

AMENDED IN ASSEMBLY MAY 24, 2013
AMENDED IN ASSEMBLY MAY 1, 2013
AMENDED IN ASSEMBLY FEBRUARY 20, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 53

**Introduced by Assembly Member John A. Pérez
(Coauthors: Assembly Members Fong, Fox, Medina, and Weber)**

January 7, 2013

An act to amend Section 12096.3 of, and to add Section 12096.35 to, the Government Code, and to amend Section 1401 of the Labor Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 53, as amended, John A. Pérez. Governor's Office of Business and Economic Development: biennial 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.

Existing law provides that an employer, with certain exceptions, may not order a mass layoff, relocation, or termination, as defined, at a covered establishment without giving 60 days' prior written notice to

employees and the Employment Development Department and other local agencies, as well as complying with specified federal guidelines.

This bill would require the employer to also provide written notice to the Governor’s Office of Business and Economic Development and require the Employment Development Department to post the notice on its Internet Web site.

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 12096.3 of the Government Code is
2 amended to read:

3 12096.3. The office shall serve the Governor as the lead entity
4 for economic strategy and the marketing of California on issues
5 relating to business development, private sector investment, and
6 economic growth. In this capacity, the office may:

7 (a) Recommend to the Governor and the Legislature new state
8 policies, programs, and actions, or amendments to existing
9 programs, advance statewide economic goals and respond to
10 emerging economic problems and opportunities, and ensure that
11 all state policies and programs conform to the adopted state
12 economic and business development goals.

13 (b) Coordinate the development of policies and criteria to ensure
14 that federal grants administered or directly expended by state
15 government advance statewide economic goals and objectives.

16 (c) Market the business and investment opportunities available
17 in California by working in partnership with local, regional, federal,
18 and other state public and private institutions to encourage business
19 development and investment in the state.

20 (d) Provide, including, but not limited to, all of the following:

- 21 (1) Economic and demographic data.
- 22 (2) Financial information to help link businesses with state and
23 local public and private programs.
- 24 (3) Workforce information, including, but not limited to, labor
25 availability, training, and education programs.
- 26 (4) Transportation and infrastructure information.
- 27 (5) Assistance in obtaining state and local permits.
- 28 (6) Information on tax credits and other incentives.

1 (7) Permitting, siting, and other regulatory information pertinent
2 to business operations in the state.

3 (e) Establish a well-advertised telephone number, an interactive
4 Internet Web site, and an administrative structure that effectively
5 supports the facilitation of business development and investment
6 in the state.

7 (f) Encourage collaboration among research institutions, startup
8 companies, local governments, venture capitalists, and economic
9 development agencies to promote innovation.

10 (g) In cooperation with the federal government, foster
11 relationships with overseas entities to improve the state's image
12 as a destination for business investment and expansion.

13 (h) Conduct research on the state's business climate, including,
14 but not limited to, research on how the state can remain on the
15 leading edge of innovation and emerging sectors.

16 (i) Support small businesses by providing information about
17 accessing capital, complying with regulations, and supporting state
18 initiatives that support small business.

19 (j) Lead the preparation of a California Economic Development
20 Strategic Plan.

21 SEC. 2. Section 12096.35 is added to the Government Code,
22 to read:

23 12096.35. (a) The office shall lead the preparation of a
24 California Economic Development Strategic Plan. In fulfilling this
25 duty, the office shall do all of the following:

26 (1) Make recommendations regarding an economic development
27 strategic plan for the state, covering a three-year time period and
28 containing a statement of economic goals for the state, a prioritized
29 list of significant issues identified from proposals for legislation,
30 regulations, and administrative reforms necessary to improve the
31 business climate and economy of the state, evaluation of the
32 effectiveness of the state's economic development programs, a list
33 of key industries in which the state shall focus its economic
34 development efforts, and strategies to foster job growth and
35 economic development covering all state agencies, offices, boards,
36 and commissions that have economic development responsibilities.

37 (2) Convene one or more meetings to provide recommendations
38 regarding a California economic development strategic plan. The
39 office shall invite businesses, labor unions, organizations
40 representing the interests of diverse ethnic and gender groups,

1 local government leaders, academic economists and business
2 professors, chambers of commerce and other business
3 organizations, economic development organizations, government
4 agencies, and key industries to contribute to the preparation of the
5 recommended economic strategy. These meetings shall address,
6 but are not limited to, all of the following:

7 (A) Strengths and weaknesses of the California economy and
8 the state's prospects for future economic prosperity.

9 (B) Existing, emerging, and declining industries in California
10 and elsewhere.

11 (C) Effectiveness of California's economic development
12 programs in creating and retaining jobs and attracting industries.

13 (D) Adequacy of state and local physical and economic
14 infrastructure.

15 (E) Governmental and nongovernmental impediments to
16 economic development.

17 (F) Opportunities to leverage federal resources for state
18 priorities.

19 (G) Tactics for attracting private capital to the state and
20 investment in state priority areas.

21 ~~(H) The development of a system of accountability for use in
22 the annual state budget process and in the legislative process to
23 measure the performance of all state policies, programs, and tax
24 expenditures intended to stimulate the economy. In developing a
25 system of accountability, the office shall do all of the following:~~

26 ~~(i) Develop a standard definition of economic development.~~

27 ~~(ii) Develop, for use in state law, standard measurements of real
28 per capita income, job growth and retention, new business creation,
29 private sector investment, minority entrepreneurship, and income
30 inequality.~~

31 ~~(iii) Survey and evaluate efforts in other states to develop
32 accountability measures for public investments in economic
33 development.~~

34 ~~(iv) Determine whether a return on investment calculation is
35 feasible for public investments in economic development.~~

36 ~~(v) Conduct a comparative study of various methodologies for
37 preparing the economic development sections of a state budget,
38 including unified functional budget, zero-based budget, and
39 performance-based budget methodologies.~~

1 ~~(vi) Study the feasibility of statutory disclosure requirements~~
2 ~~on specified publicly funded subsidies to private sector businesses.~~

3 (b) 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 October 1, 2014, and every three years
6 following that date. The report shall be submitted to the Legislature
7 in the manner required pursuant to Section 9795.

8 (c) The office shall deliver copies of the recommended
9 California economic development strategic plan to every
10 constitutional officer, legislator, member of the Governor's cabinet,
11 and every state agency, office, board, and commission having
12 economic development responsibilities.

13 SEC. 3. Section 1401 of the Labor Code is amended to read:

14 1401. (a) An employer may not order a mass layoff, relocation,
15 or termination at a covered establishment unless, 60 days before
16 the order takes effect, the employer gives written notice of the
17 order to the following:

18 (1) The employees of the covered establishment affected by the
19 order.

20 (2) (A) The Employment Development Department, the
21 Governor's Office of Business and Economic Development, the
22 local workforce investment board, and the chief elected official
23 of each city and county government within which the termination,
24 relocation, or mass layoff occurs.

25 (B) The Employment Development Department shall, upon
26 receipt of the notice, post the notice on its Internet Web site.

27 (b) An employer required to give notice of any mass layoff,
28 relocation, or termination under this chapter shall include in its
29 notice the elements required by the federal Worker Adjustment
30 and Retraining Notification Act (29 U.S.C. Sec. 2101 et seq.).

31 (c) Notwithstanding the requirements of subdivision (a), an
32 employer is not required to provide notice if a mass layoff,
33 relocation, or termination is necessitated by a physical calamity
34 or act of war.