

AMENDED IN SENATE AUGUST 11, 2008

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1722

Introduced by Committee on Jobs, Economic Development, and the Economy (Arambula (Chair), Caballero, Garcia, Price, and Salas)

March 5, 2007

An act to amend Sections 13996.45, 13996.5, and 13996.55 of the Government Code, relating to international trade and investment.

LEGISLATIVE COUNSEL'S DIGEST

AB 1722, as amended, Committee on Jobs, Economic Development, and the Economy. California International Trade and Investment Act: Secretary of Business, Transportation and Housing: duties.

(1) Under the California International Trade and Investment Act, the Secretary of Business, Transportation and Housing is required to develop an international trade and investment policy based on specified criteria.

This bill would require the secretary to submit the international trade and investment policy to specified legislative entities not later than ~~February 1, 2008~~ *May 1, 2009*.

(2) The act additionally requires the secretary to complete a study on the potential roles of the state in global markets, and to provide to the Legislature a strategy for international trade and investment. During the course of the study and of developing the strategy, the secretary is required to consult with state agencies, boards, and commissions that have certain statutory responsibilities, including, but not limited to, specified state entities.

This bill would include the Department of Justice within those specified state entities.

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 13996.45 of the Government Code is
2 amended to read:
3 13996.45. (a) (1) Subject to paragraph (2), and subject to
4 Section 13996.75, the Business, Transportation and Housing
5 Agency shall be the primary state agency authorized to do all of
6 the following:
7 (A) Attract employment-producing foreign investment to the
8 state.
9 (B) Cooperate in international public infrastructure projects.
10 (C) Provide support for California business in accessing
11 international markets, including, but not limited to, export
12 assistance.
13 (D) Engage in other trade or foreign investment related activities
14 specifically assigned by the Governor.
15 (2) Nothing in this chapter shall be construed to confer powers
16 or impose duties upon the agency in conflict with any powers
17 conferred or duties imposed upon the Department of Food and
18 Agriculture with respect to the promotion of California agriculture,
19 fish, and forest exports.
20 (b) The international trade and investment activities of the
21 agency shall be monitored by the Legislature, and all public
22 moneys in its budget expended for those purposes, shall be subject
23 to approval by the Legislature.
24 (c) (1) The Secretary of Business, Transportation and Housing
25 shall develop an international trade and investment policy, which
26 shall be consistent with the economic development strategic plan
27 prepared by the California Economic Strategy Panel pursuant to
28 Section 15570, and shall provide guidance for strategies and plans
29 from other agencies and departments related to workforce and
30 infrastructure development.
31 (2) California’s international trade and investment policy shall
32 be directed through its state strategy, which shall be based on
33 current and emerging market conditions and the needs of investors,
34 businesses, and workers to be competitive in global markets.

1 (3) The secretary shall submit a copy of the international trade
2 and investment policy to the Chief Clerk of the Assembly and the
3 Secretary of the Senate not later than ~~February 1, 2008~~ *May 1,*
4 *2009*. A copy of the policy shall be provided to the Speaker of the
5 Assembly, the President pro Tempore of the Senate, and the chairs
6 of the Assembly Committee on Jobs, Economic Development, and
7 the Economy and the Senate Committee on Business, Professions
8 and Economic Development, or the successor committees with
9 jurisdiction over international trade and economic development
10 programs.

11 SEC. 2. Section 13996.5 of the Government Code is amended
12 to read:

13 13996.5. (a) Not later than October 1, 2007, the Secretary of
14 Business, Transportation and Housing shall complete a study on
15 the potential roles of the state in global markets.

16 (b) The study shall include, but not be limited to, all of the
17 following:

18 (1) A discussion of California's economy and its relationship
19 to global markets, including identification of current and emerging
20 trends, industries, services, and areas of comparative advantage.

21 (2) An inventory and gap analysis of existing programs and
22 services provided by local, state, federal, and private entities, which
23 serve, or could serve, businesses in opening new foreign markets
24 for their products, attracting foreign investment to their businesses,
25 or generally assisting California businesses in global markets.

26 (3) An assessment and gap analysis of the current and future
27 physical and human infrastructure related to foreign trade and
28 investment markets, and the appropriate role for state government
29 to improve the infrastructure needs.

30 (4) The results of a survey of businesses on their needs and
31 priorities related to foreign trade and investment. The study may
32 rely on current surveys prepared by trade organizations or academic
33 centers dedicated to economic development, or other surveys, as
34 appropriate.

35 (5) An examination of how best to coordinate and leverage
36 existing local, state, and federal organizations, programs, and
37 services related to international trade and investment.

38 (6) An assessment of unique opportunities and challenges in
39 developing businesses and attracting investment along the border
40 and in historically underserved urban and rural areas.

1 (c) (1) The study shall make recommendations on policies,
2 programs, and funding needs for the next three years, seven years,
3 and over the long term.

4 (2) Recommendations may include infrastructure improvements,
5 workforce training needs, incentives for business or investors, and
6 need for international trade and investment offices in relation to
7 the international trade and investment needs of the state.

8 (3) To the extent international trade and investment offices are
9 found to be appropriate, the study may make general
10 recommendations on the administration, oversight, and mission
11 or missions of the offices.

12 (4) The study shall recommend priorities for state activities and
13 funding related to international trade and investment. The priorities
14 shall be based on the assessment of current and emerging market
15 trends, the inventory and gap analysis of programs and services,
16 the assessment of current and future infrastructure and workforce
17 needs, and input by the business community.

18 (5) The study shall recommend an organizational structure for
19 the state administration of international trade and investment
20 policies, programs, and services.

21 (d) During the course of the study, the secretary shall consult
22 with other agencies, boards, and commissions that have statutory
23 responsibilities related to workforce development, infrastructure,
24 business, and international trade and investment including, but not
25 limited to, the Economic Strategy Panel, the California Commission
26 on Industrial Innovation, the Office of the Small Business
27 Advocate, the California Transportation Commission, the
28 California Community Colleges, the University of California, the
29 California State University, the Workforce Investment Board, the
30 Employment Training Panel, the Department of Justice, and the
31 California Energy Commission.

32 (e) The results of the study shall be submitted to the Chief Clerk
33 of the Assembly and the Secretary of the Senate. A copy of the
34 study shall be provided to the Speaker of the Assembly, the
35 President pro Tempore of the Senate, and the chairs of the
36 Assembly Committee on Jobs, Economic Development, and the
37 Economy and the Senate Committee on Business, Professions and
38 Economic Development, or the successor committees with
39 jurisdiction over international trade and economic development
40 programs.

1 SEC. 3. Section 13996.55 of the Government Code is amended
2 to read:

3 13996.55. (a) Based on the study prepared pursuant to Section
4 13996.5, the Secretary of Business, Transportation and Housing
5 shall provide to the Legislature, not later than February 1, 2008,
6 a strategy for international trade and investment that, at a minimum,
7 includes all of the following:

8 (1) Policy goals, objectives, and recommendations necessary
9 to implement a comprehensive international trade and investment
10 program for the State of California. This information shall be
11 provided in a fashion that clearly indicates priority within the
12 overall strategy.

13 (2) Measurable outcomes and timelines for the goals, objectives,
14 and actions for the international trade and investment program.

15 (3) Identification of impediments for achieving goals and
16 objectives.

17 (4) Identification of key stakeholder partnerships that will be
18 used in implementing the strategy.

19 (5) Identification of options for funding recommended actions.

20 (6) Identification of an international trade and investment
21 organizational structure for the state administration of international
22 trade and investment policies, programs, and services.

23 (b) The strategy shall be developed in consultation with the
24 California Economic Strategy Panel. In the course of developing
25 the strategy, the secretary shall also consult with other agencies,
26 boards, and commissions that have statutory responsibilities related
27 to workforce development, infrastructure, business, and
28 international trade and investment including, but not limited to,
29 the California Commission on Industrial Innovation, the Office of
30 the Small Business Advocate, the California Transportation
31 Commission, the California Community Colleges, the University
32 of California, the California State University, the Workforce
33 Investment Board, the Employment Training Panel, the Department
34 of Justice, and the California Energy Commission.

35 (c) The strategy shall be submitted to the Chief Clerk of the
36 Assembly and the Secretary of the Senate. A copy of the strategy
37 shall be provided to the Speaker of the Assembly, the President
38 pro Tempore of the Senate, and the chairs of the Assembly
39 Committee on Jobs, Economic Development, and the Economy
40 and the Senate Committee on Business, Professions and Economic

1 Development, or the successor committees with jurisdiction over
2 international trade and economic development programs.

3 (d) (1) The strategy shall be reviewed in at least one public
4 hearing by the relevant policy and fiscal committees of each house
5 of the Legislature. The hearings shall be held within 60 days of
6 the strategy being submitted to the Legislature. If the strategy is
7 submitted when the Legislature is in recess, the hearings shall
8 occur within 60 days of the members convening.

9 (2) The legislative committees may make recommendations to
10 the secretary on the strategy, and the secretary may modify the
11 strategy accordingly.

12 (e) The secretary shall report to the fiscal committees of the
13 Legislature on or before February 1, 2009, and by that date each
14 year thereafter, on how the Governor's proposed budget relates to
15 the strategy.

16 (f) The strategy shall be updated pursuant to the procedures of
17 this section at least once every five years.