

Date of Hearing: April 27, 2021

ASSEMBLY COMMITTEE ON JOBS, ECONOMIC DEVELOPMENT, AND THE ECONOMY

Sabrina Cervantes, Chair

AB 106 (Salas) – As Amended April 20, 2021

**SUBJECT:** Regions Rise Grant Program

**POLICY FRAME:** The individuals most impacted by the coronavirus emergency are also California's most economically vulnerable. As income disparities have grown, these individuals from historically underinvested communities face even greater social-economic challenges. Research shows that the inequality between the residents in low-income communities and those that reside in California's most affluent communities has dramatically increased in the past several decades. For example, the pretax income among the highest 1% of California taxpayers increased from 9.82% in 1980 to 25.1% of total income in 2013. During the last seven years, the pace of these disparities has only increased.

AB 106 establishes a competitive grant program to support regional collaboration among public and private sector stakeholders to address and resolve significant community development issues which currently impede inclusive economic growth and upward mobility for historically marginalized groups.

The analysis includes information on the growing income disparities among Californian regions and population groups, regional approaches to increasing economic security, and related legislation. Concerns were initially raised by some stakeholders that the bill appeared to designate official spokespeople for regions by virtue of receiving a grant. As this was not the intention of the author or sponsor, amendments have been proposed to clarify the role of regional collectives and better align their work with local governments. The recommended amendments are outlined in Comment 6.

**SUMMARY:** AB 106 establishes the Regions Rise Grant Program, administered by the Governor's Office of Planning and Research (OPR), for the purpose of supporting inclusive, cross jurisdictional, and innovative processes that lead to inclusive strategies to address barriers and challenges confronting communities in creating economic prosperity for all. Specifically, **this bill:**

- 1) **Legislative Findings:** Makes a series of legislative findings:
  - a) Growing inequality, which disproportionately affects communities of color, and the erosion of upward mobility in California calls for state policy to be intensely focused on increasing economic opportunity and security for all Californians.
  - b) The COVID-19 pandemic has hit certain populations harder than others and exposed more clearly the vulnerabilities in our communities. State policy and investments should address not only the economic impacts of the COVID-19 pandemic, but the structural inequities plagued by gender, race, ethnicity, income, and occupation.
  - c) The need to address regional inequities calls for a collaborative, community-engaged process that reflects shared decision-making and power. There needs to be greater support for capacity building of historically underserved communities and disenfranchised groups to meaningfully participate in those cross-sectoral regional initiatives in every step of the process.
  - d) There is also a need to create a state program that provides competitive grants for multijurisdictional collectives that involve local and regional governments, labor, community-based organizations, and private and civic organizations covering locally defined economic

regions to adopt a comprehensive shared prosperity strategy with a focus on the priority challenges of the respective region.

- 2) **Creation of Program:** Establishes the Regions Rise Grant Program, within OPR, for the purpose of supporting inclusive, cross-jurisdictional, and innovative engagement processes that lead to inclusive strategies to address barriers and challenges confronting communities in creating economic prosperity for all.
- 3) **Eligible Applicants:** Limits eligible applicants to only those regional collectives that meets all of the following requirements:
  - a) Consists of at least one government agency, one local business, one educational or workforce entity, one economic development entity, and two nonprofit organizations working on behalf of social and racial justice.
  - b) Brings together a diverse set of sectors and anchor institutions with the leadership of trusted intermediaries to establish a coalition representing all regional interests that is ready to develop and implement a set of strategies that are supported across the community.
  - c) The primary mission of the regional collective is the creation of a plan for equitable and sustainable economic development.
  - d) The partners of the regional collective are representatives of the region's diverse demographic makeup, key industries, city and county governments, local economic development and planning practitioners, councils of governments, private businesses, educational and workforce partners, labor, and nonprofit and philanthropic organizations. The bill describes a diverse demographic makeup including, but is not limited to, Black, Indigenous, Latino, Asian, women, and individuals who identify as being a member of the LGBTQIA community.
- 4) **Inclusive Community Mandates:** As a condition of funding, a regional collective agrees to do both of the following:
  - a) Establish a steering committee that is inclusive of historically underrepresented persons and representative of the membership of the region.
  - b) Establish an inclusive public process for community residents, including underserved, disadvantaged, and rural populations, to identify, prioritize, and vote on strategies and priorities.
- 5) **Competitive Awards:** Requires OPR to develop and implement a process for the awarding of competitive grants to eligible applicants meeting the requirements pursuant to this article. At a minimum the process shall meet all of the following conditions:
  - a) Eligible activities shall include funding to support regional collectives initiating, expanding, or sustaining regional convenings and planning activities.
  - b) Funds awarded pursuant to this program shall be available to the successful applicant for a period of three years.
  - c) Applications with overlapping geographic boundaries may be funded if, in the determination of the director, the regional issues and challenges being addressed in the applications are sufficiently distinct.

- 6) **Content of the application:** Requires the application to include, at a minimum, each of the following:
- a) Identification of how the funding is to be used to facilitate the resolution or mitigations of one or more regional issues and challenges, including information on why and how an inclusive, cross-jurisdictional, and innovative process is best suited to address these challenges and result in greater economic prosperity for all.
  - b) Identification of the principal agency or intermediary organization that shall be the main point of contact with the office.
  - c) Identification of the members of the steering committee, required by subdivision (b) of Section 66302, with documentation of how the steering committee members represent historically underrepresented persons within the region and the region's demographic makeup, key industries, city and county governments, council of governments, private businesses, educational and workforce partners, and nonprofit and philanthropic organizations. A commitment letter by each member of the steering committee shall accompany the application.
  - d) A letter from each member of the regional collective documenting their participation in the regional collective and participation in the activities proposed in the application. If the member is also a member of the steering committee, these letters shall be combined.
  - e) To the extent possible, a commitment to find funds to match nonstate funds. If matching funds are not available, the applicant shall include a statement documenting the reason for the lack of matching funds.
  - f) Letters of support from local government agencies, councils of governments, nonprofit organizations, private businesses, education partners, organizations representing communities of color, and philanthropic organizations that indicate a significant threshold of community support for the application.
  - g) A commitment to collect and share data, as required by the office, that can help inform as to the effectiveness of the grant dollars in building strategies for regional prosperity and to hold partners accountable for progress.
  - h) A plan for an inclusive, transparent community-driven process where residents who will be affected may identify, prioritize, and vote on priorities. This includes demonstrated capacity of the regional collective to directly engage and financially assist community members in meaningfully contributing to the design of an inclusive economic development roadmap.
  - i) A list of key deliverables during the grant period.
- 7) **Program Priorities:** Requires GO-Biz to provide priority to applications that come from regions that are able to demonstrate all of the following:
- a) The need for cross-sectoral and cross-jurisdictional solutions to the demonstrated key regional challenges.
  - b) The readiness and capacity to support rural, disadvantaged areas, or underserved population groups.
  - c) The assessment of key deliverables and the potential of the initiative to make system changes that can be operationalized based on success stories and best practices.

- 8) **Funding Trigger:** Requires OPR to implement the program upon appropriation of funds by the Legislature for the purpose of implementing program, as specified.
- 9) **Regional Collective Reporting:** Requires each regional collective receiving funding to submit an annual and a final report detailing the regional issues analyzed, priorities identified, strategies developed to address regional issues, and plans to implement priority efforts. In addition, the bill:
  - a) Requires the report to document how the regional collective engaged with community residents on a regular basis to review and guide the activities funded by this grant.
  - b) Requires, to the extent that plans produced “touch” on issues of transportation or land use, the report must show how those portions of the report are aligned with long-term transportation and land use plans of regional agencies, including strategy plans for sustainable communities.
  - c) Requires community residents to be engaged in the preparation of the report, as specified.
  - d) Requires a copy of the annual and final report be provided to each city and county within the region, as specified.
- 10) **Benchmarks, Metrics, and Outcomes:** Requires the regional collective to adopt a transparency and accountability tool to help track the progress of regional economic development strategies and track equity activities and mobility outcomes.
- 11) **Sharing Outcomes and Recommendations:** Requires OPR to create a process for issues, recommendations, and regional priorities identified through the collaborative work funded by the program to be brought forward to the Governor, the Legislature, and any other relevant agency, including the Department of Housing and Community Development. This information shall be considered in the development and recommended actions of related state functional plans, strategies, and investments.
- 12) **Definitions:** Defines a number of terms:
  - a) “Region” means a geographic area composed of one or more counties and cities that form a functional economy. A region may be a metropolitan statistical area, as established by the United States Office of Management and Budget, or by an area of an existing regional government, including, but not limited to, a council of governments.
  - b) “Eligible applicant” means a regional collective composed of a diverse set of public and private stakeholders who organize themselves around one or more community challenges or priorities impacting a region and meet certain other program requirements. The bill also:
    - i) Specifies that a “diverse set of public and private stakeholders” may include cities, counties, local agencies, including joint powers agencies, elected officials, private businesses, including small business enterprises owned by people of color, educational entities, social enterprises, nonprofit, labor, community-based organizations, census coalitions, and individuals.
    - ii) Requires the regional collective to have as one of its primary missions to work with and on the behalf of disadvantaged and underserved communities.

## EXISTING LAW

- 1) Establishes OPR for the purpose of assisting the Governor and the Administration in planning, research, policy development, and legislative analysis. In addition:

- a) OPR formulates long-range state goals and policies to address four key areas: land use and planning, climate risk and resilience, sustainable economic development, and targeted long-range research needs.
  - b) OPR also acts as the state's liaison to a variety of entities including local and regional government, planning professionals, small business, and the US Department of Defense.
- 2) Establishes the California Strategic Growth Council (SGC) to coordinate and work collaboratively with public agencies, communities, and stakeholders to advance healthy, thriving, and resilient communities for all. In addition, the SGC:
- a) Integrates state, regional, and local efforts to reduce greenhouse gas emissions, increase the availability of affordable housing located near jobs, services, and green space, conserve agriculture lands, promote public health, and advance racial equity.
  - b) Administers the following grant programs: Affordable Housing and Sustainable Communities, Transformative Climate Communities, Sustainable Agricultural Lands Conservation, Climate Change Research—all of which are part of the California Climate Investments Program, funded by proceeds from the State's cap-and-trade auction revenues.
  - c) Reviews the State's 5-Year Infrastructure Plan and contributes to interagency efforts to promote sustainability, equity, and resilience in State investments.

**FISCAL EFFECT:** Unknown

**COMMENTS & CONTEXT:**

- 1) **Growing Income Inequality:** In the pre-coronavirus economy, California's dominance in innovation-based industries was unquestionable, however, even with 120 months of uninterrupted economic growth, the divide between the middle and lower income households and the top income earners was accelerating. The coronavirus has only deepened California's income inequality, with the state's most vulnerable being at the greatest risk for poor health outcomes, having the least amount of savings to survive the economic impacts of the Stay-at-Home Order, and being most likely to work in low-paid and least protected essential businesses.

According to April 2020 research by the McKinsey Institute, 57 million jobs are at risk in the US due to the necessary, but extreme, steps that are taking place to stop the spread of the coronavirus. In California, McKinsey estimates that certain sectors will be more severely impacted than others. As examples of sectors with the highest vulnerability, in the accommodation and food service sector, an estimated 1.6 million jobs are at risk (95% of all jobs in the sector), and, in the arts and entertainment sector, 287,000 jobs (87% of all jobs) are at risk. The economic impacts are, however, much more widespread. The McKinsey Institute reports that 48% of jobs in the construction sector, 49% of jobs in real estate, and 37% of jobs in manufacturing are at risk, to name only a few sectors identified as having more than 30% of their jobs at risk.

In addition to losing their jobs, many of these impacted workers have little formal education beyond high school and possibly a few additional years of higher education course work and/or occupational training. In the last recession, individuals without four-year degrees faced the greatest challenges in becoming reemployed and remained unemployed for significantly longer time periods.

2) **The Challenge of Income Inequality during COVID-19:** While California’s dominance in innovation-based industries is unquestionable, the divide between the middle- and lower-income households and the top income earners is accelerating. Even when California’s unemployment was at historic lows pre-pandemic, unemployment within certain geographic regions and population groups remained significantly higher, as did the number of people in the state who were not participating within the core economy. In March 2020, California reported an unemployment rate (*not seasonally adjusted*) of 5.1% as compared to the US rate of 4.5%. From the employment side, this represents 18.1 million people in California, with (*according to 12-month moving average*) 82.5% being employed in full time work.

The State of California Economic Development Department, in March 2020 (*not seasonally adjusted*), reported three of California’s 58 counties had unemployment below 3.0%, with San Mateo County reporting the lowest at 2.5%. The highest unemployment was reported in Colusa (21.4%). Year-over (March 2019- March 2020), three counties experienced an unemployment rate decline, three counties experienced no change in unemployment rate and 52 experienced unemployment rate increases from the prior year.

**Chart 1 – Selected Data on Unemployment** shows unemployment-related information by selected counties and population groups for a time period that includes COVID-19, March 2020 to March 2021.

<b>Chart 1 - Selected Data on Unemployment (2020-2021)</b>					
	<b>Unemployment Rate March 2020</b> (Not Seasonally Adjusted)	<b>Unemployment Rate March 2021</b> (Not Seasonally Adjusted)		<b>Unemployment Rate March 2020</b> (12-month moving average)	<b>Unemployment Rate March 2021</b> (12-month moving average)
<b>California</b>	5.1%	8.2%	<b>California</b>	4.1%	11.1%
<b>Colusa County</b>	21.4%	15.4%	<b>Blacks</b>	5.2%	13.9%
<b>Imperial County</b>	20.4%	15.7%	<b>Hispanics</b>	4.7%	12.5%
<b>Los Angeles County</b>	5.6%	10.9%	<b>Whites</b>	4.0%	10.8%
<b>Riverside County</b>	4.7%	7.7%	<b>16 to 19 years old</b>	15.1%	24.5%
<b>Sacramento County</b>	4.3%	7.4%	<b>20 to 24 years old</b>	7.6%	17.5%
<b>San Bernardino County</b>	4.4%	7.8%	<b>25 to 34 years old</b>	4.1%	11.7%
<b>San Luis Obispo County</b>	3.5%	5.8%	*The Employment Development Department reports a March 2021 (12-month moving average) Labor Participation Rate (LPR) of 60.2% with 12.4 million people in California representing those who were not participating in the workforce (the remaining 38.8%). The LPR for veterans is 42.4% vs nonveterans LPR of 63.3%.		
<b>San Mateo County</b>	2.5%	5.0%			
<b>Tulare County</b>	13.2%	11.6%			

Source: [www.edd.ca.gov](http://www.edd.ca.gov)

In March 2021, California was reported to have an unemployment rate (*not seasonally adjusted*) of 8.2% as compared to the US rate of 6.2%. From the employment side, this represents 17.3 million people, with (*according to 12-month moving average*) 83.0% being employed in full time work.

During this same period of time, only three of California's 58 counties had an unemployment rate (*not seasonally adjusted*) below 5.5%, with Marin County reporting the lowest at 4.8%. The highest unemployment was reported in Imperial (15.7%). Year-over (2020-2021), 46 counties experienced unemployment rate rises, and 11 experienced unemployment rate decreases; moreover, one county had its unemployment rate stay the same (Lassen County).

Looking more specifically at different population groups, the data (*12-month moving average*) also show great disparities between the statewide rate of 11.2% and the rates of key subgroups, including unemployment among Blacks and Hispanics being 13.9% and 12.5% respectively. For the youngest members of the workforce, obtaining quality jobs remains a significant issue, with unemployment among 16- to 19-year-olds and 20- to 24-year-olds being well above the state average, ranging from 24.5% to 17.5% respectively. According to the March 2021 figures, 12.4 million people in California are not participating in the labor force, an increase of 596,000 individuals during a 12-month period.

The disparities shown in these charts are driven by and also influence a range of economic and societal issues, including, but not limited to, minimal educational attainment, economic insecurity, poor health outcomes, negative engagements with law enforcement, and lack of a safety net for the elderly and individual with special needs. COVID-19 magnified these effects, further putting strains on already struggling low-wage workers, particularly in the Black and Latinx communities.

The California Latino Economic Institute released a new policy brief in December 2020, which provides new data on the disparate and growing negative impact of COVID-19 on Latinos in California. Among other findings, the briefing noted the following:

- Latinos are overrepresented among California's COVID-19 cases and deaths—59% of cases and 49% of the state's deaths.
- Latino overrepresentation in California's cases has increased since April 2020.
- Nearly 12% of California Latinos are currently uninsured—double the rate of other groups.
- Latino unemployment rates are double those from the same time last year.
- Nearly two-thirds of California Latinos report experiencing a loss of employment income since March 2020.
- Over 40% of Latinos currently report that it is somewhat or very difficult to pay their usual household expenses in the last 7 days.
- Over three-quarters of California small business owners report that COVID-19 has had a moderate to large effect on their businesses.

There are a number of reasons that contribute to the disparate health impacts of COVID-19, including economic differences. Latinos and Blacks are a significant component of the essential workforce. While a majority of White workers have jobs that allow them to work from home and decrease potential COVID-19 contacts, Latinos and Blacks, due to economic circumstances, have jobs in high-risk environments.

The data shows income disparities are increasing, which is impacting a range of economic and societal issues. California is not unique in experiencing a rise in income inequality. National data show that while the top 1% of income households were significantly impacted by the recession, by 2017, annual revenues had risen to the highest levels ever. Between 1979 and 2017, the income for the top 1% of income households cumulatively rose by 157%.

- 3) **Helping Communities become Investment Ready:** The geographic targeting of economic and community development programs is based on the development principle that focusing significant incentives and other resources to lower income communities allows these communities to more effectively compete for new businesses, retain existing businesses, and stop or slow the spiraling effects of poverty and unemployment. Geographically targeted approaches to economic and community development are designed to result in increased tax revenues, higher rates of private investment, less reliance on public health and social services, and lower public safety costs.

A central component of the state/region partnership model funded through the Regions Rise Grant Program is its potential to assist at-risk communities in stopping the downward spiral of poverty and (re)build communities with economic and social promise. In the last decade, there has been a renewed interest by institutional investors in identifying communities which have turned the corner and now represent unique economic opportunities. These communities are sometimes referred to by investors as emerging domestic markets (EDMs).

EDMs are people, places, or business enterprises with growth potential that face capital constraints due to systematic undervaluation as a result of imperfect market information. While not every low income neighborhood in California is ready for private sector investment, many neighborhoods can become investment ready through effective partnerships between the nonprofit, private, and public sectors.

The demographics of EDMs include minority- and women-owned firms, urban and rural communities, companies which serve low-to-moderate-income populations, and other small and medium-sized businesses. The increase in investor interest is driven, in part, by the recognition of the changing demographics in the US which are resulting in a significant increase in minority purchasing power and business development by minority-owned firms.

Both the California Public Employees Retirement System (CalPERS) and the California State Teachers Retirement System adopted EDM investment goals for their entire portfolios. Under its California Initiative, which began in 2001 and focuses on historically underserved areas, CalPERS has directed and invested over \$1 billion in 569 companies primarily located in California. California has no other similar program that could possibly outpace the volume of investments large institutional investors can make. Experience is showing that adopting policies and programs that support investment by institutional investors is sound economic policy.

- 4) **Examples of Regional Approaches to Upward Mobility:** In February 2019, the Assembly Committee on Jobs, Economic Development, and the Economy (JEDE) began a series of hearings examining how public and private sector initiatives were being used or could be used to support upward mobility, reduce racial disparities, and address climate change. Three primary themes emerged from these hearings, being the need to:
- Upskill individuals to meet market challenges;



- Establish integrated and accountable governance structures to better support businesses, program and service providers, and individuals; and
- Remove barriers for start-ups, entrepreneurs, and expanding businesses, including manufacturers.

In order to advance the JEDE Committee's understanding of how sustainable and inclusive economic strategies can actually be implemented in the real world, a field hearing was conducted outside of the confines of the State Capitol, which highlighted regional initiatives in the Inland Empire. The keynote presentation by Dr. Karthick Ramakrishnan, Chair of the Center for Social Innovation at the University of California, Riverside, highlighted a number of regional initiatives being conducted within the Inland Empire. Among other initiatives presented, Dr. Ramakrishnan discussed Inland California Rising, an initiative he co-launched in February 2019 and which hosted summits in both of its partner regions, the Inland Empire and the San Joaquin Valley. The following is a selection of other initiatives discussed in the course of the hearing:

- ***GenerationGO/Vision2Succeed***: An initiative of San Bernardino County using its local workforce board as the facilitator. The purpose of GenerationGO is to connect K-12 schools, community colleges, and businesses to create and enhance career pathways and provide hands-on training. After several successful years, both the scope and geographic footprint are being expanded.
- ***Consortium for Excellence in Logistics***: The mission of this initiative, facilitated by the Inland Empire Economic Partnership, is to leverage the region's large number of warehouses and strategic location to position the Inland Empire as a supply chain and logistics hub. By fully embracing the leadership role, the consortium believes the Inland Empire can drive innovation within the sector resulting in economic growth and better paying jobs while still providing environmental and societal benefits.
- ***Inland Economic Growth & Opportunity (IEGO)***: This initiative, supported through the Community Foundation, is a network of business, government, educational, and nonprofit institutions, working to better align workforce and economic development efforts. Their objective is to increase high-paying quality jobs, increase opportunities for advanced manufacturing, and accelerate the growth of promising emerging industries (such as IT, cybersecurity, and battery storage).

JEDE's hearing aligned with Governor Newsom's Region's Rise Together, which was led by GO-Biz and supported by California Forward, the sponsor of this bill.

- 5) **Roadmap to Shared Prosperity**: This bill is an outgrowth of the California Economic Summit, a year-round collaboration of over 750 public and private stakeholders who annually meet to share their work, be inspired, and make plans for the following year's activities. This important work is supported and facilitated by California Forward and the Roadmap to Shared Prosperity. The 2021 Roadmap to Shared Prosperity outlined the California Economic Summit's plans for a comprehensive agenda to address the state's biggest challenges with a triple bottom line approach.
  - Supporting the training and upskilling of workers within a strategic plan tied with the Commission on the Future of Work and efforts to increase worker engagement and empowerment.
  - Creating the California Dream Index, a new scorecard for tracking the state's progress toward improving economic mobility.

- Issuing recommendations to guide Community Development Financial Institutions, governments, financial institutions, and other capital providers to help strengthen businesses by transforming pathways to capital and addressing social, racial, and institutional systemic issues.
- Advancing the implementation of a regional, scalable, data-driven prototype for employer engagement with community colleges meant to address systemic barriers students face in accessing work-based learning and job placement opportunities, while strengthening relationships between colleges, employers, industry associations and regional business intermediaries like local economic development corporations.

A key issue in moving forward on this work was the limited capacity of regional collectives to sustain their valuable work. While many policy makers call for emphasizing interconnectivity, collaboration, and equity to help regions create economic recovery strategies in the wake of COVID-19, there are few public programs that support these activities. AB 106 establishes a grant program that would both help fund and elevate this work by

6) **Proposed Amendments:** Below is a list of amendments the committee members may wish to review when considering the bill.

- a) Clarify the organic nature of a regional collaborative, as compared to a regional council of government, joint powers of authority, or any quasi-governmental entity. Definition: A quasi-governmental organization is one that has some, but not all, of the defining characteristics of a government.
- b) Clarify that implementation of any aspect of the program is dependent upon funding being appropriated for this purpose.
- c) Requires funding to be awarded to selected regional collectives in phases. Following an initial amount of money, to initiate the activities in the grant proposal, subsequent allocations are to be based on the regional collaborative meeting pre-determined milestones.
- d) Requires a collaborative to have at least one local business organization participating. Current language is having one local business, while all the other members of the collaborative are organizations.
- e) Requires OPR to a post on its website:
  - i) Copies annual reports and final reports submitted by the regional collectives.
  - ii) Links to two or more free to access databases and platforms that regional collectives may use to select metrics, set baselines and benchmarks, and track outcomes.
- f) Requires the office to provide an annual report to the Legislature, beginning 12 months following funding becoming available, as specified. The first report shall identify the regional collectives selected, the purpose of their grants, including meters and milestones that will be used to track the success of the engagement. In the following reports shall report on the progress of each regional collective in meeting milestones.

7) **Related Legislation:** Below is a list of bills from the current and prior sessions.

- a) **AB 29 (John A. Pérez, Feuer, and V. Manuel Pérez) Office of Business and Economic Development:** This bill established GO-Biz to include the newly codified California Business Services and the existing Office of the Small Business Advocate. Status: Signed by the Governor, Chapter 475, Statutes of 2011.

- b) **AB 27 (Parra) California Partnership for the San Joaquin Valley:** This bill would have codified the establishment and operation of an up to 64-member California Partnership for the San Joaquin Valley for the purpose of improving the economic, social, and environmental conditions of the San Joaquin Valley. Status: Held on the Suspense File of the Assembly Committee on Appropriations, 2008.
- c) **AB 31 (Parra) California Partnership for the San Joaquin Valley:** This bill would have created a 24-member California Partnership for the San Joaquin Valley (SJV) for the purpose of coordinating and improving state and federal efforts in the SJV, in concert with locally led efforts to improve the living standards and overall economic performance of the region. Status: Died on the Senate Floor, August 2006.
- d) **AB 119 (Assembly Budget Committee) Elimination of State Economic Strategy:** This bill eliminated, commencing January 1, 2012, the responsibility of the Secretary of Labor and Workforce Development Agency to lead the preparation of a biennial California Economic Development Strategic Plan and to biennially convene an Economic Strategy Panel to provide recommendations regarding the plan. Status: Signed by the Governor, Chapter 31, Statutes of 2011.
- e) **AB 358 (Greyson) Regional Economic Development Areas:** This bill would have enacted the Regional Economic Development Area Act for the purpose of certifying regional economic development areas that include, but are not limited to, active and inactive military bases. Status: Died without action in Assembly Committee on Jobs, Economic Development, and the Economy, 2018.
- f) **AB 742 (Cervantes) Office of Place-Based Strategies:** This bill would have established the Office of Place-Based Economic Strategies within GO-Biz for the purpose of supporting local and regional economic development entities to access programs and implement place-based and other community- and neighborhood-level strategies. Status: Held in the Assembly Appropriations Committee, 2019.
- g) **AB 844 (Grayson) Contra Costa County Green Empowerment Zone:** This bill establishes the Green Empowerment Zone for the Northern Waterfront area of the Counties of Contra Costa and Solano. Status: Pending in the Assembly Committee on Jobs, Economic Development, and the Economy.
- h) **AB 906 (Cooley, Cervantes, Kiley) State Action Plan:** This bill would have required the Governor's Office of Business and Economic Development to take the lead in preparing a California Economic Development Strategy based on regional priorities. Status: Held in the Assembly Committee on Appropriations, 2019.
- i) **AB 1171 (Arambula) California Partnership for the San Joaquin Valley:** This bill establishes the California Partnership for the San Joaquin Valley for the purpose of supporting regional collaboration among individuals and public and private entities committed to improving the quality of life in the San Joaquin Valley. Status: Pending in the Assembly Committee on Jobs, Economic Development, and the Economy.
- j) **AB 1233 (V. Manuel Pérez) State Economic & Workforce Development Strategy:** This bill would have required GO-Biz to prepare a five-year Economic and Workforce Development Strategy. The blueprint will help the state set a strategic path forward by prioritizing and coordinating state activities, supporting local and regional economic development activities, and

better leveraging private and public sector resources. Status: Held in the Assembly Committee on Appropriations, 2012.

- k) **AB 1274 (Arambula and Salas) California Partnership for the San Joaquin Valley:** This bill establishes the California Partnership for the San Joaquin Valley for the purpose of supporting regional collaboration among individuals and public and private entities committed to improving the quality of life in the San Joaquin Valley. Status: Held in the Senate Committee on Business Professions, and Economic Development, 2020.
- l) **AB 3205 (Salas) Regions Rise Grant Program:** This bill establishes the Regions Rise Grant Program, administered by the Governor’s Office of Business and Economic Development, for the purpose of supporting inclusive, cross jurisdictional, and innovative processes that lead to inclusive strategies to address barriers and challenges confronting communities in creating economic prosperity for all. Status: Held in the Senate Committee on Appropriations, 2020.
- m) **AB 2596 (Cooley, Kiley, Quirk-Silva) State Action Plan:** This bill would have required the Governor’s Office of Business and Economic Development to take the lead in preparing a California Economic Development Strategy based on regional priorities. Status: Vetoed by the Governor. The veto message stated: *“Since its inception, GO-Biz has expanded direct foreign investment, created opportunities for small businesses, identified incentives for growth, and helped resolve barriers for businesses navigating the government. These successes are due, in part, to the ability of GO-Biz to nimbly respond to rapidly changing economic factors including unpredictable federal decisions, natural disasters and more. I don’t believe an ongoing costly study and report will provide any additional benefit to these efforts.”*
- n) **SB 1230 (Umberg and Caballero) CDFI Grant and Tax Credit:** This bill establishes the Community Development Financial Institutions Grant Program, administered by GO-Biz, and authorizes the California Department of Financial Institutions Tax Credit, as specified. Status: Pending in the Senate Committee on Business, Professions, and Economic Development.

## REGISTERED SUPPORT / OPPOSITION:

### Support

3core  
Bay Area Council  
Cal Asian Chamber of Commerce  
California Economic Summit  
California Edge Coalition  
California Forward Action Fund  
California Partnership for The San Joaquin Valley  
California Travel Association (CALTIA)  
City of El Centro  
Csu Fresno, Office of Community and Economic Development  
East Bay Leadership Council  
Fresno Business Council  
Fresno State Connect Initiative  
Greater Bakersfield Chamber of Commerce  
Imperial County Transportation Commission  
Inland Empire Community Foundation

Inland Empire Economic Partnership (IEEP)  
Kern Community Foundation  
Local Government Commission  
Los Angeles County Economic Development Corporation  
Monterey Bay Economic Partnership  
North Bay Leadership Council  
Reach Central Coast  
Sacramento Hispanic Chamber of Commerce  
San Joaquin Valley Regional Broadband Consortium  
San Joaquin Valley Rural Development Center  
San Mateo County Economic Development Association (SAMCEDA)  
Sierra Business Council  
Sonoma County Economic Development Board  
Stanislaus Community Foundation  
Tahoe Prosperity Center  
Unite-la, INC.  
Valley Economic Alliance  
Valley Vision  
Western Riverside Council of Governments (WRCOG)

**Opposition**

None on File

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