

Red tape slashed at Corporations Bureau

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Ken Ortiz is the administrator of business services at the New Mexico Secretary of State's Office.

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Until recently, most new businesses had to wait nearly four months to get their legal paperwork from the state to begin operating.

But since the New Mexico Secretary of State's Office took over the Corporations Bureau on July 1 from the Public Regulation Commission, the average wait has been cut to just three days, according to a report this month to the Legislative Finance Committee. In addition, the Corporations Bureau is now being run on a \$1.1 million annual budget, compared with \$3.8 million under the PRC.



Dianna Duran,
secretary of state

"When we inherited the Corporations Bureau, most records were backlogged by more than 15 weeks," said Ken Ortiz, administrator for the secretary of state's Business Services Division. "There was an average 110-day waiting period to process documents and register corporations. But we've eliminated that backlog, and as of November, we've achieved a three-day average timeline."

The secretary of state assumed its new responsibility after voters approved reforms to the PRC in 2012 to improve efficiency. The Corporations Bureau had become mired in bureaucracy, particularly after the PRC launched a new online registration system in 2012. It was never completed, leading to a chronic processing bottleneck.

But since July, the Secretary of State's Office has fully developed the system, allowing most business-related processing to now be done online.

"Our online filings in November grew to almost 1,100 compared with only 240 a year ago, an increase of 350 percent," Secretary Dianna Duran said in a statement.

Many businesses had experienced processing delays into the fall.

Tanzanian immigrant Lenny Mamuya, for example, waited nearly two months for his documents to operate a food truck in Albuquerque after filing last September. That temporarily blocked him from getting a loan.

"I couldn't do anything until the paperwork came through," Mamuya told the **Journal** .

With the backlog eliminated, and online system in place, the Corporations Bureau has been processing documents in a maximum of five days and an average of three, Ortiz said.

Business assistance professionals say the system has improved markedly.

"We're hearing from clients that the process is much faster," said Lynn Trojahn of small-business lender Acción New Mexico-Arizona-Colorado.