

AMENDED IN ASSEMBLY AUGUST 23, 2002

AMENDED IN ASSEMBLY JUNE 27, 2002

AMENDED IN ASSEMBLY JUNE 20, 2002

AMENDED IN SENATE MAY 20, 2002

SENATE BILL

No. 2099

Introduced by ~~Committee on Banking, Commerce and International Trade~~ (Senators ~~Machado (Chair), Costa, Karnette, McClintock, Monteith, Polanco, and Scott~~) *Senator Vasconcellos*

(Coauthor: Assembly Member Alquist)

April 23, 2002

~~An act to add Sections 15364.753, 15364.755, and 15364.756 to the Government Code, relating to international trade and investment. An act relating to state property, and making an appropriation therefor.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 2099, as amended, ~~Committee on Banking, Commerce and International Trade~~ *Vasconcellos*. ~~International trade and investment State property: surplus.~~

Existing law requires each state agency, on or before December 31 of each year, to make a review of all proprietary state lands, with specified exceptions, over which it has jurisdiction, to determine what, if any, land is in excess of its foreseeable needs, and to report thereon in writing to the Department of General Services. Existing law transfers to the department jurisdiction of all land reported as excess.

The department is required to sell the land or otherwise dispose of the property pursuant to the authorization, by sending a specified written

offer to sell or lease the property to certain local public entities. The department may not sell the land to a local governmental agency for less than fair market value. Any sale is subject to any other terms, conditions, reservations, and exemptions as the department may deem to be in the best interests of the state.

This bill would authorize the Director of General Services, subject to specified conditions, to sell, lease, or exchange a specified parcel of real property in the City of Santa Clara upon terms and conditions and subject to reservations and exceptions that the director determines are in the best interests of the state. By providing for the reimbursement of the department for its costs related to the sale from the proceeds of the sale of the property, the bill would make an appropriation.

~~Existing law requires the Secretary of Technology, Trade, and Commerce to oversee and coordinate the activities of all international trade and investment offices.~~

~~This bill would prohibit the operation of any international trade and investment office on or after January 1, 2007, require those offices to establish and maintain specified records and data, and require the California Research Bureau to conduct a performance evaluation of each international trade and investment office and report its findings to the Governor, the Legislature, and the agency, as specified, by January 1, 2005, including which offices, if any, should be considered for continued funding in the Budget Act of 2005.~~

~~It would require the Technology, Trade, and Commerce Agency to establish measurable performance objectives for each trade office and require the Legislative Analyst's office beginning on January 1, 2007, to conduct biennial performance evaluations of each trade office and report its findings to the Legislature.~~

Vote: ~~majority~~ ^{2/3}. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

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

- 1 ~~SECTION 1.—The Legislature finds and declares all of the~~
- 2 ~~SECTION 1. (a) (1) Notwithstanding Sections 11011.1 and~~
- 3 ~~54222 of the Government Code or any other provision of law, the~~
- 4 ~~Director of General Services, subject to the following two~~
- 5 ~~conditions, may sell, lease, or exchange the real property~~
- 6 ~~consisting of approximately 17 acres in the City of Santa Clara,~~
- 7 ~~known as the Bay Area Research Extension Center, upon terms and~~



1 conditions and subject to reservations and exceptions that the
2 director determines are in the best interests of the state:

3 (2) The Department of General Services shall market the
4 property referred to in paragraph (1) with the condition that the
5 sale, lease, or exchange of the property cannot be completed until
6 the appropriate local governmental entity has granted
7 entitlements for the buyer's or lessee's development project.

8 (3) The Department of General Services shall, prior to sale,
9 lease, or exchange, perform preliminary studies to determine the
10 presence of hazardous materials on the site referred to in
11 paragraph (1).

12 (b) From the proceeds of the sale of property pursuant to this
13 section, the Department of General Services shall be reimbursed
14 for its costs related to the sale, including, but not limited to, any
15 survey costs, title transfer fees, and department staff time.

16 following:

17 ~~(a) California's economic prosperity is largely dependent on
18 global trade.~~

19 ~~(b) California has established international trade and
20 investment offices to be administered by the Technology, Trade,
21 and Commerce Agency which have the objective of developing
22 the state's exports and promoting job-creating industry investment
23 in the state.~~

24 ~~(c) There are state-staffed international trade and investment
25 offices in South Africa, Germany, Hong Kong, Japan, the United
26 Kingdom, Mexico, and Taiwan. In addition there are contracted
27 offices established in South Korea, Shanghai, Singapore,
28 Argentina, and Israel.~~

29 ~~(d) Since their inception, the international trade and investment
30 offices have lacked reliable and measurable performance
31 standards.~~

32 ~~(e) Studies conducted by the Bureau of State Audits, the
33 Legislative Analyst's office, and the California Research Bureau
34 have questioned the effectiveness of the international trade and
35 investment offices and have recommended, among other things,
36 that performance standards be established and that the offices be
37 evaluated.~~

38 ~~SEC. 2.—It is the intent of the Legislature for this act to assist
39 the Legislature in determining the level of funding for each
40 international trade and investment office in the annual Budget Act~~



1 ~~by establishing measurable performance objectives for each of~~
2 ~~the international trade and investment offices and providing for~~
3 ~~regular performance evaluations of each of the offices.~~

4 ~~SEC. 3.—Section 15364.753 is added to the Government Code,~~
5 ~~to read:~~

6 ~~15364.753.—The international trade and investment offices~~
7 ~~shall establish and maintain records and data on all of the~~
8 ~~following:~~

9 ~~(a) The number of clients served.~~

10 ~~(b) A profile of each client served, including, but not limited to,~~
11 ~~all of the following:~~

12 ~~(1) Whether the client was from a small, medium, or large-sized~~
13 ~~firm.~~

14 ~~(2) Whether the client was a first time exporter or investor.~~

15 ~~(3) What industry the client represented.~~

16 ~~(c) The number of contacts made on behalf of each client.~~

17 ~~(d) The amount of time spent on each client.~~

18 ~~(e) The nature of the assistance provided to each client and the~~
19 ~~ultimate outcome for the client.~~

20 ~~SEC. 4.—Section 15364.755 is added to the Government Code,~~
21 ~~to read:~~

22 ~~15364.755.—(a) The California Research Bureau shall~~
23 ~~conduct a performance evaluation of each international trade and~~
24 ~~investment office based on all of the following:~~

25 ~~(1) The level of investment and tourism directed to California~~
26 ~~as a result of the international trade and investment office.~~

27 ~~(2) The level of imports sent to California as a result of the~~
28 ~~international trade and investment office.~~

29 ~~(3) The level of California exports sent to the region as a result~~
30 ~~of the international trade and investment office.~~

31 ~~(4) A cost-benefit analysis of each international trade and~~
32 ~~investment office.~~

33 ~~(b) In evaluating each of the international trade and investment~~
34 ~~offices, the California Research Bureau shall account for the~~
35 ~~growth rates of the country and region where each office is located.~~

36 ~~(c) The California Research Bureau shall report its findings~~
37 ~~from this evaluation to the Governor, Legislature, and the~~
38 ~~Secretary of Technology, Trade, and Commerce by January 1,~~
39 ~~2005. Among other things, this report shall identify both of the~~
40 ~~following:~~



1 ~~(1) Areas that may lead to improved results in any or all of the~~
2 ~~international trade and investment offices.~~

3 ~~(2) Which offices, if any, are operating effectively based on the~~
4 ~~cost-benefit analysis of each office, pursuant to paragraph (4) of~~
5 ~~subdivision (a), and should be considered for continued funding~~
6 ~~in the Budget Act of 2005.~~

7 ~~SEC. 5.— Section 15364.756 is added to the Government Code,~~
8 ~~to read:~~

9 ~~15364.756. (a) The Technology, Trade, and Commerce~~
10 ~~Agency shall establish, on an annual basis, measureable~~
11 ~~performance objectives for each international trade and~~
12 ~~investment office for each of the following:~~

13 ~~(1) The number of clients served.~~

14 ~~(2) The amount of revenue that will be generated for clients~~
15 ~~through exports directly attributable to each office's assistance.~~

16 ~~(3) The amount of investments that will be generated for the~~
17 ~~state that is directly attributable to each office's assistance.~~

18 ~~(4) The number of California jobs that will be created by each~~
19 ~~office.~~

20 ~~(b) The Legislative Analyst's office shall conduct biennial~~
21 ~~performance evaluations of each trade office beginning on January~~
22 ~~1, 2007, to determine if each of the international trade and~~
23 ~~investment offices has met the performance objectives established~~
24 ~~by the Technology, Trade, and Commerce Agency.~~

25 ~~(c) The Legislative Analyst's office shall report to the~~
26 ~~Legislature its findings of the performance evaluation of each~~
27 ~~international trade and investment office for consideration in~~
28 ~~funding each office in the annual Budget Act.~~

