



California Association for Local Economic Development

Legislative Priorities for 2020-2021

Approved 10-13-2020

As part of CALED's board-approved Legislative Action Policy, each year, CALED's CEO, in consult with members and the Committee, will propose to the Board of Directors (Board) a list of legislative priorities identifying key issues and areas which CALED may wish to focus upon during the Legislative year. This list would be composed of areas which the CEO, in discussions with the Committee and key stakeholders, feels that Legislators will address in the coming year as well as other economic development areas in which the Committee feel that the state needs to focus.

The areas will be broad such as: Job Training; Enterprise Zone Funding; Workforce Development; Tax Increment Finance improvement processes and programs; as well as regulations that have to do with CEQA; Planning, Air, Wastewater, and Water quality.

Given the fast pace of change right now, for the 2020-2021 legislative cycle, we believe it's important to provide the board with more detail for each priority. Additionally, we recommend that the CEO, in consult with CALED's legislative advisors (Aaron Laurel, Robert Burris, Dan Carrigg, & Matthew Hargrove) follow up with the Board after the November 3, 2020 elections to see if the outcome has impact or recommended changes regarding the priorities and actions below.

Priorities and Potential Actions

1. Legislation focused on the future of Tax Increment Financing.
 - a. Introduce legislation to improve EIFDs based on recommendations from CALED members.
 - b. Watch for bills negatively impacting effectiveness of EIFDs.
 - c. Identify obstacles to CRIA and NIFTY adoption and implementation and see if/where we can intervene.
2. Bills that have significant impact on jurisdictions' ability to engage in and implement economic development.
 - a. Introduce legislation to increase the Small Business Technical Assistance Expansion Program (SB TAEP) funds and expand eligible entities to include a set aside for economic development corporations as eligible applicants so long as they can show local (public-sector) match.
 - b. Encourage the Local Government Committees to hold an interim hearing in February on HCD's available funding, with a goal to increase transparency on the level of appropriated but unallocated funds to help make more funding available to assist local communities.
3. Create a specific ask for tools and resources for economic development.
 - a. Partner to introduce legislation to encourage expansion of manufacturing, which could include:
 - i. Advocate for an aggressive income tax manufacturing tax credit.
 - ii. A hiring tax credit (i.e. 50% of qualified wages for two years).
 - iii. More flexibility to negotiate property tax abatement.