

*This is an excerpt from the pre-hearing report, *Creating Competitive Advantages within the Southern California Logistical Network*, prepared by the Assembly Committee on Jobs, Economic Development and the Economy. The Hearing is scheduled for February 28, 2014 at the Port of San Diego from 12:30 to 3:30 p.m.

Section V – Recommendations for Further Actions

The February 28, 2014 hearing will offer an opportunity to identify potential actions that can strengthen existing networks and contribute to the economic competitiveness of California. Key themes discussed in the hearing include the increasing importance of trade-related industries within the California economy, economic development plans that leverage trade-based industries, regional goods movements plans, and opportunities to remove barriers to trade through infrastructure improvements.

A list of preliminary recommendations have been developed around three themes: Advocating for California, expediting goods movement, and enhancing linkages to global logistical networks. *Sources used in the preparation of this section are included in the Bibliography and key reports are summarized in Appendix D.*

Advocating for Southern California

1. *Freight Mobility Plan*: Advocate before the California Transportation Agency for the inclusion of key Southern California goods movement related infrastructure within the 2014 Freight Mobility Plan. The Plan should prioritize transportation infrastructure that facilitates the interregional, domestic, and international connectivity that is necessary for Southern California communities to access and participate within expanded global supply chains.
2. *Federal and State Priority Areas*: Advocate before the California Transportation Agency and the U.S. Department of Transportation for designating key goods movement corridors as priority areas.
3. *Trade Agreement Equity*: Advocate for fair treatment of California within the context of the Trans-Pacific Partnership and the Transatlantic Trade and Investment Partnership. The impact of these agreements should strengthen regional economies, enhance foreign investment, provide new economic opportunities to businesses and workers, and improve the state's quality of life. As a first step, call on the State Point of Contact for a trade agreement update and have the JEDE Committee Members identify priority areas.
4. *Local Roads that Move Goods*: Engage with the California Transportation Agency on how to address the extra-ordinary impacts of goods movement on local streets and roads. As the transport of goods has increased, the ability of Southern California trade corridors to accommodate the additional traffic has not kept pace. This has resulted in significant congestion and wear on local streets and roads from trucks.
5. *State Infrastructure Plan*: Advocate before the Department of Finance and the Strategic Growth Council for the inclusion of goods movement related infrastructure within the states Five-Year Infrastructure Plan. The Plan, as released in January 2014, does not include

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specific recommendations for improving the state's trade corridors. The addition of projects within regional goods movement plans and other goods movement infrastructure would better serve the needs of trade-related industries and support quality job creation. This recommendation is similar to AB 1081 (Medina) which passed JEDE on a 9-0 vote in April 2013, but was ultimately held in Senate Appropriations Committee in 2013. Appendix G includes a fact sheet on AB 1081.

6. *State Trade Strategy*: Invite the California Governor's Office of Business and Economic Development to present the 2014 update to the California Trade and Foreign Investment Strategy at a JEDE hearing. More specifically, the presentation could focus on how the strategy supports and enhances the significance of the state's north-south trade corridor from Mexico and the east-west trade corridors between inland California to the Los Angeles/Long Beach/San Diego ports.

Expediting Goods Movement

7. *Border Coalitions*: Join other states, nations, and border regions in collaborating on border security issues and enhancements of goods movement. Oregon, Washington, Idaho, Montana, and Alaska joined the Pacific Northwest Economic Development Council in order to partner with the Canadian provinces of Alberta, British Columbia, and Yukon, on key trade and economic development issues. Imperial and San Diego Counties have joined the CaliBaja Bi-national Mega-region to address economic development in collaboration with the states of Baja California, Mexico.
8. *Labeling Standards*: Adopt "Made in North America" labeling standards consistent with the U.S. Trade Commission standards. California currently requires virtually all components of products to be made in the U.S. in order to label a product sold in the state as "Made in the U.S." Given the highly integrated markets of the U.S., Canada, and Mexico, a new option for product labeling would reflect and enhance North American market integration.
9. *Enhanced Driver's License*: Authorizes the Department of Motor Vehicles to issue enhanced driver's licenses, which include transmission technology to denote identity and citizenship, for purposes of entering the U.S. at land and sea ports of entry. Similar to SB 397 (Hueso) from the current session, which was held on the Assembly Appropriations Committee Suspense File. Appendix F includes a fact sheet on SB 397.

Enhancing Linkages to Global Logistical Networks

10. *Federal Point of Contact on Permitting*: Call on President Barack Obama to designate a point person to facilitate the permitting process among federal agencies for ports of entry and other issues related to goods movement.

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11. *State Permit Streamlining*: Establish a pilot project administered through the Permit Assistance Office at GO-Biz to streamline state permitting and early CEQA consultation by state agencies of port facility enhancements along the Mexico border and California land and sea ports.
12. *Inland Border Inspection Pilot*: Establish a pilot project that examines how inland border pre-clearance security inspection sites can be used to increase border security and expedite the transport of goods to and from the Los Angeles/Long Beach sea port and the land ports of entry in San Diego and Imperial Counties.
13. *Comprehensive Trade-Based Strategies*: Encourage regional and large metro areas to develop comprehensive strategies to attract and retain trade-based industries through actions that reflect current and future business development practices. Strategies should include the interrelationships between goods movement, an educated workforce, and innovation-based industries. As a first step, provide a briefing on best practices from communities that have already participated in the Global Cities Initiative.
14. *Private Investment in State Infrastructure*: Facilitate the participation of the California Infrastructure and Economic Development Bank as a mentor to other state agencies that are looking to place state infrastructure projects on the West Coast Infrastructure Exchange for private sector financing. Similar to AB 1067 (Medina) which passed JEDE on a 9-0 vote in April 2013.
15. *Multi-Region and Bi-National Marketing*: Engage with the San Diego and Imperial Valley Economic Development Corporations and other members of the CaliBaja Bi-National Mega Region for the purpose of identifying ways that communities in Los Angeles, Orange County and the Inland Empire can meaningfully participate in the bi-national trade and business development activities.