## SENATE COMMITTEE ON APPROPRIATIONS

Senator Anna Caballero, Chair 2025 - 2026 Regular Session

## AB 254 (Gallagher) - California-Ireland Trade Commission

**Version:** May 23, 2025 **Policy Vote:** B., P. & E.D. 11 - 0

Urgency: No Mandate: No

**Hearing Date:** August 18, 2025 **Consultant:** Janelle Miyashiro

**Bill Summary:** AB 254, upon appropriation and the availability of sufficient nonstate funds, establishes the California-Ireland Trade Commission within the Governor's Office of Business and Economic Development (GO-Biz) as an advisory body to the Governor and Legislature, as specified.

**Fiscal Impact:** The bill specifies that the establishment of the Commission be upon appropriation by the Legislature and the availability of sufficient nonstate funds. While the suitable funding to establish the Commission may be achieved by reaching a specific funding goal, it is unknown if there will be adequate nonstate funding available on an ongoing basis to support the Commission's activities. To the extent nonstate funding is not available or insufficient to cover associated ongoing costs, GO-Biz may need to use its current resources to support the Commission. If GO-Biz cannot absorb these costs within its existing resources, then there will be General Fund cost pressures.

GO-Biz estimates the following General Fund impacts:

- One-time cost between \$100,000 and \$200,000 to establish the Commission.
- Ongoing annual costs of approximately \$424,000 for a support staff for the Commission, and for travel costs for at least one trade mission to Ireland per year and for other external stakeholder meetings and events in California.

**Background:** GO-Biz administers an International Affairs and Business Development Unit, which serves as California's primary point of contact for expanding international trade and investment relations. This unit focuses on foreign direct investment (services for foreign investors, foreign investment technical assistance, and the EB-5 Investor Visa Program), international trade promotion (STEP program, trade missions, export assistance, and the California-China Trade Office), and international agreements.

GO-Biz currently has authority for undertaking international trade and foreign investment activities. The International Affairs and Trade Program report prepared by GO-Biz in 2023 notes that the International Affairs and Trade team (IAT) advises the Governor on international affairs and trade issues, implements strategies to develop and grow partnerships and engagement with foreign partners, and provides recommendations to promote and expand California's trade and foreign direct investment. According to the report, IAT works with a robust network of international partners to promote California exports, support small businesses in accessing global markets, and attract inward investment that brings high-quality jobs to Californians. IAT executed several major international events, including a Clean Energy Trade Mission to Japan with over 100 delegates from California's public and private sectors, a climate-

focused gubernatorial visit to China, and a California pavilion at the annual Asia Pacific Economic Cooperation Summit. IAT also successfully implemented trade missions to key markets such as Mexico, China, Japan, and Germany in a variety of strategic sectors, among other efforts and activities.

## **Proposed Law:**

- Upon appropriation and the availability of sufficient nonstate funds, requires the Governor to establish the California-Ireland Trade Commission within GO-Biz as an advisory body to the Governor and Legislature.
- Provides the Commission consist of seven members: two members appointed by the President pro Tempore of the Senate, two members appointed by the Speaker of the Assembly, and three members appointed by the Governor, as specified.
  - Provides members of the Commission serve without compensation, but may be reimbursed for approved expenses incurred in the performance of their duties at the state standard reimbursement rate and within the limit of funds appropriated for the Commission.
- States the purpose of the Commission is to do all of the following activities between California and Ireland:
  - Advance bilateral trade and investment.
  - o Initiate joint action on policy issues of mutual interest.
  - Promote business and academic exchanges.
  - Encourage mutual economic support.
  - o Encourage mutual investment in infrastructure.
  - Address such other issues as determined by the Commission.
- Requires the Commission to report its findings, results, and recommendations to the Governor and Legislature within one year of its initial organizational meeting and by February 1 of each succeeding year for the activities of the preceding calendar year.
  - Sunsets reporting requirements after submission of the February 1, 2030 report.
- Requires GO-Biz to consider the Commission's recommendations when updating its strategy for international trade and investment.
- States legislative findings and declarations.