

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

SECTION 1. Section XXXXX.X is added to the Unemployment Insurance Code, to read:

XXXXX.X. (a) (1) There is hereby established within the Workforce Services Branch of the Employment Development Department, the Community Economic Resilience Fund Program, to support regional and local planning and implementation of strategies to adapt to and seize opportunities that come with a changing economy.

(2) The branch shall administer the Community Economic Resilience Fund Program. The program shall be governed by the provisions of this section.

(b) (1) The program shall be administered by the branch with direction from the Labor and Workforce Development Agency, the Office of Planning and Research, and the Governor's Office of Business and Economic Development. These three agencies shall jointly be responsible for identifying the geographic boundaries of regions in a way that prioritizes economic transition strategies and is consistent with other state regional definitions, creating program guidelines and evaluation metrics, tracking progress, and developing a competitive grant structure for implementation investments.

(2) The program administrators may develop necessary policies to fund regional activities and strategies that directly complement state and federal infrastructure investments in multiple sectors, including housing, transportation, advanced energy, broadband, and natural resources, and including, but not limited to, High Road Training Partnerships within each of those industries.

(c) (1) The program, contingent upon available funding, shall provide financial support to high-road transition collaboratives to design and implement region- and industry-specific economic transition strategies, with a specific focus on supporting high-road employers, quality job creation, and accessible career pathways into future-looking industries. The program shall include a focus on those sectors and regions most affected by the state's transition to carbon neutrality, as well as those most vulnerable to the state's increasing and immediate climate impacts.

(2) The program, through these high-road transition collaboratives, shall support processes for shared problem solving and advocacy that shall prove durable and effective for advancing long-term prosperity and equity.

(3) The collaboratives shall work directly with the Regional Climate Collaborative Program established pursuant to Part 3.6 (commencing with Section 71130) of Division 34 of the Public Resources Code.

(4) The collaboratives shall include representation from labor, business, community, government, and other stakeholders, including, but not limited to, education, philanthropy, and workforce partners to be designated in the program guidelines.

(d) Grants shall be awarded on a competitive basis. The program administrators shall establish evaluation criteria consistent with the state planning priorities established pursuant to Section 65041.1 of the Government Code. The program administrators shall establish additional criteria in the program guidelines, consistent with the goals of the program, including all of the following:

(1) High-road transition collaboratives shall be funded in each of California's regions, as determined by the program administrators, to do both of the following:

(A) Identify a neutral convener to build an inclusive planning table, as described above in paragraph (3) of subdivision (c) and in the definitions in subdivision (g), and fully engage each designated partner.

(B) Commission, guide, and develop a detailed transition plan addressing essential elements of a high-road transition, consistent with the elements addressed in the Office of Planning and Research's "Just Transition Roadmap," and including economic and industry diversification, workforce development, and the identification and integration of current or supplemental safety net programs. This plan shall focus on economic growth and resilience across multiple sectors, prioritizing the creation of high-quality jobs and equitable access to them, and emphasizing, wherever possible, the development of future-looking industries, such as renewable energy, energy efficiency, carbon removal, zero-emission vehicles, advanced manufacturing, agriculture and forestry, and climate restoration and resilience.

(2) Implementation grants shall be awarded on a rolling and competitive basis and shall meet all of the following requirements:

(A) Build on work proposed through the high-road transition collaboratives in line with the high-road intent of this program.

(B) Address geographic equity, accounting for differences in urban, suburban, rural, and tribal communities.

(C) Organize work by industry or geography, or both, within and across regions, with the potential to focus on regionwide strategies or on one or more specific priority projects within the region.

(D) Include, but not limited to a range of activities related to economic diversification, including creating innovation hubs for key growth industries, expanding incubator or accelerator programs and providing technical assistance for small business owners to connect to larger industry clusters, and other projects and activities that advance a high-road economy.

(E) Link directly to High Road Training Partnerships and related approaches to address concomitant workforce needs.

(F) Require continuous innovation in high-road strategies to meet the changing determinants of economic transition. The program shall be structured to provide an initial tranche of competitive implementation grants for those regions already engaged in transition planning, and then to provide additional grants on a rolling basis through the year 2024.

(e) The Workforce Services Branch of the Employment Development Department may contract with other state agencies in support of any administrative oversight activities required.

(f) All criteria, guidelines, and policies developed by the program administrators for the administration of the program shall be exempt from the rulemaking provisions of the Administrative Procedures Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(g) For the purposes of this section, the following definitions apply:

(1) "High-road" means an approach to economic and workforce development that prioritizes equity, sustainability, and job quality and advances a shared prosperity wherein workers and communities across California's diverse regions share equally in the benefits of a carbon-neutral future.

(2) "High-road transition collaboratives" or "collaboratives" are regional groups convened by a neutral intermediary to follow high-road principles in planning for

economic recovery and the transition to carbon neutrality. The collaboratives shall include balanced representation of labor, business, community, and government and shall include representatives from additional key partners, including education, workforce and economic development institutions, philanthropy, academia, and others as applicable.

(h) This section shall become operative when an appropriation is made by the Legislature for the purposes of carrying out any of the provisions of this section.