

AMENDED IN ASSEMBLY MARCH 21, 2024

CALIFORNIA LEGISLATURE—2023–24 REGULAR SESSION

ASSEMBLY BILL

No. 3033

Introduced by Assembly Member Gipson

February 16, 2024

~~An act to amend Section 401 of the Government Code, relating to state government.~~ *An act to amend Section 12096.3 of, and to add Section 12096.3.6 to, the Government Code, relating to economic development.*

LEGISLATIVE COUNSEL'S DIGEST

AB 3033, as amended, Gipson. ~~State seal: impressions.~~ *Economic development: movement of freight.*

Existing law creates the Governor's Office of Business and Economic Development, known as "GO-Biz," and requires GO-Biz to serve the Governor as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Under existing law, GO-Biz is under the direct control of the Director of the Governor's Office of Business and Economic Development, who is responsible to the Governor. Existing law authorizes GO-Biz to undertake various activities relating to economic development, including the provision of prescribed information.

Existing law requires the Transportation Agency to prepare a state freight plan that provides a comprehensive plan to govern the immediate and long-range planning activities and capital investments of the state with respect to the movement of freight.

This bill would authorize GO-Biz to serve as the coordinating entity to steer the growth, competitiveness, and sustainability for freight and

the supply chain across the state and to promote and assess the continued economic vitality, economic competitiveness, and sustainability of the freight sector. The bill would also authorize GO-Biz to provide freight and supply chain economic competitiveness information.

This bill would require the Governor to appoint a freight coordinator with prescribed experience to serve as the advisory and coordinating entity for GO-Biz. The bill would require the freight coordinator to advise and coordinate policies that promote the growth, competitiveness, and sustainability for freight and the supply chain across the state, and to promote and assess the continued economic vitality and sustainability of the freight sector. The bill would require the freight coordinator to advocate for the implementation of these policies in the freight sector. The bill would require the freight coordinator to advise the Governor and director on issues affecting the state's freight and supply chain and on policy and administrative regulations affecting the state's freight and supply chain. The bill would require the freight coordinator to work directly with prescribed state entities as necessary to address and discuss ongoing freight and supply chain issues. The bill would authorize the freight coordinator, in consultation with the director, to establish and convene one or more stakeholder advisory groups to help inform the work of the freight coordinator in implementing their mission and duties. The bill would require the freight coordinator to undertake additional responsibilities relating to developing relevant information, goal setting, and making recommendations, as prescribed. The bill would also require the freight coordinator to participate in future updates to the California Freight Mobility Plan of the Department of Transportation and the AB 32 climate change scoping plan pursuant to the California Global Warming Solutions Act of 2006.

~~Existing law provides that any document signed prior to August 27, 1937, by the Governor, the Secretary of State, or both, that bears an impression purporting to be an impression of the Great Seal of the State has the same validity as if it is the Great Seal of the State.~~

~~This bill would make nonsubstantive changes to that provision.~~

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

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

1 **SECTION 1.** *The Legislature finds and declares the following:*

1 (a) California receives tremendous benefit from, but also must
2 address costs associated with, its premier role in the international
3 and national supply chain and as a freight gateway. It is imperative
4 that the state have a lead policy coordinator to address its myriad
5 efforts to invest in, grow, and improve the sustainability of its
6 freight and supply chains.

7 (b) The freight sector, including seaports, airports, land ports
8 of entry, truck and rail transportation, and warehouses and
9 distribution centers, is vital to California's economy. The freight
10 sector drives one-third of California's economy, and creates
11 millions of direct and indirect jobs with trillions of dollars of goods
12 being shipped in the state. However, despite its critical importance
13 to the state, the freight sector lacks high-level coordination and
14 resiliency, as evidenced during the pandemic-induced supply chain
15 crisis.

16 (c) To facilitate coordination between various governmental
17 entities and industries, California must coordinate its efforts and
18 create a strategic coordinated approach to industrial planning,
19 infrastructure planning, and environmental planning.

20 (d) While the state has various and multiple plans for addressing
21 freight issues, including the Sustainable Freight Action Plan
22 developed pursuant to Executive Order No. B-32-15, a California
23 Freight Mobility Plan, updated every five years in consultation
24 with the Sustainable Freight Action Plan pursuant to AB 14
25 (Chapter 223 of the Statutes of 2013), and dozens of regulations
26 and incentive programs to address sustainability and the reduction
27 of environmental impacts from the freight sector, including the
28 inclusion of the freight sector in the AB 32 climate change scoping
29 plans, updated every five years pursuant to the California Global
30 Warming Solutions Act of 2006 (Division 25.5 (commencing with
31 Section 38500) of the Health and Safety Code), these efforts are
32 not coordinated and no one individual or agency is tasked with
33 facilitating that coordination.

34 (e) The state does not have a coordinated and comprehensive
35 freight and supply chain policy in place to facilitate the measured
36 and planned growth of intrastate, interstate, and international
37 freight movements, nor to address the significant direct and indirect
38 infrastructure, environmental, health, financial, and congestion
39 impacts resulting from interstate and international trade, and the
40 lack of this coordination and comprehensive freight and supply

1 *chain policy hampers our ability to invest in our supply chains,*
2 *support our supply chains, and green our supply chains efficiently*
3 *and cost-effectively.*

4 *SEC. 2. Section 12096.3 of the Government Code is amended*
5 *to read:*

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

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

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

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

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

24 (1) Economic and demographic data.

25 (2) Financial information to help link businesses with state and
26 local public and private programs.

27 (3) Workforce information, including, but not limited to, labor
28 availability, training, and education programs. *The office shall not*
29 *do either of the following:*

30 (A) *Track or monitor the productivity of port workers, including,*
31 *but not limited to, productivity metrics.*

32 (B) *Interfere with any collective bargaining agreement or*
33 *workers' right to collectively bargain.*

34 (4) Transportation and infrastructure information.

35 (5) Assistance in obtaining state and local permits.

36 (6) Information on tax credits and other incentives.

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

39 (8) *Freight and supply chain economic competitiveness*
40 *information.*

1 (e) Establish a well-advertised telephone number, an interactive
2 internet website, and an administrative structure that effectively
3 supports the facilitation of business development and investment
4 in the state.

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

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

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

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

17 (j) Establish the Building and Reinforcing Inclusive, Diverse,
18 Gender-Supportive Equity Project (BRIDGE Project) to promote
19 social equity, civil rights, and antidiscrimination through marketing
20 and advertising campaigns.

21 (k) *Serve as the coordinating entity to steer the growth,*
22 *competitiveness, and sustainability for freight and the supply chain*
23 *across the state, and promote and assess the continued economic*
24 *vitality, economic competitiveness, and sustainability of the freight*
25 *sector.*

26 *SEC. 3. Section 12096.3.6 is added to the Government Code,*
27 *to read:*

28 *12096.3.6. (a) For purposes of this section, the following*
29 *definitions apply:*

30 (1) *“Economic competitiveness” means the ability of the*
31 *California freight sector to successfully compete with freight*
32 *sectors in other states and countries as measured by using existing*
33 *comparable metrics, to increase the productivity of freight and*
34 *related sectors, and to contribute to the growth of the state's*
35 *economy. Economic competitiveness is affected by policies,*
36 *institutions, and investments that influence the freight sector's*
37 *productivity.*

38 (2) *“Freight sector” means all transportation-based and*
39 *transportation-dependent enterprises involved in the supply chain*

1 *from point of origin to point of consumption, including ports, rail,*
2 *freight corridors, and warehouses and distribution centers.*

3 (3) *“Supply chain” means participants in the economic supply*
4 *chain of this state, including, but not limited to, seaports, airports,*
5 *land ports of entry, air carriers, motor carriers, ocean carriers,*
6 *rail carriers, marine terminals, rail terminals, trucking terminals,*
7 *warehouses, the agriculture industry, manufacturers, and retailers.*

8 (b) *The Governor shall appoint a freight coordinator to serve*
9 *as the advisory and coordinating entity for the office. The freight*
10 *coordinator shall have experience in commerce, trade, and*
11 *cross-cutting supply chain management.*

12 (c) *The freight coordinator shall advise and coordinate policies*
13 *that promote the growth, competitiveness, and sustainability for*
14 *freight and the supply chain across the state, and shall promote*
15 *and assess the continued economic vitality and sustainability of*
16 *the freight sector. The freight coordinator shall advocate for the*
17 *implementation of these policies in the freight sector. The freight*
18 *coordinator shall advise the Governor and director on issues*
19 *affecting the state’s freight and supply chain, including economic*
20 *strategy, investment, and improvements in technology. The freight*
21 *coordinator shall also advise the Governor and director on policy*
22 *and administrative regulations affecting the state’s freight and*
23 *supply chain.*

24 (d) *The freight coordinator shall work directly with the*
25 *California Transportation Commission, the Transportation Agency,*
26 *the Department of Transportation, the State Energy Resources*
27 *Conservation and Development Commission, the Department of*
28 *Food and Agriculture, the Public Utilities Commission, the State*
29 *Lands Commission, and the State Air Resources Board as*
30 *necessary to address and discuss ongoing freight and supply chain*
31 *issues.*

32 (e) *The freight coordinator, in consultation with the director,*
33 *may establish and convene one or more stakeholder advisory*
34 *groups to help inform the work of the freight coordinator in*
35 *implementing their mission and duties.*

36 (f) *The freight coordinator shall do all of the following:*

37 (1) *Consult with a representative cross section of public and*
38 *private sector freight stakeholders, including representatives of*
39 *seaports, airports, land ports of entry, organized labor, cargo*
40 *owners including agricultural exporters, shippers, carriers,*

- 1 *freight-related associations, supply chain businesses, the freight*
2 *industry workforce, academic and research institutions, local air*
3 *pollution control districts, environmental, safety, and community*
4 *organizations, and representatives from communities that are*
5 *adjacent to, or environmentally impacted by, the freight sector.*
6 (2) *Consult with the Legislature.*
7 (3) *Use the most current data reasonably available to update*
8 *freight and supply chain economic competitiveness information*
9 *such that it reflects current market conditions.*
10 (4) *Evaluate the resiliency of the state's freight sector, including*
11 *assessing the ongoing needs to address supply chain congestion*
12 *outlined in Executive Order No. N-19-21.*
13 (5) *Expand on the California Sustainable Freight Action Plan*
14 *developed pursuant to Executive Order No. B-32-15, and evaluate*
15 *the role and capacity of the freight sector in advancing the*
16 *zero-emission goals set forth in Executive Order No. N-79-20.*
17 (6) *Determine the economic competitiveness of all sectors of*
18 *freight movement along the supply chain. This determination shall*
19 *include an evaluation of the state's supply chain competitiveness,*
20 *international trade and exports, manufacturing, warehousing,*
21 *distribution centers, capacity to support, defend, and aid workforce*
22 *development, to the extent each of these may impact businesses,*
23 *workers, and communities as they relate to the freight industry.*
24 (7) *Identify metrics and baselines from which to measure the*
25 *effectiveness of the goals, recommendations, and actions to improve*
26 *financial performance, market share performance, workforce*
27 *development, positive labor market effects, emerging technologies*
28 *including logistics, and overall short- and long-term economic*
29 *performance of the freight sector.*
30 (8) *Assess the relative competitiveness and resiliency of different*
31 *sectors of the supply chain, the impacts of trends in the economy*
32 *across the supply chain, and how businesses and the freight sector*
33 *can be supported under state and federal climate and air pollution*
34 *policies.*
35 (9) *Identify goals to increase economic competitiveness and*
36 *strengthen resilience to economic downturns and the effects of*
37 *climate change.*
38 (10) *Determine a process to track, at least annually, progress*
39 *being made to reach the goals and implement the recommendations*
40 *and other actions.*

1 (11) Identify ongoing strategies the state is employing to address
2 freight mobility issues, such as congestion, truck bottlenecks,
3 inefficiencies, and a lack of workforce training, and prioritize and
4 recommend to the California Transportation Commission and the
5 Transportation Agency complementary or additional strategies to
6 reduce these mobility issues.

7 (12) Identify challenges the California freight sector faces in
8 meeting the state's emission reduction goals, quantify the costs
9 associated with meeting those emission reduction goals, and
10 prioritize and recommend strategies the state can use to address
11 these challenges.

12 (13) Participate in the California Freight Advisory Committee
13 and in all future updates to the California Freight Mobility Plan
14 of the Department of Transportation.

15 (14) Participate in all future updates to the AB 32 climate
16 change scoping plan, updated every five years pursuant to the
17 California Global Warming Solutions Act of 2006 (Division 25.5
18 (commencing with Section 38500) of the Health and Safety Code).

19 ~~SECTION 1. Section 401 of the Government Code is amended~~
20 ~~to read:~~

21 ~~401. Any document signed prior to August 27, 1937, by the~~
22 ~~Governor, the Secretary of State, or both, and bearing an~~
23 ~~impression purporting to be an impression of the Great Seal of the~~
24 ~~State has the same validity as if the impression thereon were an~~
25 ~~impression of the Great Seal of the State, whether or not it is in~~
26 ~~fact the impression of the Great Seal of the State.~~