CAMEO
network

2026
CALIFORNIA STATE POLICY PRIORITIES



BUILD POWER

CAMEO Network's Guiding Principles for State Policy

Small businesses are the foundation of our communities. They are the fabric that binds us together. They are what makes us want to live where we live and provide our communities' identities and personalities. Without them, we live in a meaningless-static-cookie-cutter world.

In addition to strengthening the spirit of the communities, these very small businesses employ more than half the working population. The restaurants, bakeries, retail shops, professional services, health care services, and other businesses that support families that are working hard to provide a better future for their children, the next generation.

Building power through strong policy advocacy is essential to meeting our mission. Policy advocacy allows CAMEO Network to participate in reshaping systems to create equitable access to economic opportunity and positive social outcomes that include building familial and inter-generational wealth. Policy advocacy also ensures sustainability for our network. Engaging in policy advocacy demonstrates to staff, board, members, partners, and our community that CAMEO Network is an ally for a better, more equitable future.

CAMEO Network develops its policy positions and priorities in consultation with its membership of over 400 small business support organizations and allied stakeholders, advocating for legislation in California and nationwide that will help small businesses access the coaching, capital, and training they need to thrive.

We adhere to the following guiding principles when setting our policy direction:

- Promote investments and policy that support and strengthen local entrepreneurial ecosystems;
- Reduce barriers to entry for entrepreneurs and small businesses and expand market opportunities;
- Protect small businesses and entrepreneurs from extractive tax, labor or other unforeseen fees or activities that put undue stress on small businesses; and
- Employ a racial and economic justice lens when evaluating policy and support policies that explicitly encourage and support efforts around increased racial equity and economic inclusivity.

What follows below is a more detailed description of the principles and how they actualize in California. Many of the specific policy recommendations do cross more than one priority. This document will be updated as needed.

PROMOTE INVESTMENTS AND POLICY THAT SUPPORT AND STRENGTHEN LOCAL ENTREPRENEURIAL ECOSYSTEMS

For our small businesses to thrive, we need to support our local entrepreneurial resources with what these small businesses really need – a strong entrepreneurial ecosystem with business training and management skills, small amounts of capital, access to markets, an environment in which to thrive, and policies that encourage entrepreneurship on all levels of government. And we need to take a holistic/ ecosystem view: Coaching (all training), Capital, Connections (to markets and networks), Culture, and Climate (policy). In advocating for strong policies around coaching, capital and connections, we are advocating for a strong entrepreneurial climate that fosters start up and growth of new businesses.

Read our white paper for a more in-depth explanation of a strong Local Entrepreneurial Ecosystem.

COACHING AND CAPITAL

Support full and growing investments for ecosystem programs such as (but not limited to) Technical Assistance Program (TAP), Capital Infusion Program (CIP), California Investment and Innovation Program (Cal IIP), Social Entrepreneurs for Economic Development (SEED), disaster aid, and policies that strengthen non-profits. Examples for 2026:

- $26 million FY 2026–27 budget request to support additional funding for our small business technical assistance infrastructure
- Support AB 685: Small Business Resiliency and Innovation Act
- Support $50 million renewal of California Investment and Innovation Program (Cal IIP) to strengthen CDFIs to drive equitable economic growth
- Support $45 million for SEED Funding to support immigrant entrepreneurs
- Ensure federal law isn't a barrier for business support organizations to access state programs.
- Support policy that strengthens nonprofits or the nonprofit sector such as efficient state contracting and charitable donations.
    - **AB 2084** (Bauer-Kahan) – Amends the tax code to protect nonprofit status
    - **AB 2221** (Irwin) – Streamlines nonprofit registry
    - **SB 1240** (McNerney) – Creates an Office of Nonprofit Empowerment
    - **SB 1288** (Laird) – Efficiency in charitable gifts

CONNECTIONS TO MARKETS

Increase government procurement opportunities for small businesses as an avenue for growth. Example for 2026:

- SB 1340 (Richardson) establishes a standard report to evaluate state agency performance, identify participation gaps, and help determine whether small businesses are receiving meaningful access to state contracting opportunities.

CLIMATE (POLICY)

- Promote systems change for small business success:
  - Support small business-related insurance reform for affordability.
  - Support efficient and fiscally-sound public banking to increase capital available to mission-based lenders and small businesses.
  - Reform tax policies to work for small businesses and not only the Fortune 500.
  - Enforce antitrust and fair competition laws to give small business owners a chance to compete in today's increasingly consolidated economy. Example for 2026:
    - AB 1776 (Aguiar-Curry): The COMPETE Act updates California's antitrust laws to reflect today's economy to provide clear, predictable standards that support innovation, responsible growth, and fair competition, especially for small businesses.
- Support systems that provide long-term employee benefits, such as childcare, paid family and medical leave and retirement options (e.g. CalSavers).
- Support community development that relates to very small businesses, such as a strong state Community Reinvestment Act.

INCREASE OPPORTUNITIES AND REDUCE BARRIERS FOR ENTREPRENEURS

Opening up new markets and reducing barriers to entry are factors that create a competitive advantage for established businesses, enabling new businesses to enter an industry.

- Increase opportunities for child-care providers in low-income areas such as subsidies, increasing subsidized space.
- Support Micro Enterprise Home Kitchen Operations (MEHKOs) and other small-scale food-based businesses such as cottage foods, farmer's markets, and small farms.
- Support policies that reduce costs for small restaurants and retail.
- Ensure stable affordable housing for home-based businesses, including childcare, home kitchens, and small retail.

Examples for 2026:

- **AB 1857** (Aguiar-Curry): Some grocery stores have included terms in property agreements that prevent new grocery stores from occupying the space after their business closes, potentially for decades. This bill would prohibit grocery stores from utilizing these covenants that prevent future grocery store use, thereby reducing food deserts and improving food affordability.
- **AB 2006** (M. Rodriguez): This bill would require, on and after January 1, 2027, when the state has a new or renovated office building, priority to be given to licensed child care providers to use a part of the space as a day care center, as defined.

PROTECT SMALL BUSINESSES FROM PREDATORY BEHAVIOR

When tariffs were announced, high-interest online lenders wasted no time in capitalizing on small business distress. One provider of merchant cash advances – a predominantly predatory form of financing that routinely offers effective interest rates of more than 100% – touted "quick funding solutions for tariff issues." Another provider claimed merchant cash advances could help retailers navigate the "ongoing impact of global tariffs and international trade tensions."

This opportunistic behavior isn't new. Predatory lenders thrive during economic upheaval, from recessions to natural disasters, targeting small business owners desperate for cash to survive rough patches. CAMEO Network has worked with our colleagues to protect our small businesses from financial predatory behavior.

- Continue to lead small business truth-in-lending work to expand access to responsible capital by registering/licensing companies issuing non-loan financial products and their brokers and banning predatory practices.
- Ensure that under-resourced communities have access to capital by supporting a state Dodd-Frank 1071-like small business lending disclosures.
- Ensure fair debt collection activity.
- Fully fund the Department of Financial Protection and Innovation.

Other predatory behavior protections we have supported include:

- Commercial tenant protections and lease transparency
- De-criminalization of street vending
- Many anti-consumer laws do not apply to small businesses, leaving them vulnerable to hidden fees and predatory behavior. We support including small businesses in pro-consumer legislation.

Examples for 2026:

- **AB 2116** (Schiavo): This bill would require non-loan financing companies and their brokers to register with the Department of Financial Protection and Innovations and ban predatory practices.
- **AB 2635** (C. Rodriguez): The bill requires all air districts to offer electric equipment rebates, allows alternative documentation in place of a business license, and temporarily prohibits local fines on gas equipment to give workers a fair chance to transition to clean energy equipment.

EMPLOY A RACIAL AND ECONOMIC JUSTICE LENS

Minority-owned and immigrant businesses have been key to powering the entrepreneurial boom of the past few years, and are essential to creating jobs and driving innovation. Eliminating resources that support minority-owned businesses and attacks on our immigrant population are bad for our economy.

The destabilizing effects of draconian immigration policies, along with the whiplash of tariffs and harmful cuts to federal small business programs, undermine our nation's economic future.

- Strengthen state programs that allow CAMEO Network members to serve ITINs with coaching and capital resources, such as Ibank's State Loan Guarantee Program.
- Reform immigration policy to provide pathways to legal status or citizenship for qualifying undocumented immigrants and visa holders. This is something we support, not lead.
- Support Know Your Rights campaigns.
- Policies that limit information sharing with ICE. This is something we support, not lead.

For the full list of bills that CAMEO Network is supporting or watching, please refer to CAMEO Network's 2026 Legislative Priorities for California.

About CAMEO Network

CAMEO Network is a network of business service providers made up of 400 organizations, agencies, and individuals dedicated to furthering Micro-Business development with small and micro-business financing such as loans and credit, technical assistance and business management training. Annually, CAMEO members serve about 200,000 very small businesses with training, business and credit assistance and loans. These firms – largely start-ups with less than six employees – support or create 300,000 new jobs and generate a total of $15 billion in economic activity.

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