

CONCURRENCE IN SENATE AMENDMENTS

AB 940 (Wicks, et al.)

As Amended September 9, 2025

Majority vote

SUMMARY

Directs the Governor's Office of Business and Economic Development (GO-Biz) to develop a statewide industry strategy for the quantum technology sector, in collaboration with regional partners. The bill replaces the original proposal for local "quantum innovation zones" with a more coordinated, statewide approach aligned with the California Jobs First State Economic Blueprint. The strategy will identify key investments, partnerships, and regulatory opportunities to support job creation and economic growth in this emerging sector.

Senate Amendments

- 1) Replace the original framework authorizing local governments to establish "quantum innovation zones" with a directive for GO-Biz to develop a statewide strategy to support the quantum technology sector.
- 2) Require GO-Biz to collaborate with regional partners to build and implement this industry strategy, focusing on broader economic development goals, statewide coordination and regional alignment.
- 3) Directs GO-Biz to create industry-specific strategies for the strategic sectors named in the Blueprint, including quantum technology. Requires strategies to include:
 - a) Industry overviews
 - b) Risk assessments
 - c) Project and partnership identification
 - d) Policy and regulatory analysis
 - e) Expected outcomes
 - f) Public-facing online content
- 4) Requires stakeholder engagement in regions prioritizing quantum technology.
- 5) Mandates that the quantum technology strategy be prioritized and submitted to the Legislature by July 1, 2026.

COMMENTS

In response to the 2003 elimination of the Technology, Trade, and Commerce Agency, the Little Hoover Commission's 2010 report recommended creating a centralized entity to coordinate California's economic development efforts. This led to the establishment of the Governor's Office of Economic Development (GOED), later codified as GO-Biz in 2011.

GO-Biz now oversees a wide range of programs supporting business growth, innovation, international trade, small business assistance, and regional economic development. In 2025, the California Jobs First Economic Blueprint identified 13 distinct economic regions and emphasized place-based, inclusive strategies through the Regional Investment Initiative (RII).

At the national level, Quantum Information Science (QIS) has emerged as a transformative field with implications for economic growth and national security. The National Quantum Initiative Act (2018) and CHIPS and Science Act (2022) support coordinated federal investment in quantum R&D, infrastructure, and workforce development.

Several states have already made major investments in quantum technology:

- 1) Colorado: \$40 million for a Regional Tech Hub
- 2) Connecticut: \$60 million in a public-private partnership
- 3) Maryland: \$1 billion for the Potomac Quantum Innovation Center

To remain competitive, AB 940 proposes the creation of Quantum Zones in California to strengthen regional collaboration, foster workforce development, and attract federal and private investment building on the state's strong foundation in economic development and innovation.

According to the Author

The author states, "Quantum computing has the potential to fundamentally change the world of computing, and California is uniquely positioned to be a leader in this cutting edge technology. The state is home to world-class research institutions, trailblazing tech companies, and a highly skilled workforce that have driven innovation for decades. AB 940 reaffirms California's support of technological advancement by creating a pathway for the establishment of Quantum Innovation Zones (QIZs), which will allow these stakeholders to come together as organized entities governed by a board of directors. The establishment of QIZs will further knowledge sharing, boost economic vitality, enhance workforce development training, and bolster California's place as a leader in the world of quantum computing."

Arguments in Support

TechNet writes in support stating AB 940 positions California as a national leader in quantum information sciences, enhancing the state's competitiveness for federal and private investment. The bill promotes the development of coordinated workforce programs to train a diverse and highly skilled talent pool within the state.

By establishing Quantum Zones, AB 940 creates a unique opportunity to unite California's top industry experts, research institutions, and workforce. BASIC supports the bill and recommends flexibility in the composition of the proposed boards of directors for each Zone. This flexibility will allow regions to tailor strategies to their unique strengths, fostering more effective collaboration, resource sharing, and innovation across California's quantum ecosystem.

Arguments in Opposition

None.

FISCAL COMMENTS

According to the Senate Appropriations Committee, the effect of this bill has an unknown, potentially significant fiscal impact to GO-Biz, to the extent that workload to develop the strategies cannot be absorbed within GO-Biz's current activities related to developing and implementing the Blueprint (General Fund). It is unclear if GO-Biz would be required to update the strategies as new quantum technologies emerge and the quantum technology subsector evolves to ensure that the sectors identified in the Blueprint continue to grow. Ongoing cost pressures for GO-Biz to do so may range into the millions of dollars (General Fund).

VOTES:

ASM ECONOMIC DEVELOPMENT, GROWTH, AND HOUSEHOLD IMPACT: 8-0-0

YES: Solache, Castillo, Bonta, Patel, Petrie-Norris, Soria, Stefani, Wallis

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Sanchez, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 77-0-2

YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

ABS, ABST OR NV: Jeff Gonzalez, Nguyen

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