

15 APR -2 PM 4: 59

Approved as to Form and Legality

DRAFT

City Attorney's Office

OAKLAND CITY COUNCIL

Resolution No. _____ C.M.S.

INTRODUCED BY COUNCIL MEMBER KALB

RESOLUTION IN SUPPORT OF STATE ASSEMBLY BILL (AB) 865 (ALEJO) THAT WOULD ESTABLISH THE EMPOWER CALIFORNIA ACT, WHICH WOULD REQUIRE RECIPIENTS OF CALIFORNIA ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION (CA ENERGY COMMISSION) FUNDING TO REPORT ANNUALLY ON AND DEVELOP A PLAN FOR BOOSTING THEIR WOMEN-, MINORITY-, DISABLED VETERAN-, AND LGBT-OWNED BUSINESS PROCUREMENT EFFORTS AND REQUIRE THE CA ENERGY COMMISSION TO ESTABLISH A DIVERSITY TASK FORCE AND GUIDELINES FOR FUND RECIPIENTS

WHEREAS, The California Energy Resources Conservation and Development Commission (CA Energy Commission) directs much of California's investments in clean energy research, clean transportation, and energy efficiency; and

WHEREAS, There is a need to ensure equal access for diverse businesses and underserved communities to contracts with recipients of state funding, which would help promote a healthy state economy; and

WHEREAS, Women, minorities, disabled veterans, and LGBT individuals together comprise a majority of the California's population; and

WHEREAS, Assembly Bill 865, introduced by Assemblymember Luis Alejo on February 26, 2015, would require recipients of CA Energy Commission funding, including grants and loans, to annually report on and develop a plan for boosting their women-, minority-, disabled veteran-, and LGBT-owned business procurement efforts, as well as require the CA Energy Commission to establish a Diversity Task Force and guidelines for fund recipients, therefore be it

RESOLVED: That the Oakland City Council hereby endorses Assembly Bill (AB) 865.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID, AND PRESIDENT GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

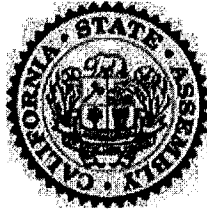
ATTEST: _____

LATONDA SIMMONS
City Clerk and Clerk of the Council of the City of
Oakland, California

15 APR -2 PM 4:59

ASSEMBLY CALIFORNIA STATE LEGISLATURE

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LUIS A. ALEJO

ASSEMBLYMEMBER, THIRTIETH DISTRICT

Assembly Bill 865: EmPower California Act

Summary:

This bill will establish the EmPower California Act, which will drive clean energy investments in underserved communities. The bill will require certain recipients of grants and loans from the State Energy Resources Conservation and Development Commission ("commission") to take steps toward boosting procurement from women, minority, disabled veteran and LGBT owned business enterprises. To ensure accountability and program success, the bill also requires the establishment of a Diversity Task Force.

Background:

Women, minority, disabled veteran and LGBT individuals make up a majority of California's population. Entrepreneurship is key to the American dream. To build a healthy state economy, we need to ensure all communities have equal access to entrepreneurial opportunities. Diverse businesses deserve a fair shot at contracts with recipients of state funding. This will ensure California's clean energy future represents all communities and drives the greatest economic and environmental impact with its investments. The commission directs much of California's investments in clean energy research, clean transportation, and energy efficiency. This is the logical next step in the effort to make sure California's climate change policies bring real benefits to underserved communities.

Bill Provisions:

The EmPower California Act is designed to boost California's small businesses and bring jobs and opportunities to underserved communities. This bill is modeled on successful programs already covering the state's utilities, telecommunications companies and insurers. It will require recipients of commission funding – which supports projects advancing clean transportation and energy technologies as well as cutting edge research – to report annually on their women-, minority-, disabled veteran- and LGBT-owned business procurement efforts. It will also require fund recipients to develop a verifiable plan for boosting such procurement. In addition, it would

For more information, contact Michelle Reyes at Michelle.Reyes@asm.ca.gov.

require the commission to establish a Diversity Task Force to boost diversity in the energy industry as well as diversity guidelines for fund recipients to use in carrying out the bill requirements.

Purpose:

California will not reach clean energy goals without investing in women-, minority-, disabled veteran- and LGBT-owned businesses. The purpose of the EmPower California Act is to encourage transparency and level the playing field for businesses rooted in diverse communities who otherwise might not get their foot in the door.

For more information, contact Michelle Reyes at Michelle.Reyes@asm.ca.gov.

BILL NUMBER: AB 865 INTRODUCED
BILL TEXT

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INTRODUCED BY Assembly Member Alejo

FEBRUARY 26, 2015

An act to add Section 25230 to the Public Resources Code, relating to the State Energy Resources Conservation and Development Commission.

LEGISLATIVE COUNSEL'S DIGEST

AB 865, as introduced, Alejo. State Energy Resources Conservation and Development Commission: grants and loans: diversity.

The Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission. Existing law requires the State Energy Resources Conservation and Development Commission to administer various grant and loan programs.

This bill would require the State Energy Resources Conservation and Development Commission to require that each recipient of a grant or loan, as a condition for the receipt of that grant or loan, annually submit a detailed and verifiable plan for increasing procurement from women, minority, disabled veteran, and LGBT business enterprises, as defined, in all categories, including, but not limited to, renewable energy, advanced technologies, and demonstration projects, and furnish an annual report regarding the implementation of programs established pursuant to this requirement. The bill would require the State Energy Resources Conservation and Development Commission to establish guidelines for all grant or loan recipients to utilize in establishing programs pursuant to these requirements. The bill would require the State Energy Resources Conservation and Development Commission to develop, and would require every grant or loan recipient to implement, an outreach program to inform and recruit women, minority, disabled veteran, and LGBT business enterprises to apply for procurement contracts. The bill would require the State Energy Resources Conservation and Development Commission to establish a Diversity Task Force to consider and make recommendations about diversity in the energy industry, including diversity of corporate governing boards and procurement from diverse businesses.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

SECTION 1. Section 25230 is added to the Public Resources Code, to read:

25230. (a) For purposes of this section, the following terms have the following meanings:

- (1) "Control" means exercising the power to make policy decisions.

(2) "Disabled veteran business enterprise" has the same meaning as defined in Section 999 of the Military and Veterans Code.

(3) "LGBT business enterprise" means a business enterprise that is at least 51 percent owned by a lesbian, gay, bisexual, or transgender person or persons, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more lesbian, gay, bisexual, or transgender persons, and whose management and daily business operations are controlled by one or more of those individuals.

(4) "Minority business enterprise" means a business enterprise that is at least 51 percent owned by a minority group or groups, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more minority groups, and whose management and daily business operations are controlled by one or more of those individuals. The contracting utility shall presume that minority includes African Americans, Hispanic Americans, Native Americans, and Asian Pacific Americans.

(5) To "operate" means to be actively involved in the day-to-day management. It is not enough to merely be an officer or director.

(6) "Renewable energy project" means a project for the development and operation of an eligible renewable energy resource meeting the requirements of the California Renewables Portfolio Standard Program (Article 16 (commencing with Section 399.11) of Chapter 2.3 of Part 1 of Division 1).

(7) "Women business enterprise" means a business enterprise that is at least 51 percent owned by a woman or women, or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women, and whose management and daily business operations are controlled by one or more of those individuals.

(b) The commission shall require that each recipient of a grant or loan administered by the commission do both of the following as a condition for the receipt of that grant or loan:

(1) Annually submit a detailed and verifiable plan for increasing procurement from women, minority, disabled veteran, and LGBT business enterprises in all categories, including, but not limited to, renewable energy, advanced technologies, and demonstration projects. These annual plans shall include short- and long-term goals and timetables, but not quotas, and shall include methods for encouraging both prime contractors and grantees to engage women, minority, disabled veteran, and LGBT business enterprises in subcontracts in all categories that provide subcontracting opportunities, including, but not limited to, renewable energy, advanced technologies, and demonstration projects.

(2) Furnish an annual report to the commission regarding the implementation of programs established pursuant to this section in a form that the commission shall require, and at the time that the commission shall annually designate. Each report shall be a public document and shall be made readily available on an Internet Web site either maintained by the grant or loan recipient or by the commission.

(c) The commission shall establish guidelines for all grant or loan recipients to utilize in establishing programs pursuant to this section.

(d) The commission shall develop, and require every grant or loan recipient to implement, an outreach program to inform and recruit

women, minority, disabled veteran, and LGBT business enterprises to apply for procurement contracts under this section.

(e) The commission shall establish a Diversity Task Force to consider and make recommendations about diversity in the energy industry, including diversity of corporate governing boards and procurement from diverse businesses. The Diversity Task Force shall do all the following:

- (1) Identify and promote energy companies that are actively engaged in diversity issues.
- (2) Explore the status of diverse representation on energy company governing boards.
- (3) Identify actions that the commission can take to encourage insurance companies to increase procurement with diverse suppliers.
- (4) Provide recommendations regarding current legislation and suggest changes to existing law.