

ASSEMBLY BILL

No. 2596

**Introduced by Assembly Members Cooley and Kiley
(Coauthor: Assembly Member Cooper)**

February 15, 2018

An act to add Section 12096.35 to the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 2596, as introduced, Cooley. California Economic Development Strategic Plan.

The Governor's Office of Business and Economic Development serves as the Governor's lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. The office, among others, makes recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic goals.

This bill would require the office to lead the preparation of a California Economic Development Strategic Plan, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 12096.35 is added to the Government
- 2 Code, to read:
- 3 12096.35. (a) The office shall lead the preparation of a
- 4 California Economic Development Strategic Plan. In fulfilling this

1 duty, the office shall commission a study that includes, but is not
2 limited to, all of the following:

3 (1) Recommendations regarding an economic development
4 strategic plan for the state, covering a two-year period for the first
5 report and a three-year time period for subsequent reports and
6 containing a statement of economic goals for the state.

7 (2) Governmental and nongovernmental impediments to
8 economic development and a list of legislative, regulatory, and
9 administrative reforms necessary to ease those impediments and
10 improvements to the business climate and economy of the state.

11 (3) An evaluation of the effectiveness of the state’s economic
12 development programs.

13 (4) A list of key industries in which the state shall focus its
14 economic development efforts, and strategies to foster job growth
15 and economic development covering all state agencies, offices,
16 boards, and commissions that have economic development
17 responsibilities.

18 (5) An evaluation of proposals, policies, and goals developed
19 at the regional level.

20 (6) Strengths and weaknesses of the California economy and
21 the state’s prospects for future economic prosperity.

22 (7) Existing, emerging, and declining industries in California
23 and elsewhere.

24 (8) Effectiveness of California’s economic development
25 programs in creating and retaining jobs and attracting industries.

26 (9) Adequacy of state and local physical and economic
27 infrastructure.

28 (10) Opportunities to leverage federal resources for state
29 priorities.

30 (11) Tactics for attracting private capital to the state and
31 investment in state priority areas.

32 (b) Upon completion of the study, the office shall convene a
33 stakeholder advisory group consisting of representatives from
34 businesses, labor unions, organizations representing the interests
35 of diverse ethnic and gender groups, local government leaders,
36 academic economists and business professors, chambers of
37 commerce and other business organizations, economic development
38 organizations, economic development groups focusing on regional
39 economies, government agencies, and key industries to assist with

1 evaluating and preparing the California Economic Development
2 Strategic Plan.

3 (c) The office shall submit a report of its findings and
4 recommendations regarding subdivision (a) to the Governor and
5 the Legislature no later than one year after its first meeting after
6 January 1, 2019, and every three years following that date. The
7 report shall be submitted to the Legislature in the manner required
8 pursuant to Section 9795.

9 (d) The office shall electronically deliver copies of the
10 recommended California Economic Development Strategic Plan
11 to every constitutional officer, legislator, member of the Governor's
12 cabinet, and every state agency, office, board, and commission
13 having economic development responsibilities.

14 (e) In fulfilling the requirements of this section, the office may
15 utilize portions of previous studies that satisfy the requirements
16 of subdivision (a) to the extent feasible and relevant.

17 (f) The California Economic Development Strategic Plan may
18 be funded in whole or in part by nonstate funds.

19 (1) The Governor's Office of Business and Economic
20 Development may accept nonstate moneys, including, but not
21 limited to, federal and private sector funds, for the purposes of
22 developing the California Economic Development Strategic Plan.
23 A donor shall not donate more than 25 percent of funding for the
24 California Economic Development Strategic Plan. The private
25 sector moneys shall be deposited in the California Economic
26 Development Fund.

27 (2) For each donation that it receives to fund the California
28 Economic Development Strategic Plan for this purpose, the
29 Governor's Office of Business and Economic Development shall
30 post a report on its Internet Web site within 30 days of receiving
31 that donation. The report shall contain all of the following
32 information: name and address of the donor, amount of the
33 donation, and the date the donation was made.

O