

BILL NUMBER: SB 1201 AMENDED
BILL TEXT

AMENDED IN SENATE JANUARY 26, 2000
AMENDED IN SENATE APRIL 19, 1999

INTRODUCED BY Senator Karnette

FEBRUARY 26, 1999

An act to add and repeal Article 4 (commencing with Section 15350) of Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, relating to economic development, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1201, as amended, Karnette. Office of Regional Collaborative ~~Partnering~~ Partnerships .

Existing law provides for various programs and activities in the development of economic opportunities for businesses in the state.

This bill would establish until January 1, 2005, the Office of Regional Collaborative Partnerships in the *Office of Planning and Research within the* Governor's office, in order to assist state government and regional collaborative partnerships, as defined, to achieve specified economic development goals. The bill would specify that the office shall assist regional collaborative partnerships to develop ~~regional collaborative projects~~

Regional Collaborative Partnership Projects , as defined, assist with negotiating state or federal waivers, develop and award ~~project~~ Project grants, recommend criteria to the Governor for an annual Governor's Partnership Excellence Award, and identify, track, and disseminate successful regional economic development initiatives, practices, and other activities. The office would be required to administer a Regional Partnership Initiatives Fund, which would be established in the State Treasury.

The bill would require or authorize specified state agencies to assist community regional collaborative partnerships with developing a ~~regional collaborative project~~ *Regional Collaborative Partnership Project* and to agree to participate in and implement a ~~project~~ Project . Participating agencies would be eligible for consideration for a Governor's Partnership Excellence Award. Programs that use General Fund moneys to match federal funds would be authorized to coordinate a portion of the state funding to develop and experiment with innovative approaches to deliver services using ~~regional collaborative projects~~ *Regional Collaborative Partnership Projects* , as appropriate.

This bill would appropriate \$149,000 from the General Fund to the office to carry out its activities.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. The Legislature finds and declares all of the following:

(a) Today, California's economic regions are competing globally. Sustained regional ~~competitiveness demands the capacity to support rapid realignments of resources that are occurring in today's high-speed economy.~~

~~—(b) Governments must be able to support each region's economic competitive advantage by quickly realigning and redirecting critical resources such as infrastructure development, manufacturing improvement, work force training, and foreign trade oriented services.— economic competitiveness demands rapid realignments of state government resources to meet the needs and requirements of today's high-speed economy. Under the Governor's guidance, state government must form a new nexus between itself and regional efforts to support this new, high-speed economy for the benefit of all Californians.~~

(b) Governments must be able to support each region's differing economic competitive advantage to quickly realign and redirect critical resources such as infrastructure development, manufacturing improvement, environmental, and foreign-trade oriented services to meet community and industry needs.

(c) Increasingly, community-initiated regional collaborative partnerships, spearheaded by business, local government, ~~and the~~ ~~the~~ education, and the local community are defining regional and community economic development priorities that maximize their region's competitive advantage. Some government agencies have started to work with regional collaborative partnerships to reorganize and improve their service delivery. *Much could be learned from these efforts to further focus state agency efforts to address the needs of the new economy.*

(d) Agency innovation and flexibility are often hindered by strict federal categorical funding requirements that are matched with General Fund moneys, making it difficult to address opportunities suggested by regional ~~collaboration.~~

~~—(e) Synergistically realigning the state's existing 86 state economic development programs in 32 different departments would assist in addressing complex regional and local needs, as well as permitting a collaborative approach for improving the delivery of services. This collaboration would help to reduce regulatory conflicts. It should reduce duplication and overlap of state and local services. It should streamline the delivery of services as it leverages public and private resources.—~~

~~—(f) Since 1994, the Economic Strategy Panel within the Trade and Commerce Agency has undertaken seminal work in identifying and collaborating with regional industry cluster initiatives with a goal of increasing the state's capacity to meet the demands of a new economy and the ongoing need for skilled workers.—~~
collaboration. This is compounded by the fact that in many cases the state also has a regulatory structure more appropriate for an industrial-era economy than for California's knowledge-based economy.

(e) A California Research Bureau report recommended a synergistic process for realigning the 86 state economic development programs

existing in 32 different departments to meet changing complex regional and local needs.

(f) Since 1994, the Economic Strategy Panel, supported by the Trade and Commerce Agency, has undertaken seminal work in preparing an economic strategy that identified the leading industry clusters driving regional economic prosperity and in proposing a state economic strategy for addressing their needs. Through the panel's ongoing work with regional industry cluster initiatives, the need for realigned and more efficient delivery of state programs and services is constantly identified by the regional industry cluster initiatives as a high priority to meet the demands of their regional economies.

(g) An ombudsperson or facilitator, not a new level of government or additional funding, is needed to cut across regional initiatives and connect them to the appropriate government resources. Such a realigning process could produce new, more efficient ways to deliver services, reduce regulatory conflicts and barriers, and reduce overlap of federal, state, and local government services. The result could provide clear direction for effectively streamlining, combining, or redirecting state economic development programs.

(h) These policy needs can be addressed by instituting a process, under the guidance of a facilitator in the Office of Planning and Research within the Governor's office, to enable state-regional partnerships to leverage state resources in a more responsive and effective manner, contributing to regional and statewide economic prosperity and opportunities.

SEC. 2. Article 4 (commencing with Section 15350) is added to Chapter 1 of Part 6.7 of Division 3 of Title 2 of the Government Code, to read:

Article. 4. Office of Regional Collaborative Partnerships

15350. (a) It is the intent of the Legislature in enacting this article to support ~~projects~~ Regional Collaborative Partnership Projects initiated by regional collaborative partners with state government to do all of the following:

(1) Promote regional collaborative partnerships and forge linkages between state government programs and regional collaborative partnerships so that state government resources can be effectively and efficiently realigned and redirected to address changing regional economic development needs.

(2) Support regional economic competitiveness and growth.

(3) Enhance community prosperity.

(4) ~~Support~~ Reduce the digital divide between people who have access to, and who know how to use, the Internet, and those who do not, and support the development of Internet links between government services, the public, and private industry to speed government policymaking, access to information, and the delivery of services.

(5) Improve quality of life.

(6) Contribute to the state's long-term vitality.

(b) In order to implement this article, the Office of Regional Collaborative Partnerships is hereby established in the Office of Planning and Research within the Governor's office.

15350.5. For purposes of this article, the following definitions shall apply:

(a) "Office" means the Office of Regional Collaborative Partnerships established in subdivision (b) of Section 15350.

(b) "Regional collaborative partnership" means an existing regional public, private, or other community organizational agreement involving local government to jointly define economic development policy to undertake strategic initiatives to improve regional prosperity and quality of life. Local government means any regional or local government or public sector entity, community college, school board, private industry council, economic development organization, or other local or state-funded effort to collaboratively organize state programs or educational or other efforts to implement a policy or initiative that results in improved regional competitiveness or economic growth. The appropriate partners and the ~~projects~~ *Projects* proposed may vary from region to region.

~~(c) "Reverse request for a proposal" or "RRFP" means a proposed project~~

(c) "*Regional Collaborative Partnership Proposal*" or "*Partnership Proposal*" means a proposed *Project* that is to be jointly managed by a regional collaborative partnership with an appropriate state government entity or entities to successfully carry out and complete the ~~RRFP~~.

~~(d) "Regional collaborative project" means an Project.~~

(d) "*Regional Collaborative Partnership Project*" or "*Project*" means an agreement between a state government entity or entities with a regional collaborative partnership to implement ~~an RRFP~~ a *Partnership Proposal*.

15351. (a) The office shall accomplish both of the following goals:

(1) To assist state government and regional collaboratives to leverage, realign, and redirect state resources in an effective and timely way to address regional economic development issues as broadly identified by the Economic Strategy Panel.

(2) To permit a more flexible and collaborative use of categorical funds to address regional economic needs.

(b) The office shall do all of the following:

(1) In consultation with agency secretaries, regional collaborative partnerships, and local government organizations, establish and implement a priority-setting process for providing state support for ~~regional collaborative projects~~

Projects based on joint efforts by state government and regional collaborative partnerships to identify regional policy initiatives broadly consistent with the Economic Strategy Panel findings.

(2) Assist state government and regional collaborative partnerships with negotiating and obtaining pertinent state or federal waivers, as appropriate ~~to implement a regional collaborative project~~, to implement a *Project*.

(3) Act in the capacity of a broker or ombudsperson to help regional collaborative partnerships and state entities identify needed resources and determine how they can realign and redirect these resources to address ~~RRFP~~ *Project* goals and objectives.

(4) Assist state agencies and departments and other state entities with development of memoranda of understanding to jointly implement

~~and if necessary fund a Regional Collaborative Project.~~
and, if necessary, redirect existing funds or develop a budget change proposal for a Project.

(5) Recommend criteria to the Governor for an annual Governor's Partnership Excellence Award.

(6) Within available resources, identify, track, ~~and disseminate~~ disseminate, and facilitate the flow of information between state agencies and regions, and between regional collaboratives, about successful regional economic development initiatives, practices, and other activities jointly carried out by regional collaborative partnerships and government in this state and other states.

(c) (1) The Governor shall appoint a director of the office who shall be responsible for assisting regional collaborative partnerships and state government with negotiating and implementing ~~an RRF~~ a Project . The director shall have extensive current experience in the area of innovative economic development strategies with major industry clusters and with regional collaborative partnerships.

(2) The director shall act as a liaison, broker, facilitator, and ombudsperson between the state's regional collaborative partnerships, state government, and the Governor's office to meet the office's goals, as described in subdivision (a).

(3) The director, in collaboration with state agencies and departments, shall, at the request of regional collaborative partnerships, do any of the following:

(A) Assist in the identification of any state or federal law or regulation that limits or obstructs any of the following:

(i) The participation of appropriate partners in regional collaborative partnerships.

(ii) The ability of regional collaborative members to take joint action.

(iii) Formation of partnerships with or between state agencies and departments to establish or implement a ~~project~~ Project , or both.

(B) Propose administrative or legislative options for reducing the restrictions described in subparagraph (A).

(C) Make recommendations on how state government can realign its resources to support regional economic initiatives.

(e) The office may adopt and enforce regulations to implement this section.

15351.5. A ~~regional collaborative project~~ Regional Collaborative Partnership Project should demonstrate results in the following areas:

(a) ~~Organization, delivery, or both,~~ Design, organization, or delivery, or all of these, of state program resources or services in innovative and more effective ways, including use of the Internet and other telecommunications formats.

(b) Reduction in unnecessary regulations, regulatory overlap, or the cost of regulatory compliance, especially to small businesses.

(c) Use of the Internet to provide essential services including, but not limited to, telemedicine, tele-education, and teledemocracy to underserved or remote groups.

(d) State agency or department coordination with other state agencies or departments to jointly deliver resources.

15352. The office may coordinate with state agencies and departments to solicit and expend private donations, compete for

grants, including federal grants, and solicit foundation funding.

15352.5. (a) The office shall establish a procedure to review and comment on ~~RRFPs~~ *Partnership Proposals* according to all of the following:

(1) Ability to meet the specific goals and outcomes set forth in this article.

(2) Explanation of how the proposed activities will achieve the ~~project's~~ *Project's* goals and outcomes.

(3) Capacity to establish and track ~~project~~ *Project* objectives, benchmarks, and performance measures.

(4) Past experience with implementing initiatives and capacity to implement the ~~project~~ *Project*.

(5) The degree to which authority and responsibility for the definition and delivery of services is placed at the level closest to those served.

(6) Reduction in duplication of government services.

(7) Development or effective utilization of new models to coordinate and improve the effective and timely delivery of state government services.

(8) The extent to which the collaborative effort has involved local business and other relevant groups such as labor, environmental, and community groups.

(9) The alignment of the proposed regional ~~project~~ *Project* with the state's regional economic strategy as prepared by the Economic Strategy Panel.

(b) Based on ~~an RRFP, a regional collaborative project~~ *a Partnership Proposal*, a *Project* shall be reviewed by the office to determine if it does all of the following:

(1) Define the regional collaborative partnership's geographic region and industry clusters or key industry targets.

(2) Show evidence that the regional collaborative partnership has substantial involvement of key businesses that are part of an industry cluster that the ~~project~~ *Project* is designed to assist.

(3) Include a written signed agreement with local governments, one or more state government entities, or regional collaborative partnerships, that identifies the ~~projects's~~ *Project's* goals and objectives, each party's responsibility, and the resources that they will commit to the project.

(4) Include a ~~project~~ *Project* work plan and, if appropriate, a budget.

(5) Provide an inventory of state services and resources, or both, that will support or be coordinated by the initiative.

(6) If appropriate, identify a regional collaborative fiscal agent and provide an accountability plan.

(7) Specify benchmarks and performance evaluation criteria.

(8) Identify the criteria for evaluating the ~~project~~ *Project* and how it will be evaluated.

(9) If appropriate, provide a plan for continuation of the ~~project~~ *Project* upon cessation of the demonstration period.

(10) Show, to the extent feasible, that the ~~project~~ *Project* is inclusive of the socioeconomic diversity of the region and its businesses, including underserved

areas.

(c) The office shall attempt to complete ~~RRFP or project~~ *Partnership Proposal or Project* negotiations, including office reviews, within six months.

15353. (a) State government, including, but not limited to, the Department of Education, the Department of Food and Agriculture, the Business, Transportation and Housing Agency, the Environmental Protection Agency, the California Health and Human Services Agency, the State Department of Industrial Relations, the Resources Agency, the State and Consumer Services Agency, the Trade and Commerce Agency, the Department of Veterans Affairs, the Youth and Adult Correctional Agency, the Office of Emergency Services, the Department of Information Technology, the California Community Colleges, the California State University, state government boards such as the Economic Strategy Panel, commissions such as the Public Utilities Commission, and councils such as the Arts Council, shall, and the University of California may, direct their programs, including local offices, to do all of the following:

(1) Assist regional collaborative partnerships with developing ~~an RRFP~~ a *Partnership Proposal* .

(2) Sign an agreement to participate in and implement a ~~regional collaborative project~~ *Project* .

(b) Participating state entities shall be eligible for consideration for a Governor's Partnership Excellence Award awarded by the Governor based on particularly noteworthy innovative and productive approaches to collaborating with regional collaborative partnerships.

(c) Based on recommendations by the office, state agencies and departments that use General Fund moneys to match federal funds may coordinate a portion of this state funding to develop and experiment with innovative approaches to deliver services in response to ~~an RRFP and using regional collaborative projects~~ a *Partnership Proposal and using Projects* , as appropriate. Nothing in this article is intended to jeopardize the state's capacity to meet criteria for receiving federal funds.

15353.3. *The office shall document the Regional Collaborative Partnership Projects and initiatives as case study profiles so that best practices and other information about successes and failures can be disseminated.*

15353.5. This article shall remain in effect only until January 1, 2005, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2005, deletes or extends that date.

SEC. 3. The sum of one hundred and forty-nine thousand dollars (\$149,000) is hereby appropriated from the General Fund to the Office of Regional Collaborative ~~Partnership~~ *Partnerships* established by Section 2 of this act, to carry out its activities.