

AMENDED IN ASSEMBLY JULY 1, 2019

AMENDED IN ASSEMBLY JUNE 18, 2019

AMENDED IN SENATE MAY 17, 2019

AMENDED IN SENATE APRIL 25, 2019

SENATE BILL

No. 730

Introduced by Senator Stern

(Coauthor: Senator Skinner)

~~(Coauthor: Assembly Member Petrie-Norris)~~

(Coauthors: Assembly Members Petrie-Norris and Wicks)

February 22, 2019

An act to add and repeal Chapter 3.7 (commencing with Section 8299) of Division 1 of Title 2 of the Government Code, relating to employment development.

LEGISLATIVE COUNSEL'S DIGEST

SB 730, as amended, Stern. Commission on Tech Equity.

Existing law establishes various advisory boards and commissions in state government with specified duties and responsibilities.

Existing law requires the Governor to transmit to the Legislature, no later than April 15 of each year, an economic report to be designated as the "Economic Report of the Governor" setting forth, among other things, a review of economic developments during the preceding calendar year and forecasts of trends in employment, income, and investment for the coming year and trends in such major economic sectors as it is feasible to project.

This bill, until January 1, 2025, would establish in state government the *advisory* Commission on Tech Equity, which would consist of ~~6~~ 7 appointed members, as specified, and the ~~Secretary of Labor and~~

~~Workforce Department and the Controller servicing~~ *Director of the Governor's Office of Business and Economic Development and the Director of Finance* serving as ex officio members. The bill would require the commission to develop recommendations on a policy framework to manage the development, deployment, regulation, taxation, and fair distribution of the benefits of innovation and technology, as specified, and submit the recommendations to the Legislature and to the Governor no later than January 1, ~~2022~~, 2021, and annually on or before January 1, thereafter.

Vote: majority. Appropriation: no. 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 following:

3 (a) California has the fifth largest economy in the world and
4 leads the country in innovation and diversity.

5 (b) California is committed to developing a plan to become the
6 most competitive, durable, equitable, and sustainable economy in
7 the world, where technology innovation shall strengthen, not erode,
8 the middle class.

9 (c) Technology, when put to work for the benefit of human
10 society, has fueled progress throughout history, unlocking the
11 growth of high-quality goods and services coupled with overall
12 price reductions, dramatic reductions in poverty, disease, and
13 famine, as well as leaps in science and the arts.

14 ~~(d) Exponential growth in technology innovation, including~~
15 ~~automation and artificial intelligence, as well as broader economic~~
16 ~~trends of wage stagnation, declining workforce participation, rising~~
17 ~~income inequality, and growth in part-time, lower-wage jobs,~~
18 ~~compel California to update its planning around education,~~
19 ~~employment, and the economy as a whole to better understand,~~
20 ~~anticipate, and shape the future of work in the short and long term.~~

21 *(d) Recent innovations in technology, including automation and*
22 *artificial intelligence, are driven in substantial part by data*
23 *collected from and about Californians, but the value of the data*
24 *and the social impacts of such innovations are underexamined.*

25 *(e) Technological innovation and, relatedly, evolving practices*
26 *in the collection and use of consumer data present both significant*

opportunities to mitigate, and threats to exacerbate, wealth inequity in California.

(e)

(f) The Commission on Tech Equity is necessary to prepare California residents to ensure advancements in technology serve the construction of a durable middle class and sustainable economy.

SEC. 2. Chapter 3.7 (commencing with Section 8299) is added to Division 1 of Title 2 of the Government Code, to read:

CHAPTER 3.7. COMMISSION ON TECH EQUITY

8299. This chapter shall be known as the Commission on Tech Equity.

8299.1. (a) There is established in state government the Commission on Tech Equity. The commission shall consist of ~~six~~ *seven appointed and two ex-officio* members ~~appointed~~ in accordance with subdivision (c) and shall conduct its business in accordance with this chapter.

(b) Members of the commission shall be individuals with knowledge of, and expertise in, ~~work, workforce development, labor, data science, economics,~~ civil rights, technology, ~~and or~~ privacy, *or both technology and privacy* whether by experience or training.

(c) Commission membership shall consist of the following:

(1) ~~Four~~ *Five* members appointed by the Governor, including at least one representative ~~from organized labor, one from a civil rights organization, one from academia, and one from the private sector.~~ *each from academia, a consumer rights organization, a privacy or civil rights organization, a company that sells consumer data, and a company that builds products using consumer data.*

(2) One member appointed by the Senate Committee on Rules.

(3) One member appointed by the Speaker of the Assembly.

(4) ~~The Secretary of Labor and Workforce Development and the Controller~~ *Director of the Governor's Office of Business and Economic Development and the Director of Finance* shall serve as ex officio members of the commission.

8299.2. The Commission on Tech Equity shall do both of the following:

(a) Develop recommendations on a policy framework to manage the development, deployment, regulation, taxation, and fair

distribution of innovation and technology that does both of the following:

(1) Accounts for the costs and benefits of technology and data innovation to workers, consumers, democratic institutions, public health, small businesses, economic growth, and other core elements of California’s public interest.

(2) Proposes tools that would provide a pathway for data and technology companies to take an equity stake in the future of California.

(b) (1) Submit its recommendations to the Legislature and to the Governor no later than January 1, ~~2022~~, 2021, and annually on or before January 1, thereafter.

(2) The report to be submitted to the Legislature pursuant to this subdivision shall be submitted in compliance with Section 9795.

8299.3. The commission shall be advisory only, and there shall be no right or obligation on the part of the state, or the parties meeting and conferring, to implement the findings of the commission without further legislation that specifically authorizes that the evaluations, determinations, and findings of the commission be implemented.

8299.7. This chapter shall remain in effect only until January 1, 2025, and as of that date is repealed.

REVISIONS:

Heading—Line 3.