Assembly Bill No. 23

Passed the Assembly  September 12, 2019

Chief Clerk of the Assembly

Passed the Senate  September 11, 2019

Secretary of the Senate

This bill was received by the Governor this _____ day of ______________, 2019, at _____ o’clock _____m.

Private Secretary of the Governor
AB 23 — 2 —

CHAPTER ________

An act to add Sections 12100.40 and 12100.41 to the Government Code, relating to economic development.

LEGISLATIVE COUNSEL’S DIGEST

AB 23, Burke. Governor’s Office of Business and Economic Development: Business Workforce Coordination Unit.

Existing law establishes the Governor’s Office of Business and Economic Development, also known as GO-Biz, to serve 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 other things, makes recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic and business development goals.

This bill would establish the Business Workforce Coordination Unit in the Governor’s Office of Business and Economic Development to engage industry and business on alignment of career technical education courses, workforce training programs, and preapprenticeship and apprenticeship programs with regional and local labor market demand, as specified.

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

SECTION 1. (a) The Legislature finds and declares the following:

(1) California’s labor market is increasingly reliant upon a better-trained workforce.

(2) California has a projected shortfall of one to one and one-half million workers with some postsecondary education, but not a bachelor’s degree.

(3) If California is unable to adequately address workforce needs, this state risks foregoing economic opportunities and reducing our market competitiveness, thus limiting or altering our state’s economic growth.
(4) Wages increase on average from 20 to 30 percent when comparing California workers who have had some postsecondary education to those with only a high school diploma. 

(5) It is critical for California to not only address the widening gap between the trained labor supply and the demand for high-growth professions, but to also incentivize further training in low-growth occupations to facilitate upward economic mobility for Californians working in those occupations.

(b) It is the intent of the Legislature to enact legislation to incentivize systems that better facilitate communication and partnerships between businesses, labor advocates, and educational institutions for the purpose of creating tailored workforce training programs that both increase worker participation and further the attainment of increased skills.

SEC. 2. Section 12100.40 is added to the Government Code, to read:

12100.40. The Business Workforce Coordination Unit is hereby established in the Governor's Office of Business and Economic Development. To support economic development, the purpose of the unit is to engage industry and business on aligning career technical education courses, workforce training programs, and preapprenticeship and apprenticeship programs with regional and local labor market demand.

SEC. 3. Section 12100.41 is added to the Government Code, to read:

12100.41. (a) The unit shall collaborate and coordinate with the Labor and Workforce Development Agency, the California Workforce Development Board, the State Department of Education, the Office of the Chancellor of the California Community Colleges, the Department of Industrial Relations Division of Apprenticeship Standards, the Employment Training Panel, local workforce development boards, business, industry, and other public and private workforce development entities to facilitate a broader understanding of the workforce needs of businesses seeking to expand their operations in California, address a skills shortage, or upskill their workforce, or any combination thereof. Additionally, the unit shall support businesses and employers in their efforts to use workforce development tools to support economic development.
(b) The unit shall, in collaboration with the Labor and Workforce Development Agency, identify underserved or unserved business workforce needs in dominant and emerging industry sectors and regions throughout the state. The unit shall partner with the agency to develop and implement an outreach and engagement plan that will elevate business workforce needs, identify opportunities, and engage businesses in underserved or unserved industry sectors and regions to further incorporate labor market demand needs into future updates to the state’s Unified Strategic Workforce Development Plan.
Approved ______________________, 2019

Governor