
**SENATE COMMITTEE ON
BUSINESS, PROFESSIONS AND ECONOMIC DEVELOPMENT**
Senator Angelique Ashby, Chair
2025 - 2026 Regular

Bill No: ACR 83
Author: Wilson
Version: May 12, 2025
Urgency:
Consultant: Sarah Mason

Hearing Date: June 23, 2025

Fiscal: Yes

Subject: California Maritime Day

SUMMARY: Proclaims May 22, 2025 as California Maritime Day in the State of California and urges federal, state, and local agencies, as well as private industry, to collaborate on policies, incentives, workforce development, and infrastructure investments that will enable the reestablishment of a competitive and sustainable shipbuilding industry in California.

Existing law:

- 1) Establishes the Governor's Office of Business and Economic Development (GO-Biz) for the purpose of serving as the lead state entity for economic strategy and marketing of California on issues relating to business development, private sector investment and economic growth. (Government Code (GC) §§ 12096 – 12098.7)
- 2) Authorizes GO-Biz as the lead entity for economic strategy and the marketing of California on issues relating to business development, private sector investment, and economic growth. Authorizes GO-Biz, in this capacity, to coordinate the development of policies and criteria to ensure that federal grants administered or directly expended by state government advance statewide economic goals and objectives. Authorizes GO-Biz to market the business and investment opportunities available in California by working in partnership with local, regional, federal, and other state public and private institutions to encourage business development and investment in the state. Authorizes GO-Biz to support small businesses by providing information about accessing capital, complying with regulations, and supporting state initiatives that support small business. (GC § 12096.3)
- 3) Specifies that GO-Biz is the primary state agency authorized to attract foreign investments, cooperate in international public infrastructure projects, and support California businesses in accessing markets, and requires the Director of GO-Biz to develop an international trade and investment program (ITI Program) attracting employment-producing direct foreign investment to the state and providing support for California businesses in accessing international markets and increasing exports. (GC § 13996.41)

This resolution:

- 1) Makes various declarations about the importance of the state's maritime history in economic development and cites historic information about California's shipyards.
- 2) States that advances in global shipbuilding have led to the outsourcing of this industry to foreign nations, resulting in the loss of domestic manufacturing capability, skilled labor, and maritime self-sufficiency.
- 3) States that the reestablishment of a robust shipbuilding industry in California would generate high-wage union jobs, revitalize coastal economies, provide career pathways in skilled trades, engineering, and green maritime technology, and strengthen California's industrial resilience. Adds that modern shipbuilding offers California an opportunity to lead in sustainable vessel design, electrification of port infrastructure, and the development of green shipping corridors aligned with the state's ambitious climate goals.
- 4) States that the federal government has prioritized investment in new maritime manufacturing as a matter of economic resilience, national security, and environmental sustainability, creating a timely opportunity for federal-state partnerships in California to modernize shipyards, expand workforce training, and support innovation in commercial, military, and clean energy maritime industries.
- 5) States that revitalizing California's shipbuilding capabilities can contribute to national security, energy independence, and the creation of domestic supply chains critical for commercial and military maritime operations.

FISCAL EFFECT: Unknown. This resolution is not keyed fiscal by Legislative Counsel.

COMMENTS:

1. **Purpose.** The Author is the Sponsor of this resolution. According to the Author, "California has played a central role in the United States' maritime history, from shipbuilding during World War II to today's innovation in green port infrastructure. Proclaiming May 22, 2025, as California Maritime Day honors that legacy, raises awareness of the state's role in national and economic security, and supports future workforce and industry investments to restore sustainable shipbuilding in our state."
2. **Background.** According to a 2021 report of the federal Maritime Administration, *The Economic Importance of the U.S. Private Shipbuilding and Repairing Industry*, the U.S. private shipbuilding and repairing industry is comprised of establishments that are primarily engaged in operating shipyards (fixed facilities with drydocks and fabrication equipment). Shipyard activities include ship construction, repair, conversion and alteration, as well as the production of prefabricated ship and barge sections and other specialized services. The industry also includes manufacturing and other facilities outside of the shipyard, which provide parts or services for shipbuilding activities within a shipyard. In 2019, the U.S. private shipbuilding and repairing industry directly provided 107,180 jobs, \$9.9 billion in labor income, and \$12.2 billion in gross domestic product to the national economy. Including direct, indirect, and induced impacts, on a nationwide basis, total economic activity

associated with the industry reached 393,390 jobs, \$28.1 billion of labor income, and \$42.4 billion in GDP in 2019.

On April 9, 2025, the President signed an Executive Order (EO) aimed at revitalizing U.S. shipbuilding and maritime industries. The EO authorizes Defense Production Act Title III authorities to facilitate direct federal investment and incentivize private capital investments into shipyards and subcomponent supply chains. The EO establishes a maritime security trust fund to provide financing and introduces financial incentives to encourage private-sector investment in domestic shipbuilding. The EO also includes reporting requirements on expanding education and training opportunities and modernizing the U.S. Merchant Marine Academy. To address a labor shortage that has been cited as a top issue constraining U.S. shipbuilding capabilities.

Currently, GO-Biz administers the following programs and units:

- Made In California program for the purpose of encouraging consumer product awareness and to foster the purchases of products manufactured in California.
- The California Inclusive Innovation Hub Program (iHub2) to incubate and/or accelerate technology and science-based firms, with a focus on underserved regions and communities.
- The California Competes Tax Credit Program under which “businesses who want to come to California or stay and grow in California” can receive an income tax credit.
- The California Business Investment Services Unit, which provides no-fee, tailored site selection services to employers and others who may be considering California for relocation or expansion.
- The California Business Portal, which provides information to California businesses about common questions, permitting, financial options, and more.
- The California Community Reinvestment Grants Program, which was included in Proposition 64, authorized GO-Biz to award grants to local health departments and certain nonprofit organizations to support communities disproportionately affected by the War on Drugs.
- Office of the Small Business Advocate which provides information and assistance to small businesses.
- The Zero Emission Vehicles (ZEV) Infrastructure Unit which works to accelerate the deployment of ZEV infrastructure.
- The 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.

In 2022, GO-Biz established the Community and Place-Based Solutions Team (Team) to support local governments, non-profits, community-based organizations, colleges and universities, and other economic development partners in their community development needs. The Team provides key technical assistance for community and economic development planning. According to the Team's website, place-based economic development strategies are initiatives to encourage economic and community development activity in defined geographic areas. Many communities have started emphasizing place-based strategies to strengthen hyperlocal activities around physical place, economic conditions and social infrastructure. Place-based economic development strategies include a variety of approaches to incentivize investment in disadvantaged communities, including funding for infrastructure & public facilities, job creation & workforce development, affordable & workforce housing, and more.

In February 2025, the *California Jobs First State Economic Blueprint* was released, following the establishment of a state Regional Investment Initiative (RII) in 2021. The report noted that the RII brought together "a diverse set of community members to build the economic vision for their region". 13 economic regions were identified: North State, Redwood, Capital, Sierra, Bay Area, North San Joaquin, Central San Joaquin, Central Coast, Kern County, Los Angeles County, Inland SoCal, Orange County, and Southern Border.

SUPPORT AND OPPOSITION:

Support:

None received

Opposition:

None received

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