions.
- Participated in the Standardized Regulatory Impact Assessment (SRIA) for 13 Major Regulation proposals.
- Supported the first ever Global Climate Action Summit, in San Francisco, including outreach to international partners and business support at the Innovation Forum; highlighting small businesses in the State.
- Identified of two major industries requiring the assistance and attention of the OPA: Bioenergy and Aquaculture.

# **Significant Activities**

Some of the significant actives that have driven the work of the unit in this reporting period:

# 1. Lean Six Sigma

The Lean Six Sigma Green Belt Program has been managed and coordinated by the OPA since its inception in 2014. This program, as of 2018, will be fully administered by the Government Operations Agency (GovOps). GO-Biz and the OPA, will continue to play a role by identifying the types of projects that would most benefit from participation, specifically with respect to improvements to business. The OPA has graduated 102 programs with positive impact on state operations. Summaries of these projects are available on the OPA site under <a href="Lean Six Sigma Program">Lean Six Sigma Program</a>.

# 2. Aquaculture Industry Assistance

Due to outreach from industry, agencies and legislators, the OPA is currently undertaking an effort to better understand the aquaculture permitting process, and if there is an opportunity, to help in simplifying it. The ultimate outcome of this activity would be to determine if the process can be improved. If so, OPA would recommend the effort to be supported as a Lean Six Sigma project to increase efficiencies.

#### 3. Bioenergy Industry Assistance

The OPA is frequently contacted by companies that are either interested in beginning to work in the biofuel space or to expand their work in this area. This comes in the form of companies looking to utilize wood products — woody biomass, wood pellets, wood chips, algae, and biomethane, to name a few. During the reporting period, the OPA participated in work groups that are looking to assist in simplifying the permitting process for some of these areas in the wood products arena. In addition to this work, the OPA has been assembling tools to assist companies that continue to contact the office for permitting help in the larger biofuel arena.

# 4. California Wildfire Recovery Efforts

- a. Permits staff supported the various fire recovery efforts in Northern and Southern areas of the State; providing information on business assistance from Small Business Administration loans to local and state resources available.
- b. Convened a working group, California Wildfire Recovery Construction Workforce Development Working Group, to discuss rebuilding in fire impacted areas. The final product was a Construction Training Resources Guide for the North Bay Area on the available resources for rebuilding communities with a skilled construction workforce.

#### **Regulatory Compliance Assistance**

The OPA assisted business owners in identifying regulatory requirements needed to start a new business or expand an existing one. Businesses contact GO-Biz by phone or email, asking for assistance with identifying permits needed to start or expand businesses. Staff also coordinate pre-application meetings between business owners and appropriate regulatory agencies to bring more clarity on more complex permitting requirements.

Staff uses the California Business Portal Service Help Desk to track the OPA's daily service requests.

- Prior reporting period (2016-2017): service desk request total: 756 (monthly average: 63)
- October 1, 2017 September 30, 2018: **1227** (monthly average: 102)
- The department saw a **62 percent increase** in its service desk requests.

#### **Consolidating and Disseminating Information**

# California Online Permit Assistance Tool (CalGOLD)

The OPA is responsible for maintaining the California Online Permit Assistance Tool – CalGOLD (<u>www.calgold.ca.gov</u>). CalGOLD is an easy-to-use online tool that allows businesses to search for permit requirements tailored to their business type and location in California. Search results are sorted by local, state, and federal requirements, and, for each regulatory agency listed, contact information including physical address, web address, and telephone number are provided.

CalGOLD also includes a Forms and Fees Finder, developed and maintained by the department, to help businesses find application forms and associated fees. OPA is planning on updating CalGOLD to provide updated and more relevant content, as well as to refresh the interfaces for a more streamlined user experience is currently underway.

# **Website traffic for CalGOLD:**

**Page Views:** 363,442

**Unique Page Views: 277,168** 

#### **Quick Start Guides**

OPA has created Quick Start Guides for common industry types for business owners or those seeking to launch their businesses, to serve as reference tools. These guides are available on the California Business Portal at: <a href="http://businessportal.ca.gov/business-assistance/start-a-business/quick-start-guides/">http://businessportal.ca.gov/business-assistance/start-a-business/quick-start-guides/</a>.

The Quick Start Guides are intended to be a one-stop guide for the most commonly asked about industry types, such as, restaurants, business consultants, building and engineering contracts, and non-profits, for a quick overview of federal, state and local filing requirements. For this reporting period,

OPA staff added the following five Quick Start Guides: <u>Automotive Repair</u>, <u>Domestic Repair</u>, <u>Photographer</u>, <u>Physical Therapist</u>, and <u>Tutor</u>.

#### Mediation

OPA mediates disputes between business entities and regulating government agencies. Some cases are very complex and can take months to resolve, while others are resolved within a few weeks or days. During this reporting period, OPA provided mediation services for business throughout California, nationally, and internationally. The following is a sample of cases resolved by OPA during the reporting period:

#### **Industries and Areas Served**

#### **Manufacturing – Sacramento County**

- **Service Provided:** Permit assistance to clarify schedule and requirements
- Agencies Involved: Sacramento County Economic Development Department, Sacramento County Planning and Environmental Review

#### **Biochar Development – Central Valley**

- Service Provided: consultation through California Business Investment Services (CalBIS), identification of state and local permits required and financing opportunities; arranged and attended several State and local meetings
- Agencies Involved: CalRecycle, California
   Department of Food and Agriculture,
   California Energy Commission, Air Resources
   Board, San Joaquin Valley Air Pollution
   Control District, three counties, Treasurer's
   Office

#### **Biofuel Development – Central Valley**

- Service Provided: consultation through CalBIS, state and local permits required, financing opportunities
- Agencies Involved: CalRecycle, California Department of Food and Agriculture, California Energy Commission, Air Resources Board, San Joaquin Valley Air Pollution Control District

# **Cannabis Cultivator – Mendocino County**

Service Provided: Mediation and permit identification

 Agencies Involved: State Water Resources Control Board, Department of Fish and Wildlife

# **Hydrogen Fuel – Central Valley**

- Service Provided: Permit assistance with State and local agencies
- Agencies Involved: None

#### **Wood Pellets – Sierras**

- Service Provided: Air quality regulation, site selection
- Agencies Involved: California Air Resources Board, Governor's Office of Planning and Research

# Food Processing - Central Valley

- Service Provided: Permit assistance for food packaging, site selection
- Agencies Involved: None (request came from legislative district office)

#### Advanced Biochar – Central Valley

- Service Provided: State and local permits
- Agencies Involved: Air Resources Board, local agencies

# Biochar (pellets) - SF Bay Area/Central Valley

- Service Provided: Permit assistance
- Agencies Involved: California Air Resources Board, CalRecycle

#### **Solar Installation - Sierras**

- Service Provided: Mediation
- Agencies Involved: Department of General Services, state Fire Marshall, CalFire

#### Fire Suppression - California

- Service Provided: Permit assistance, introductions to CalFire
- Agencies Involved: CalFire

#### Cannabis Growing/Processing – North Coast

- Service Provided: Permit assistance
- Agencies Involved: Bureau of Cannabis Control, Department of Food and Agriculture, Department of Fish and Game; SWRCB

# Wood Product Manufacturing – Sierras/Central Valley

- Service Provided: Permit assistance, feedstock sources, site selection
- Agencies Involved: US Forest Service

# Wood Product Manufacturing – Sacramento region

- Service Provided: Develop possible feedstock sources of forest wood material
- Agencies Involved: US Forest Service

# Space Equipment Assembly – LA Metro

 Service Provided: Oversize transportation permit assistance

Agencies Involved: Caltrans, CHP

# Energy Research and Development – Orange County

- **Service Provided:** Determining permit timeline for infrastructure project
- Agencies Involved: CPUC, CEC, CDPH

# Wood Chips – Sierras/Central Valley

- **Service Provided:** Permit assistance and identification of possible suppliers
- Agencies Involved: USFS, CalFire

#### **Biodiesel Production- Central Valley**

- Service Provided: Permit assistance
- Agencies Involved: CalRecycle, San Joaquin Valley APCD, county planning departments

#### **Biochar Water Remediation – Central Valley**

 Service Provided: Introductions, procurement assistance Agencies Involved: CalTrans

# **Elevator Permit-San Diego County**

- Service Provided: Permit assistance new elevators and the renewal of existing
- Agencies Involved: California Department of Industrial relations, CAL/OSHA.

# **Independent Contractor- City of Los Angeles**

- Service Provided: Work Status Resources, Worker's Classification Resources with emphasis on Independent Contractors.
- Agencies Involved: Employment Development Department.

# **Convenience Market-Colusa County**

- Service Provided: Mediation provided for state and local permits
- Agencies Involved: Colusa County

#### **Mobile Food Truck- City of Poway**

- Service Provided: Mediation and permit identification
- Agencies Involved: Riverside County

#### **Home Inspection- Marin County**

- Service Provided: Mediation provided for State Permits
- Agencies Involved: California Secretary of State

#### **Business Information On-Line- City of Burbank**

- Service Provided: Mediation provided for permits
- Agencies Involved: California Department of Tax and Fee Administration

#### **Cannabis Business-Mendocino County**

- Service Provided: Permitting guidance
- Agencies Involved: California Department of Public Health, California Department of Food and Agriculture, Bureau of Cannabis Control

# **Brewery-City of Monrovia**

- Service Provided: Mediation for local permits
- Agencies Involved: City of Monrovia

#### **Massage Therapy- Sacramento County**

- **Service Provided:** Mediation for massage permit renewal.
- Agencies Involved: California Massage Therapy Council(CAMTC)

#### **Alcohol Business-City of Sacramento**

- Service Provided: Permit assistance and mediation
- Agencies Involved: City of Sacramento and Department of Alcoholic Beverage Control

# **Cannabis Business- Trinity County**

- Service Provided: Permit assistance and mediation
- Agencies Involved: Bureau of Cannabis Control

# Cannabis Cottage Industry Business-Mendocino County

- Services Provided: Permit assistance and mediation
- Agencies Involved: California Department of Public Health and Bureau of Cannabis Control

# Trademark for Environment Action Committee- County of Marin

- Services provided: Permit assistance and mediation
- Agencies Involved: Secretary of State

#### Major Chain Grocery Store - San Diego County

- Services Provided: Mediation between the business owner and local agency for timely issuance of permits to allow store to begin construction, thereby
- Agencies Involved: Local agencies

# Renewable Energy - Los Angeles County

- **Services Provided**: Mediation between a business and agency for permit issuance in a timelier manner.
- Agencies Involved: California Department of Public Health

#### Food Delivery Service - Marina Del Rey

- Service Provided: Review of permits required for food delivery service on water or boat to boat.
- Agencies Involved: Coastal Commission, County of Los Angeles Health Department.

# Alternative Energy – Los Angeles County

- **Services Provided** Permit requirements and understanding of timelines.
- Agencies Involved: Local utilities and the California Energy Commission

#### **Cannabis Retail- West Hollywood**

- Service Provided: Permit assistance
- Agencies involved: City of West Hollywood Economic Development Corp, City Council Representative.

#### **Wine Tasting Room- Ventura County**

- Service Provided: Permit assistance
- Agencies Involved: SBDC, Employment Development Department and Ventura County EDC.

#### **Business Process Improvement**

OPA staff convenes and works with regulating departments and agencies to streamline permitting processes and promote best practices that improve the permitting, regulatory and business climate in California.

#### **Streamlining Processes**

Since 2014, GO-Biz and GovOps have partnered to offer a Lean Six Sigma process improvement program to state agencies that address process-based issues causing delays in services to internal and external stakeholders. Over a 6-month period, participants receive training on complex analytical and statistical tools applied within departmental projects that identify and eliminate waste and inefficiencies in processes. This training is then applied to actual processes within state government.

Since the program's inception, 79 Lean Six Sigma projects have been completed from nine state agencies or departments. The 23 programs completed in this reporting period, brings the total projects that have been implemented to a total of 102 process improvement projects that have been implemented by the state.

The state agencies or departments represented in the 23 projects completed during this reporting period include:

Departments and Number of Projects Completed				
Department of Human Resources (1 project)	Department of Toxic Substance Control (5 projects)			
Department of Consumer Affairs (1 project)	Department of Fish and Wildlife (2 projects)			
<ul> <li>Department of Alcoholic Beverage Control (1 project)</li> </ul>	Department of Food and Agriculture (1 project)			
Department of Motor Vehicles (4 projects)	Office of Emergency Management Services (3 projects)			
<ul> <li>Employment Development Department (4 projects)</li> </ul>	<ul> <li>Department of Corrections and Rehabilitation (1 project)</li> </ul>			

The following are a sampling of the Lean Six Sigma projects that demonstrate the breadth of the projects conducted to improve state processes and reduce waiting and process times for grants, permits, licenses, and wait times for customers.

#### **ENVIROMENTAL PROTECTION AGENCY**

- Department of Toxic Substances Control (DTSC):
  - Problem Statement: The California Environmental Quality Act (CEQA) has resulted in a set of documents that provide requirements for the mitigation of environmental impacts for different land use scenarios. Currently, the average time to process a CEQA Environmental Document Analysis is over 200 days. This delay can affect permitting goals and performance metrics. Excessive processing time also delays permitting decisions and increases charges to the affected facilities.
  - o **Baseline:** Average of 7½ months and up to 2½ years to process a CEQA environmental document analysis.

Achievement: Created an Environmental Analysis Working Meeting with a standardized agenda, guidance documents, and a checklist of required documentation and tasks. Also improved the information documents from the facilities and built an electronic dashboard to provide visibility to leadership and auditors. As a result, the processing time has been reduced to 2 hours (confirmed by the 3 CEQA analyses that have gone through the new process). The soft savings for this new process is \$550,000 per year.

# Department of Toxic Substances Control (DTSC):

- Problem Statement: There is no consistent approach for the review of the hazardous waste tank assessment reports that are part of the technical review for permit applications. Anywhere from 8 hours to 30 hours are used by staff to review a single tank assessment report. Because large facilities have many tanks, the review of tank assessments could take a considerable amount of time and contribute to significant costs. Similarly, the frequency of overlooking specific technical requirements during review is high as there is no uniform approach to review.
- o **Baseline:** Tank assessments require roughly <u>28 labor-hours per tank</u>.
- Achievement: Standardized the assessment process and created templates and checklists for needed items. Eliminated non-value-added activities associated with the assessments and created a pre-application guideline and a standard, multi-functional review process. Once fully-implemented, less than 10 labor-hours per tank should be required for each assessment. This will result in an annual customer savings of \$430,000.

#### **CALIFORNIA NATURAL RESOURCES AGENCY**

- Department of Fish and Wildlife (CDFW)
  - Problem Statement: CDFW receives roughly two million dollars in Federal State Wildlife
    Grant funds each year. The Department's process for soliciting, reviewing, and ranking
    proposals is complex, lengthy, and changes frequently. The overall process takes too
    long and requires too much staff time to administer.
  - o **Baseline:** Average of 8 months and up to 9½ months to process grant proposals.
  - o **Achievement:** Re-engineered the process to eliminate numerous non-value-added steps and establish parallel processing and a cross-functional, single review session as a replacement for multiple levels of review. Established standard work and created templates and tracking tools for the standards. Mistake-proofed forms and established visual management to track progress and highlight any problems that may occur. The expected processing time for the next grant cycle will be less than 60 days. The annual soft savings due to the new process will be \$880,000.

# **GOVERNMENT OPERATIONS AGENCY**

- Department of Human Resources (CalHR)
  - Problem Statement: The CalCareer Services call center typically experiences significant hold times for customers. This results in extreme customer dissatisfaction and an unacceptable rate of call abandonment.
  - o **Baseline:** Average hold time is 15 minutes and can exceed one hour.
  - Achievement: Enhanced the outgoing messages and phone tree to address common inquiries that can be answered without requiring an agent. Created call guides and scripts to standardize agent interactions in order to quickly and efficiently resolve the

customer issue—this significantly reduced the need for escalation to the call center manager. As a result, the average hold time has been <u>reduced to 6 minutes</u>.

#### **BUSINESS CONSUMER SERVICES AND HOUSING AGENCY**

- Department of Consumer Affairs (DCA)
  - Problem Statement: The Adverse Action process is utilized by the Office of Human Resources within DCA to remove employees from the workplace who have committed serious violations of HR policy. Failure to effectively execute Adverse Actions in a timely manner can lead to continued employee misconduct and poor performance which could create harm to the public and/or other employees.
  - Baseline: <u>Average of nearly 6 months and up to 20 months</u> to process an Adverse Action.
  - Achievement: Developed standards and checklists for construction of Adverse Actions and created up-front collaboration meetings between OHR, Legal, and Program in order to develop a high-quality draft from the onset. Converted multiple levels of reviews into a single, cross-functional final draft meeting. The resulting processing time has been reduced to 30 days (confirmed by the latest Adverse Action which was processed using the new system).

#### Department of Alcoholic Beverage Control (ABC)

- Problem Statement: Currently, the time required for Alcoholic Beverage Control to
  process an accusation for disciplinary action against a licensee is excessive. This creates
  dissatisfaction for communities impacted by the pending action. The excess processing
  time also leads to more rework, greater incidences of losing track of accusation
  packages, and more cases of misplaced information.
- Baseline: Average of 3 months and up to 5 months to process an accusation.
- Achievement: Eliminated the pre-hearing communication process and developed a unified process to generate a simplified Accusation Packet. This packet includes forms to settle or request a hearing and also serves as the default warning letter, thus eliminating the need for a separate letter (which introduces additional delays). Created a parallel investigation process to run concurrently with the intake process. The accusations that have gone through the improved process have averaged 35 days, and the elimination of non-value-added tasks results in a soft savings of over \$85,000 per year.

#### **Community Outreach and Support**

OPA is involved in various community outreach and support events. Captured below are some of the areas of outreach by OPA staff for the reporting period.

Cannabis Licensing Workshop, Los Angeles, 10/12/17 – Event hosted by hosted by Assembly
Member Reggie Jones-Sawyer Jr.'s Office. Purpose of the event was for businesses to learn
about the required licenses and permits from city, county, and state to start a cannabis business
in the City of Los Angeles and other cities located in Los Angeles County. OPA provided
resources on and information on permit assistance.

- Riverside County Cannabis Outreach Workshop, Riverside, 10/13/17 Cannabis Outreach event hosted by Riverside County Supervisors. Permit assistance staffed a resource table and provided Permit Assistance information to those considering business startup.
- California Biochar Association, 1/9/18 Presented to the Association on the various departments and services of GO-Biz.
- Bureau of Cannabis Control Public Licensing Workshop, 1/22/18 The Bureau of Cannabis
   Control hosted a regional public workshop in Monterey to provide information needed to obtain
   a state cannabis license and gain awareness of resources available to applicants. OPA
   participated at the event and answered small business, cannabis grant, and permitting-related
   questions.
- California Almond Board, 2/7/18 Presented to the board on biochar permitting and services
  of GO-Biz.
- **Bureau of Cannabis Control, Irvine, 2/15/18** GO-Biz resource table providing information about GO-Biz programs and assistance available to those considering starting a cannabis business in retail and cultivation.
- **Tehama County, Red Bluff, 8/10/18** community business meeting to discuss permitting issues and how GO-Biz can provide assistance.
- Extension and Outreach Summit Pathway to Responsible Aquaculture, Moss Landing, 8/10/ 8/11/18 Presented by California Sea Grant, Moss Landing Marine Labs, Save our Shores, and Lift Economy. The intent of this forum was to bring together diverse stakeholders to find possible pathways for developing responsible aquaculture in California. The forum provided objective information on potential benefits and concerns with aquaculture while examining possible solutions to help address concerns.
- Small Business Development Center (SBDC) University of La Verne, East San Gabriel Valley, 9/14/18 OPA provided information about GO-Biz programs and assistance available to existing businesses and those considering starting a manufacturing, distribution, or retail business.
- American Petroleum and Convenience Store Association's (APCA), Sacramento Chapter
  quarterly meeting, 10/24/18 Presented to the Association on services offered by OPA and
  answered permit and small businesses related questions. Discussed installation of charging
  stations as an opportunity for the businesses.
- American Petroleum and Convenience Store Association, North Bay Chapter quarterly meeting, 10/30/18 - Presented to the Association on services offered by the department and answered permit and small businesses related questions. Discussed installation of charging stations as an opportunity for the businesses.

#### **Standardized Regulatory Impact Assessments (SRIA)**

GO-Biz is tasked with representing industries' feedback on any regulations that could have an economic impact of \$50 million dollars or more. The Department of Finance issued the following thirteen SRIA in this reporting period.

- California Air Resources Board Low Carbon Fuel Standard (LCFS) 2018 Amendments
- California Natural Resources Agency CEQA Guidelines Update
- California Department of Food and Agriculture CalCannabis Cultivation Licensing Program
- Covered California Eligibility Enrollment in the Individual Market
- California Department of Public Health Cannabis Manufacture Products
- Department of Insurance Workers' Compensation Deductible Policies
- California Air Resources Board Innovate Clean Transit Regulation
- Department of Consumer Affairs Medicinal and Adult Use Cannabis
- California Air Resources Board Low-Emission Vehicle III GHG Emissions
- Department of Conservation Underground Injection Control
- Department of Conservation Idle Well Testing and Management
- California Air Resources Board Amendments to GHG Cap-and-Trade
- California Secure Choice Retirement Savings Investment Board Cal Savers Program Regulation

#### CA Business Portal Regulations, Permits & Compliance Interagency Committee

OPA staff continues to host an interagency committee comprised of state regulating entities to discuss ways to improve the California Business Portal affiliated webpages that help businesses identify their requirements to start, expand, and stay in compliance. The committee also offers a means for regulating entities to better collaborate in their regulating activities and discuss and consolidate duplicative activities in regulating specific industries. During this reporting period, the committee met a total of three times.

#### **Major Highlights:**

- The GO-Biz IT department upgraded the business portal to a new platform allowing for simplified navigational and improved usability.
- Published five new quick start guides
- Updated the Professional Licensure Guide to assist businesses to find quickly the information on boards, bureaus, division an office that administer permits license, registration and certifications for various industries.
- Created the Environmental permitting guide which is a quick reference guide for businesses to find information on environmental regulations that impact their business along with a source of contact information.

The following regulatory agencies were represented on the committee:

- 1. Franchise Tax Board
- 2. California Commission of Disability Access
- 3. Department of Motor Vehicles
- 4. Business Consumer Services & Housing Agency
- 5. Secretary of State's Office
- 6. Alcoholic Beverages Control Department
- 7. Department of Business Oversight

- 8. Office of Environmental Health Hazard Assessment
- 9. California Department of Food and Agriculture
- 10. Department of Transportation
- 11. California Environmental Protection Agency
- 12. California Department of Public Health
- 13. Department of Toxic Substances Control
- 14. Employment Development Department
- 15. California Department of Tax and Fee Administration
- 16. California Air Resources Board
- 17. Housing Community Development
- 18. Bureau of Cannabis Control

# OPA staff is also involved with providing input to various agencies on matters with an impact to environmental and climate change programs, including:

- ARB Regulation Study OPA provided review of study of the cost of regulations on agriculture in the Central Valley.
- Aquaculture/Mariculture Participated in a review of permit processes of State agencies involved with permitting businesses using State and federal waters.
- **California Forest Biomass Working Group** (an effort supported by the US Forest Service) participated in meetings and discussions about wood-based bioenergy product development.
- Tree Mortality Task Force OPA regularly participated with many state, federal and local agencies in helping to develop markets and pursue projects for trees from High Hazard areas, working closely with the Market Development Working Group. OPA also monitors the Forest Health, Bioenergy, and Regulations Working Groups.
- California Roundtable for Agriculture and the Environment (CRAE) OPA participated with State and federal agencies and public interest groups to discuss and study California agricultural issue.
- Rural County Representatives of California, Forest Resiliency, Environment and Economic
   Development Program Participated in two meetings on the consideration and review of rural
   economic development programs and economic situations.
- SB 859 -Rural Economic Development Steering Committee and Working Groups OPA participated in the development and focus of the membership of these groups. OPA participated in the Removing Barriers Working Group and monitors the Workforce Development and Innovations Working Groups.

# **Committee and Association Participation**

AEP Northern California Conference related to CEQA training, May 2018