

CONCURRENCE IN SENATE AMENDMENTS

AB 680 (Burke)

As Amended September 3, 2021

Majority vote

SUMMARY

Establishes the California Jobs Plan Act of 2021 which requires State Air Resources Board (CARB) to work with the Labor and Workforce Development Agency (LWDA) to update, by July 1, 2025, the funding guidelines for administering agencies to ensure that all applicants to grant programs funded by the Greenhouse Gas Reduction Fund (GGRF) meet fair and responsible employer standards and provide inclusive procurement policies.

Senate Amendments

- 1) Specify that "project labor agreement" has the same meaning as set forth in Public Contract Code Section 2500(b)(1).
- 2) Define "tribal" or "tribe" to mean either of the following:
 - a) A federally recognized tribal government located in California that is identified on the most recent list published in the Federal Register by the United States Bureau of Indian Affairs.
 - b) A nonfederally recognized tribal government located in California, including those listed on the California Tribal Consultation List maintained by the Native American Heritage Commission.
- 3) Define "under-resourced, tribal, or low-income community" to mean either of the following:
 - a) A community identified pursuant to the Public Resources Code Section 71130(g).
 - b) Members of a tribe.
- 4) Exempt projects that involve federal funding, technical assistance and research from the requirements of this bill, as specified.
- 5) Define "Affordable Unit" to mean a unit that is subject to a recorded affordability restriction for 55 years and is either a rental unit dedicated to persons and families of low income or an owner-occupied unit dedicated to persons and families of moderate income.
- 6) Require CARB to work with administering agencies to leverage existing programs and funding to assist applicants with meeting these standards.

COMMENTS

None

According to the Author

"California has been a global leader in combating climate change. From energy efficiency upgrades to transportation decarbonization to renewable resources generation, California has led

the way in aggressive emissions reductions all while rising to be the fifth largest economy in the world.

While this progress is laudable, its outcomes have been inconsistent, and a great deal of evidence shows wealthy communities benefit the most from the state's climate investments. According to a report published last June by University of California, Los Angeles' California Center for Sustainable Communities, affluent communities have a far greater ability to access existing programs and incentives. A separate report published in the Transportation Research Record evaluating the Clean Vehicle Rebate Project concluded that 83% of rebate recipients had annual incomes of \$100,000 or more.

Additionally, despite numerous statutory requirements to maximize the socioeconomic benefits of our climate investments, the State Auditor, just last month, released a report detailing the Air Resources Board's limited collection and analysis of data regarding job creation and benefit outcomes. The California Workforce Development Board's recently published report *Putting California on the High Road: A Jobs and Climate Action Plan for 2030* documents the potential for jobs of the carbon neutral economy to be low-wage with limited upward advancement, a finding supported by the State Building and Construction Trades Council report titled *Would Green Jobs Offset Those Lost from a Phase-Out of Oil and Gas Production*.

This bill addresses these shortcomings by requiring grant applicants for GGRF funding to document high-quality job creation in disadvantaged and low-income communities while prioritizing applications that demonstrate partnerships with local educational institutions and training partnerships that target residents of marginalized communities."

Arguments in Support

According to the California State Pipe Trades Council, "[This bill] will incentivize the creation of high-quality, well paying, jobs in communities which would benefit the most from our state's climate investments and provide incentive to site projects in communities which often have the least resources but are most impacted by climate change. Furthermore, construction projects funded pursuant to the grants authorized in the bill are required to pay a prevailing wage and utilize a Skilled and Trained workforce."

Arguments in Opposition

According to the Western Electrical Contractors Association, "[This bill] defines a community workforce agreement as "a project labor agreement that includes a targeted hire plan.

Historically, project labor agreements include discriminatory hiring requirements that give preference to certain construction contractors and force employer contributions to trust funds. The covered employee may never vest – resulting in "wage theft" from these workers. Also, PLAs have been shown to increase construction costs by as much as 20%."

FISCAL COMMENTS

According to the Senate Appropriations Committee, the California Workforce Development Board (CWDB) indicates that the bill's LWDA-related workload would be delegated to it instead. CWDB would incur annual staffing costs of \$160,000 to work with ARB to update the funding guidelines for administering agencies to ensure that all applicants for grant programs funded by GGRF meet specified standards, including fair and responsible employer standards and inclusive procurement policies (Greenhouse Gas Reduction Fund).

The bill would result in annual costs to ARB of \$390,000 to update funding guidelines in collaboration with LWDA and revise internal systems to track and report compliance with new labor and procurement standards (Greenhouse Gas Reduction Fund).

VOTES:**ASM LABOR AND EMPLOYMENT: 5-1-1**

YES: Kalra, Lorena Gonzalez, Jones-Sawyer, Reyes, Ward

NO: Seyarto

ABS, ABST OR NV: Flora

ASM NATURAL RESOURCES: 8-0-3

YES: Luz Rivas, Chau, Friedman, Cristina Garcia, McCarty, Muratsuchi, Stone, Wood

ABS, ABST OR NV: Flora, Mathis, Seyarto

ASM APPROPRIATIONS: 12-4-0

YES: Lorena Gonzalez, Calderon, Carrillo, Chau, Gabriel, Eduardo Garcia, Levine, Quirk, Robert Rivas, Akilah Weber, Holden, Luz Rivas

NO: Bigelow, Megan Dahle, Davies, Fong

ASSEMBLY FLOOR: 61-13-5

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Carrillo, Cervantes, Chau, Chen, Chiu, Cooley, Cooper, Cunningham, Daly, Frazier, Friedman, Gabriel, Cristina Garcia, Eduardo Garcia, Gipson, Gray, Grayson, Holden, Irwin, Jones-Sawyer, Kalra, Lee, Levine, Low, Maienschein, Mathis, McCarty, Medina, Muratsuchi, Nazarian, O'Donnell, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Stone, Ting, Villapudua, Waldron, Ward, Akilah Weber, Wicks, Wood, Rendon

NO: Choi, Megan Dahle, Davies, Fong, Gallagher, Kiley, Lackey, Nguyen, Patterson, Seyarto, Smith, Valladares, Voepel

ABS, ABST OR NV: Bigelow, Flora, Lorena Gonzalez, Mayes, Mullin

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CONSULTANT: Martin Vindiola / L. & E. / (916) 319-2091

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