

AMENDED IN SENATE MARCH 21, 2012

AMENDED IN ASSEMBLY APRIL 25, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1409

Introduced by Committee on Jobs, Economic Development, and the Economy (V. Manuel Pérez (Chair), Beall, Block, Grove, Hueso, and Morrell)

March 10, 2011

~~An act to amend Sections 13996.4 and 13996.55 of the Government Code, relating to economic development. An act to amend Sections 11346.2 and 12098.3 of, and to add Section 11346.23 to, the Government Code, relating to regulations.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 1409, as amended, Committee on Jobs, Economic Development, and the Economy. ~~Economic development: international trade and investment. Regulations: small businesses.~~

(1) Existing law creates the Milton Marks "Little Hoover" Commission on California State Government Organization and Economy to assist the Legislature and the Governor in promoting economy, efficiency, and improved service in the transaction of public business in state government.

This bill would make legislative findings and declarations relating to regulatory policy based upon a study by the commission.

(2) The Administrative Procedure Act generally sets forth the requirements for the adoption, publication, review, and implementation of regulations by state agencies. The act requires every state agency subject to the act to submit, with the notice of the proposed adoption,

amendment, or repeal of a regulation, an initial statement of reasons for proposing the adoption, amendment, or repeal of a regulation, which is required to include, among other things, a description of any reasonable alternatives that would lessen any adverse impact on small business and the agency's reasons for rejecting those reasonable alternatives.

This bill would clarify the nature of the reasonable alternatives an agency is required to include in its initial statement and would require an agency to include any reasonable alternative submitted by the public or the Office of the Small Business Advocate in the statement. This bill would require the initial statement to include an assessment of whether there are similar or related regulations adopted by another state regulatory entity and require the agency to coordinate with that entity to reduce regulatory burdens, as provided.

(3) Existing law requires various topics to be listed in the State Administrative Manual.

This bill would require the Department of General Services to provide in the State Administrative Manual guidance on procedures that facilitate the review of existing regulations and the implementation of new and modified regulations, as specified.

(4) Existing law creates the Office of Small Business Advocate to represent the views and interests of small businesses before state agencies.

This bill would clarify the nature of this function by requiring the advocate to comment on, and gather input from small businesses on, reasonable alternatives to proposed and existing regulations.

~~Existing law requires the Secretary of Business, Transportation and Housing to provide to the Legislature a strategy for international trade and investment that is required to address specified topics. Existing law requires that this strategy be updated at least once every 5 years.~~

~~This bill would require that the strategy prepared by the secretary also address specified topics related to international trade and infrastructure. This bill would require that the strategy be updated by February 1, 2013, and once every 5 years thereafter.~~

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. (a) The Legislature finds and declares all of the*
2 *following:*

3 *(1) Historically, California’s regulatory process has produced*
4 *meaningful benefits for Californians in consumer safety, food*
5 *security, worker protection, energy efficiency, and air and water*
6 *quality. Unfortunately, over time, California’s approach to*
7 *developing regulations has, according to the Milton Marks “Little*
8 *Hoover” Commission on California State Government*
9 *Organization and Economy, resulted in an uneven regulatory*
10 *environment for businesses that lacks coordination and the kind*
11 *of thorough oversight that ensures efficiency and accountability.*

12 *(2) The commission found, in October 2011, that the process*
13 *the state uses to develop regulations varies widely, particularly in*
14 *the use of economic analysis to determine what burden a proposed*
15 *regulation will have on an affected person or business. Further,*
16 *the commission found that the state has been reluctant to adopt*
17 *and use analytical tools employed in other states and at the federal*
18 *level. The state’s current process has produced a regulatory*
19 *approach that can focus intensely on solving problems in a single*
20 *arena without taking into consideration the broader context or*
21 *consequences of the solution.*

22 *(3) The commission reported that it found examples of where*
23 *regulatory procedural shortcomings resulted in failed rulemaking*
24 *efforts, the potential imposition of costly conditions that could*
25 *force painful tradeoffs, or regulations undermined by an economic*
26 *analysis that did not account for real-time changes in the economy.*
27 *The commission further found that the current system, intended to*
28 *ensure that regulating agencies choose the least burdensome*
29 *alternative, failed to meet that objective.*

30 *(4) The commission recommended, among other things, that*
31 *the state establish an Office of Economic and Regulatory Analysis*
32 *that would reestablish the regulatory analysis function which once*
33 *existed in the now-defunct Trade and Commerce Agency. In*
34 *reestablishing this function, the state can learn from the example*
35 *of the United States Office of Information and Regulatory Affairs,*
36 *located in the White House’s Office of Management and Budget.*
37 *The small cost associated with reestablishing this function would*
38 *be more than offset by reducing the costs of failed regulatory*

1 *processes, reducing lengthy methodological challenges, and*
2 *potentially improving confidence in the rulemaking process.*

3 *(b) The Legislature further finds and declares that having a*
4 *well-functioning economy that encourages innovation and new*
5 *business development is highly dependent on an effective and*
6 *efficient regulatory environment that addresses key public health,*
7 *safety, and environmental conditions. Wasteful government*
8 *practices that increase costs and result in project delays can*
9 *threaten the state's long-term economic growth.*

10 *SEC. 2. Section 11346.2 of the Government Code, as amended*
11 *by Section 2 of Chapter 496 of the Statutes of 2011, is amended*
12 *to read:*

13 11346.2. Every agency subject to this chapter shall prepare,
14 submit to the office with the notice of the proposed action as
15 described in Section 11346.5, and make available to the public
16 upon request, all of the following:

17 (a) A copy of the express terms of the proposed regulation.

18 (1) The agency shall draft the regulation in plain, straightforward
19 language, avoiding technical terms as much as possible, and using
20 a coherent and easily readable style. The agency shall draft the
21 regulation in plain English.

22 (2) The agency shall include a notation following the express
23 terms of each California Code of Regulations section, listing the
24 specific statutes or other provisions of law authorizing the adoption
25 of the regulation and listing the specific statutes or other provisions
26 of law being implemented, interpreted, or made specific by that
27 section in the California Code of Regulations.

28 (3) The agency shall use underline or italics to indicate additions
29 to, and strikeout to indicate deletions from, the California Code
30 of Regulations.

31 (b) An initial statement of reasons for proposing the adoption,
32 amendment, or repeal of a regulation. This statement of reasons
33 shall include, but not be limited to, all of the following:

34 (1) A statement of the specific purpose of each adoption,
35 amendment, or repeal, the problem the agency intends to address,
36 and the rationale for the determination by the agency that each
37 adoption, amendment, or repeal is reasonably necessary to carry
38 out the purpose and address the problem for which it is proposed.
39 The statement shall enumerate the benefits anticipated from the
40 regulatory action, including the benefits or goals provided in the

1 authorizing statute. The benefits may include, to the extent
2 applicable, nonmonetary benefits such as the protection of public
3 health and safety, worker safety, or the environment, the prevention
4 of discrimination, the promotion of fairness or social equity, and
5 the increase in openness and transparency in business and
6 government, among other things.

7 (2) For a major regulation proposed on or after January 1, 2013,
8 the standardized regulatory impact analysis required by Section
9 11346.3.

10 (3) An identification of each technical, theoretical, and empirical
11 study, report, or similar document, if any, upon which the agency
12 relies in proposing the adoption, amendment, or repeal of a
13 regulation.

14 (4) Where the adoption or amendment of a regulation would
15 mandate the use of specific technologies or equipment, a statement
16 of the reasons why the agency believes these mandates or
17 prescriptive standards are required.

18 (5) (A) A description of reasonable alternatives to the regulation
19 and the agency's reasons for rejecting those alternatives.
20 Reasonable alternatives to be considered include, but are not
21 limited to, alternatives that are proposed as less burdensome and
22 equally effective in achieving the purposes of the regulation in a
23 manner that ensures full compliance with the authorizing statute
24 or other law being implemented or made specific by the proposed
25 regulation. In the case of a regulation that would mandate the use
26 of specific technologies or equipment or prescribe specific actions
27 or procedures, the imposition of performance standards shall be
28 considered as an alternative.

29 (B) A description of reasonable alternatives to the regulation
30 that would lessen any adverse impact on small business and the
31 agency's reasons for rejecting those alternatives. *Alternatives*
32 *include, but are not limited to, phasing of implementation to take*
33 *into account the compliance capacity and resources of small*
34 *business, performance standards to provide compliance flexibility*
35 *for small business, simplification of reporting and compliance*
36 *standards, differing requirements for small and large businesses,*
37 *and partial or total exemptions based on the firm's actual degree*
38 *of activity within the regulated activity.*

39 (C) Notwithstanding subparagraph (A) or (B), an agency is not
40 required to artificially construct alternatives—~~or describe~~

1 ~~unreasonable alternatives.~~ *The agency shall list any alternative*
2 *that was submitted to the agency by the public and the Office of*
3 *the Small Business Advocate and determined to be unreasonable.*

4 (6) Facts, evidence, documents, testimony, or other evidence
5 on which the agency relies to support an initial determination that
6 the action will not have a significant adverse economic impact on
7 business.

8 (7) A department, board, or commission within the
9 Environmental Protection Agency, the Natural Resources Agency,
10 or the Office of the State Fire Marshal shall describe its efforts, in
11 connection with a proposed rulemaking action, to avoid
12 unnecessary duplication or conflicts with federal regulations
13 contained in the Code of Federal Regulations addressing the same
14 issues. These agencies may adopt regulations different from federal
15 regulations contained in the Code of Federal Regulations
16 addressing the same issues upon a finding of one or more of the
17 following justifications:

18 (A) The differing state regulations are authorized by law.

19 (B) The cost of differing state regulations is justified by the
20 benefit to human health, public safety, public welfare, or the
21 environment.

22 (8) *Each state agency shall assess whether there is a similar or*
23 *related regulation that has been adopted by another state*
24 *regulatory entity and determine whether there are opportunities*
25 *to coordinate and harmonize compliance activities in order to*
26 *reduce the cost and regulatory burden on firms and individuals.*

27 (c) A state agency that adopts or amends a regulation mandated
28 by federal law or regulations, the provisions of which are identical
29 to a previously adopted or amended federal regulation, shall be
30 deemed to have complied with subdivision (b) if a statement to
31 the effect that a federally mandated regulation or amendment to a
32 regulation is being proposed, together with a citation to where an
33 explanation of the provisions of the regulation can be found, is
34 included in the notice of proposed adoption or amendment prepared
35 pursuant to Section 11346.5. However, the agency shall comply
36 fully with this chapter with respect to any provisions in the
37 regulation that the agency proposes to adopt or amend that are
38 different from the corresponding provisions of the federal
39 regulation.

40 (d) This section shall become operative on January 1, 2012.

1 (e) This section shall remain in effect only until January 1, 2014,
2 and as of that date is repealed, unless a later enacted statute, that
3 is enacted before January 1, 2014, deletes or extends that date.

4 *SEC. 3. Section 11346.2 of the Government Code, as amended*
5 *by Section 3 of Chapter 496 of the Statutes of 2011, is amended*
6 *to read:*

7 11346.2. Every agency subject to this chapter shall prepare,
8 submit to the office with the notice of the proposed action as
9 described in Section 11346.5, and make available to the public
10 upon request, all of the following:

11 (a) A copy of the express terms of the proposed regulation.

12 (1) The agency shall draft the regulation in plain, straightforward
13 language, avoiding technical terms as much as possible, and using
14 a coherent and easily readable style. The agency shall draft the
15 regulation in plain English.

16 (2) The agency shall include a notation following the express
17 terms of each California Code of Regulations section, listing the
18 specific statutes or other provisions of law authorizing the adoption
19 of the regulation and listing the specific statutes or other provisions
20 of law being implemented, interpreted, or made specific by that
21 section in the California Code of Regulations.

22 (3) The agency shall use underline or italics to indicate additions
23 to, and strikeout to indicate deletions from, the California Code
24 of Regulations.

25 (b) An initial statement of reasons for proposing the adoption,
26 amendment, or repeal of a regulation. This statement of reasons
27 shall include, but not be limited to, all of the following:

28 (1) A statement of the specific purpose of each adoption,
29 amendment, or repeal, the problem the agency intends to address,
30 and the rationale for the determination by the agency that each
31 adoption, amendment, or repeal is reasonably necessary to carry
32 out the purpose and address the problem for which it is proposed.
33 The statement shall enumerate the benefits anticipated from the
34 regulatory action, including the benefits or goals provided in the
35 authorizing statute. These benefits may include, to the extent
36 applicable, nonmonetary benefits such as the protection of public
37 health and safety, worker safety, or the environment, the prevention
38 of discrimination, the promotion of fairness or social equity, and
39 the increase in openness and transparency in business and
40 government, among other things. Where the adoption or

1 amendment of a regulation would mandate the use of specific
2 technologies or equipment, a statement of the reasons why the
3 agency believes these mandates or prescriptive standards are
4 required.

5 (2) For a major regulation proposed on or after November 1,
6 2013, the standardized regulatory impact analysis required by
7 Section 11346.3.

8 (3) An identification of each technical, theoretical, and empirical
9 study, report, or similar document, if any, upon which the agency
10 relies in proposing the adoption, amendment, or repeal of a
11 regulation.

12 (4) (A) A description of reasonable alternatives to the regulation
13 and the agency's reasons for rejecting those alternatives.
14 Reasonable alternatives to be considered include, but are not
15 limited to, alternatives that are proposed as less burdensome and
16 equally effective in achieving the purposes of the regulation in a
17 manner that ensures full compliance with the authorizing statute
18 or other law being implemented or made specific by the proposed
19 regulation. In the case of a regulation that would mandate the use
20 of specific technologies or equipment or prescribe specific actions
21 or procedures, the imposition of performance standards shall be
22 considered as an alternative.

23 (B) A description of reasonable alternatives to the regulation
24 that would lessen any adverse impact on small business and the
25 agency's reasons for rejecting those alternatives. *Alternatives*
26 *include, but are not limited to, phasing of implementation to take*
27 *into account the compliance capacity and resources of small*
28 *business, performance standards to provide compliance flexibility*
29 *for small business, simplification of reporting and compliance*
30 *standards, differing requirements for small and large businesses,*
31 *and partial or total exemptions based on the firm's actual degree*
32 *of activity within the regulated activity.*

33 (C) Notwithstanding subparagraph (A) or (B), an agency is not
34 required to artificially construct alternatives ~~or describe~~
35 ~~unreasonable alternatives~~. *The agency shall list any alternative*
36 *that was submitted to the agency by the public and the Office of*
37 *the Small Business Advocate and determined to be unreasonable.*

38 (5) Facts, evidence, documents, testimony, or other evidence
39 on which the agency relies to support an initial determination that

1 the action will not have a significant adverse economic impact on
2 business.

3 (6) A department, board, or commission within the
4 Environmental Protection Agency, the Natural Resources Agency,
5 or the Office of the State Fire Marshal shall describe its efforts, in
6 connection with a proposed rulemaking action, to avoid
7 unnecessary duplication or conflicts with federal regulations
8 contained in the Code of Federal Regulations addressing the same
9 issues. These agencies may adopt regulations different from federal
10 regulations contained in the Code of Federal Regulations
11 addressing the same issues upon a finding of one or more of the
12 following justifications:

13 (A) The differing state regulations are authorized by law.

14 (B) The cost of differing state regulations is justified by the
15 benefit to human health, public safety, public welfare, or the
16 environment.

17 (7) *Each state agency shall assess whether there is a similar or*
18 *related regulation that has been adopted by another state*
19 *regulatory entity and determine whether there are opportunities*
20 *to coordinate and harmonize compliance activities in order to*
21 *reduce the cost and regulatory burden on firms and individuals.*

22 (c) A state agency that adopts or amends a regulation mandated
23 by federal law or regulations, the provisions of which are identical
24 to a previously adopted or amended federal regulation, shall be
25 deemed to have complied with subdivision (b) if a statement to
26 the effect that a federally mandated regulation or amendment to a
27 regulation is being proposed, together with a citation to where an
28 explanation of the provisions of the regulation can be found, is
29 included in the notice of proposed adoption or amendment prepared
30 pursuant to Section 11346.5. However, the agency shall comply
31 fully with this chapter with respect to any provisions in the
32 regulation that the agency proposes to adopt or amend that are
33 different from the corresponding provisions of the federal
34 regulation.

35 (d) This section shall be inoperative from January 1, 2012, until
36 January 1, 2014.

37 *SEC. 4. Section 11346.23 is added to the Government Code,*
38 *to read:*

1 11346.23. *The Department of General Services shall provide*
2 *in the State Administrative Manual guidance on procedures that*
3 *do both of the following:*

4 (a) *Facilitate the periodic review of existing significant*
5 *regulations to determine whether a regulation has become, or*
6 *parts of the regulation have become, outmoded, ineffective,*
7 *insufficient, or excessively burdensome, and to modify, streamline,*
8 *expand, or repeal them in accordance with what has been learned.*
9 *The intent of providing guidance on such retrospective analyses*
10 *is to ensure that a regulation has not resulted in unintended*
11 *consequences that could create unexpected harm, that a new*
12 *technology has emerged making the existing regulation obsolete,*
13 *or that a fundamental change in the economy creates an unforeseen*
14 *regulatory burden.*

15 (b) *Facilitate the orderly implementation of new and modified*
16 *regulations, including, but not limited to, limiting the*
17 *implementation date of new and modified regulations that require*
18 *compliance by private firms to two standardized dates, except in*
19 *circumstances where there is evidence that delaying*
20 *implementation could result in significant harm to the public.*

21 *SEC. 5. Section 12098.3 of the Government Code is amended*
22 *to read:*

23 12098.3. (a) The Director of the Office of Small Business
24 Advocate shall be appointed by, and shall serve at the pleasure of,
25 the Governor.

26 (b) The Governor shall appoint the employees who are needed
27 to accomplish the purposes of this article.

28 (c) The duties and functions of the advocate shall include all of
29 the following:

30 (1) Serve as the principal advocate in the state on behalf of small
31 businesses, including, but not limited to, advisory participation in
32 the consideration of all legislation and administrative regulations
33 that affect small businesses, and advocacy on state policy and
34 programs related to small businesses on disaster preparedness and
35 recovery including providing technical assistance.

36 (2) Represent the views and interests of small businesses before
37 other state agencies whose policies and activities may affect small
38 business, *including, but not limited to, commenting on and*
39 *gathering input from small businesses, and making suggestions*
40 *on reasonable alternatives to proposed and existing regulations.*

1 (3) Enlist the cooperation and assistance of public and private
2 agencies, businesses, and other organizations in disseminating
3 information about the programs and services provided by state
4 government that are of benefit to small businesses, and information
5 on how small businesses can participate in, or make use of, those
6 programs and services.

7 (4) Consult with experts and authorities in the fields of small
8 business investment, venture capital investment, and commercial
9 banking and other comparable financial institutions involved in
10 the financing of business, and with individuals with regulatory,
11 legal, economic, or financial expertise, including members of the
12 academic community, and individuals who generally represent the
13 public interest.

14 (5) Seek the assistance and cooperation of all state agencies and
15 departments providing services to, or affecting, small business,
16 including the small business liaison designated pursuant to Section
17 14846, to ensure coordination of state efforts.

18 (6) Receive and respond to complaints from small businesses
19 concerning the actions of state agencies and the operative effects
20 of state laws and regulations adversely affecting those businesses.

21 (7) Counsel small businesses on how to resolve questions and
22 problems concerning the relationship of small business to state
23 government.

24 (8) Maintain, publicize, and distribute an annual list of persons
25 serving as small business ombudsmen throughout state government.

26 (9) Consult with the Department of Transportation in the
27 development and administration of the Small and Emerging
28 Contractor Technical Assistance Program established pursuant to
29 Article 2.6 (commencing with Section 14137) of Chapter 2 of Part
30 5.

31 ~~SECTION 1. Section 13996.4 of the Government Code is~~
32 ~~amended to read:~~

33 ~~13996.4. The Legislature finds and declares all of the following:~~

34 ~~(a) The statutory authority for the Technology, Trade, and~~
35 ~~Commerce Agency, including the agency's international trade and~~
36 ~~investment promotion programs, was repealed by Chapter 229 of~~
37 ~~the Statutes of 2003, thereby reducing the capacity of state~~
38 ~~government to assist California firms in developing global business~~
39 ~~opportunities.~~

1 ~~(b) The repeal of the statutory authority for the Technology,~~
2 ~~Trade, and Commerce Agency has increased the importance of~~
3 ~~strengthening collaborative linkages among remaining~~
4 ~~California-based international trade and investment promotion~~
5 ~~programs operated at federal, state, regional, and local levels. These~~
6 ~~programs include, but are not limited to, the Centers for~~
7 ~~International Trade Development operated by the California~~
8 ~~Community Colleges, 15 offices of the United States Commercial~~
9 ~~Service within the United States Department of Commerce,~~
10 ~~numerous local and regional World Trade Centers, and public and~~
11 ~~private economic development and trade associations.~~

12 ~~(c) According to data for 2000, international trade and~~
13 ~~investment activity in the state supports one in every seven~~
14 ~~California jobs.~~

15 ~~(d) According to the Public Policy Institute of California:~~

16 ~~(1) Nearly 94 percent of all exporters located in California are~~
17 ~~small- or medium-sized firms. Over 90 percent of businesses in~~
18 ~~California are small businesses and over 50 percent of all workers~~
19 ~~are employed by a small business.~~

20 ~~(2) Exporters are more productive and pay higher wages than~~
21 ~~nonexporters.~~

22 ~~(3) Effective state programs supporting export opportunities~~
23 ~~should identify and respond to differing needs of both~~
24 ~~export-willing and export-ready firms.~~

25 ~~(e) The adequacy of the state's infrastructure, workforce,~~
26 ~~research facilities, manufacturing and service industries, and access~~
27 ~~to capital form the foundation of California's global market-related~~
28 ~~economy.~~

29 ~~(f) California's multicultural and ethnic populations offer unique~~
30 ~~opportunities for international trade and investment.~~

31 ~~(g) United States subsidiaries of foreign companies in California~~
32 ~~employed 561,000 California workers from 2000 to 2005. This is~~
33 ~~an increase of 15 percent. In comparison to other states, California~~
34 ~~is an attractive location for international employers, ranking first~~
35 ~~in the United States in the number of employees supported by~~
36 ~~United States subsidiaries.~~

37 ~~(h) California's trade and investment policy is a living document~~
38 ~~that should be regularly updated to reflect emerging business trends~~
39 ~~and the changing needs of California businesses and workers.~~

1 ~~(i) California must ensure that it has an adequate and robust~~
2 ~~trade infrastructure in place at its airports, seaports, and land ports~~
3 ~~of entry for the efficient facilitation of exports and imports of~~
4 ~~cargo.~~

5 ~~(j) California's exporters will play a critical role in the National~~
6 ~~Export Initiative, a federal effort to double American exports from~~
7 ~~2010 to 2015, inclusive, and support the growth of two million~~
8 ~~jobs across the United States, and California should support the~~
9 ~~federal government's export-promotion strategy, the United States~~
10 ~~Department of Commerce, and the International Trade~~
11 ~~Administration in their efforts to open new markets and implement~~
12 ~~the National Export Initiative.~~

13 ~~SEC. 2. Section 13996.55 of the Government Code is amended~~
14 ~~to read:~~

15 ~~13996.55. (a) Based on the study prepared pursuant to Section~~
16 ~~13996.5, the Secretary of Business, Transportation and Housing~~
17 ~~shall provide to the Legislature, no later than February 1, 2013, a~~
18 ~~strategy for international trade and investment that, at a minimum,~~
19 ~~includes all of the following:~~

20 ~~(1) Policy goals, objectives, and recommendations necessary~~
21 ~~to implement a comprehensive international trade and investment~~
22 ~~program for the State of California. This information shall be~~
23 ~~provided in a fashion that clearly indicates priority within the~~
24 ~~overall strategy.~~

25 ~~(2) Measurable outcomes and timelines for the goals, objectives,~~
26 ~~and actions for the international trade and investment program.~~

27 ~~(3) Identification of impediments for achieving goals and~~
28 ~~objectives.~~

29 ~~(4) Identification of key stakeholder partnerships that will be~~
30 ~~used in implementing the strategy.~~

31 ~~(5) Identification of options for funding recommended actions.~~

32 ~~(6) Policy goals, objectives, and recommendations adopted in~~
33 ~~the Goods Movement Action Plan that are found appropriate by~~
34 ~~the secretary to provide the trade infrastructure necessary to~~
35 ~~implement a comprehensive international trade and investment~~
36 ~~program for the State of California.~~

37 ~~(7) Measurable outcomes and timelines for the goals, objectives,~~
38 ~~and actions for the completion of those aspects of the Goods~~
39 ~~Movement Action Plan determined to be appropriate by the~~

1 secretary to implement a comprehensive international trade and
2 investment program for the State of California.

3 ~~(8) Identification of those public agencies and private sector~~
4 ~~entities necessary to implement those aspects of the Goods~~
5 ~~Movement Action Plan that are identified in the strategy update.~~

6 ~~(b) The strategy shall be developed in consultation with the~~
7 ~~California Economic Strategy Panel. In the course of developing~~
8 ~~the strategy, the secretary shall also consult with other agencies,~~
9 ~~boards, and commissions that have statutory responsibilities related~~
10 ~~to workforce development, infrastructure, business, and~~
11 ~~international trade and investment including, but not limited to,~~
12 ~~the California Commission on Industrial Innovation, the Office of~~
13 ~~the Small Business Advocate, the California Transportation~~
14 ~~Commission, the California Community Colleges, the University~~
15 ~~of California, the California State University, the Workforce~~
16 ~~Investment Board, the Employment Training Panel, and the~~
17 ~~California Energy Commission.~~

18 ~~(c) The strategy shall be submitted to the Chief Clerk of the~~
19 ~~Assembly and the Secretary of the Senate. A copy of the strategy~~
20 ~~shall be provided to the Speaker of the Assembly, the President~~
21 ~~pro Tempore of the Senate, and the chairs of the Assembly~~
22 ~~Committee on Jobs, Economic Development, and the Economy~~
23 ~~and the Senate Committee on Business, Professions and Economic~~
24 ~~Development, or the successor committees with jurisdiction over~~
25 ~~international trade and economic development programs.~~

26 ~~(d) (1) The strategy shall be reviewed in at least one public~~
27 ~~hearing by the relevant policy and fiscal committees of each house~~
28 ~~of the Legislature. The hearings shall be held within 60 days of~~
29 ~~the strategy being submitted to the Legislature. If the strategy is~~
30 ~~submitted when the Legislature is in recess, the hearings shall~~
31 ~~occur within 60 days of the members convening.~~

32 ~~(2) The legislative committees may make recommendations to~~
33 ~~the secretary on the strategy, and the secretary may modify the~~
34 ~~strategy accordingly.~~

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

1 ~~(f) The strategy shall be updated pursuant to the procedures of~~
2 ~~this section by February 1, 2013, and at least once every five years~~
3 ~~thereafter.~~

O