JUNE LAGMAY City Clerk

**HOLLY L. WOLCOTT** 

**Executive Officer** 

CITY OF LOS ANGELES

Office of the CITY CLERK

Council and Public Services Room 395, City Hall Los Angeles, CA 90012 General Information - (213) 978-1133 Fax: (213) 978-1040

www.cityclerk.lacity.org



August 25, 2010

To All Interested Parties:

**Chief Legislative Analyst** 

I HEREBY CERTIFY that City Council adopted the action(s), as attached, under Council file No. 10-0002-S68, at its meeting held August 13, 2010.

City Clerk

LVA

cc: 8 Certified copies sent to Sacramento Representatives

An Equal Employment Opportunity - Affirmative Action Employer

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CITY OF LOS ANGELES

COUNCIL FILE NO. 10-0002-S68

COUNCIL DISTRICT

## SUBJECT TO THE MAYOR'S APPROVAL

COUNCIL APPROVAL DATE <u>AUGUST 13, 20</u>	10
RE: THE CITY'S POSITION ON SB 974 (STEIN INVESTMENT CREDIT BY REDUCING ENTER	NBERG) ESTABLISHING THE CAREER PATHWAYS PRISE ZONE BENEFITS
AUG 27  LAST DAY FOR MAYOR TO ACT  [10 Day Charter requirement as per Charter Section 2	[31(h)]
DO NOT WRITE BELOW THIS	S LINE - FOR MAYOR USE ONLY
APPROVED	*DISAPPROVED
	*Transmit objections in writing pursuant to Charter Section 23①(h)
DATE OF MAYOR APPROVAL OR DISAPPROVAL	AUG 23 2010
MAYOR	CLERK
Steno/100002.68 .ml	

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## **MOTION**

I HEREBY MOVE that Council APPROVE the following recommendation of the Chief Legislative Analyst report (Item 14, Council file No. 10-0002-S68) relative to the City's position on Senate Bill (SB) 974 (Steinberg) establishing the Career Pathways Investment Credit by reducing Enterprise Zone benefits, SUBJECT TO THE CONCURRENCE OF THE MAYOR:

ADOPT the accompanying RESOLUTION to include in the City's 2009-10 State Legislative Program OPPOSITION to SB 974 (Steinberg) which establishes the Career Pathways Investment Credit by reducing Enterprise Zone benefits.

PRESENTED BY\_

TONY CARDENAS
Councilmember, 6th District

SECONDED BY

ED REYES
Councilmember, 1st District

August 13, 2010

CF 10-0002-s68

ADOPTED

AUG 1 3 2010

LOS AKGELES CITY COUNCIL

JUN 2 9 2010

## RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations, or policies proposed to or pending before a local, state, or federal governmental body or agency must first have been adopted in the form of a Resolution by the City Council with concurrence of the Mayor; and

WHEREAS, SB 974 (Steinberg) is intended to reduce the secondary dropout rate and spur future job growth in the State of California by encouraging career education programs, it would do so at the expense of negatively impacting the Enterprise Zone Program in the State of California; and

WHEREAS, the City of Los Angeles is supportive of reducing the secondary dropout rate and job creation; and

WHEREAS, California State law provides for several types of geographically targeted economic development areas (G-TEDAs), including Enterprise Zones (EZs); and

WHEREAS, the Enterprise Zone Program provides special tax incentives for taxpayers conducting business activities within the EZ, and in particular provides hiring credits for employees; and

WHEREAS, SB 974 would eliminate the Targeted Employment Area (TEA) from the list of eligible criteria for the Enterprise Zone hiring credit, which would remove the incentive for employers to hire employees from low-income communities; and

WHEREAS, approximately 90 percent of the hiring credits processed for the City of Los Angeles are for employees who qualify under the Targeted Employment Area criteria; and

WHEREAS, SB 974 would eliminate retroactive vouchering, which would have a negative impact on small businesses; and

WHEREAS, SB 974 would implement a 21-day deadline to complete hiring credit vouchers, creating an arbitrary and impractical deadline that will preclude most employers, particularly small businesses, from claiming EZ hiring credits to which they are otherwise lawfully entitled.

NOW, THEREFORE BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2009-2010 State Legislative Program OPPOSITION to funding provisions within SB 974 which would reduce Enterprise Zone benefits.

PRESENTED BY:

ADOPTED

AUG 1 3 2010

LOS ANGELES CITY COUNCIL

ERIC GARCETTI

Councilmember, 13th District

SECONDED BY:

June 29, 2010