



**ALEX PADILLA** | SECRETARY OF STATE | STATE OF CALIFORNIA  
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April 13, 2018

The Honorable Holly Mitchell, Chair  
The Joint Legislative Budget Committee  
1020 N Street, Room 553  
Sacramento, CA 95814

Mr. Michael Cohen, Director  
Department of Finance  
915 L Street  
Sacramento, CA 95814

Dear Senator Mitchell and Mr. Cohen:

Attached is the March 2018 report on the time it is taking to process various business filings, in accordance with the Budget Act of 2017 (Chapter 14, Statutes of 2017). Previous reports are posted on the Secretary of State's office website at [www.sos.ca.gov/administration/agency-reports/business-filing-processing-time-agency-reports](http://www.sos.ca.gov/administration/agency-reports/business-filing-processing-time-agency-reports). If you have any questions about this report, please feel free to contact me at (916) 653-7244 or have your staff contact my Chief of the Business Programs Division, Betsy Bogart, at (916) 695-1197.

Sincerely,

Alex Padilla  
Secretary of State

Attachment

cc: Ms. Diane Boyer-Vine, Legislative Counsel

April 13, 2018

## Secretary of State's Report to Department of Finance and Joint Legislative Budget Committee

The Business Programs Division Filings Processing Budget Change Proposal was approved and incorporated into the Budget Act of 2017 (Chapter 14, Statutes of 2017). The Secretary of State is reporting on the 15<sup>th</sup> of each month to the Department of Finance and the Joint Legislative Budget Committee (JLBC) on the processing time for business filings.

This is the report for March 2018 and covers the period of March 1, 2018 through March 31, 2018.

Document Processing	Business Entities	Statements of Information
Processing Times as of March 1, 2018	12 days	8 days
Processing Times as of March 31, 2018	10 days	3 days
Average Processing Times <sup>1</sup>	11 days	8 days

Document Processing	Business Entities	Statements of Information	Total
Documents in Processing as of March 1, 2018	19,888	9,983	29,781
Documents Received during This Reporting Period	49,867	25,638	75,505
Documents Processed during This Reporting Period <sup>2</sup>	49,849	32,757	82,606
Documents Awaiting Processing as of March 31, 2018	19,906	2,864	22,770
Documents Received since May 1, 2013	2,172,399	2,636,607	4,809,006
Documents Processed since May 1, 2013	2,178,236	2,705,594	4,883,830
Preclear/Expedites Processed during This Reporting Period	4,890	217	5,107
Preclear/Expedites Processed since May 1, 2013	191,486	14,435	205,921

Staffing	Permanent	Limited Term	Total
BPD FY 2017/18 Authorized Positions	263.6	49.0	312.6
Filled Positions as of March 31, 2018	249.6	33.0	282.6
Vacant Positions as of March 31, 2018	14.0	16.0	30.0
Estimated Average Vacancy Rate for this Reporting Period	5%	41%	10%

Staffing	Total
Number of Temporary Workers	86
Hours Worked by Temporary Workers during This Reporting Period	7,960
Temporary Hours Worked since May 1, 2013	602,554
Overtime Hours Worked during This Reporting Period	2,933
Overtime Hours Worked since May 1, 2013	130,081

<sup>1</sup> The processing times shown for the first and final day of the reporting period are snapshots in time. Processing times, in the form of business days, are tracked on a daily basis throughout the reporting period and from that information, the average processing time for the month is calculated. Throughout the month, the processing times fluctuate daily depending on the number of documents received each day (some days have higher volumes than others) and the number of documents processed.

For the month of March 2018, Business Entities is reporting an average of 11 business days, with the peak filing period lasting at least through March. This increase in volume also may be due to the new cannabis business filings. The high-volume period for Statements of Information, which is reporting an average of 8 business days, normally follows that of Business Entities by about 60 days. Staff continues to work overtime to process documents as quickly as possible; however, maintaining the 5-business day processing goal during this peak filing period continues to challenge existing resources.

<sup>2</sup> Documents Processed includes Preclear/Expedites processed