

**AB 2849: Promote Ownership by**

**Workers for Economic Recovery Act**

Panel Packet

March 20, 2024



**AB 2849 Worker Ownership Study**

**Panel Notice and Agenda**

Meeting Date and Time

March 20, 2024, at 3:00-5:00PM PDT

**This is a public meeting. The panel members and the public may attend in person or virtually[[1]](#footnote-2).**

**In Person:**

MCC Large Community Room - Ella K. McClatchy Library

2112 22nd St, Sacramento, CA 95818

**Virtual:**

Use the link below and use the raise-hand feature during public comment to be called on.

Please click the link below to join the webinar:

<https://us06web.zoom.us/j/84276827124?pwd=jFQ6u9r350IiT_BJQ8pSHkUVw36S8A.1ZOM5jB-5mQ8rcYQ>

**Passcode: 659337**

Or Telephone:

 Dial:

 USA 215 446 3656 US Toll

 USA 888 363 4734 US Toll-free

Conference code: 203062

For assistance, log in and raise hand or contact Communications@Labor.CA.GOV or (916) 653-9900

**Agenda:**

|  |  |  |
| --- | --- | --- |
| 1. | Call to Order by Chairperson (5 minutes)* Roll call
 | Tara Lynn Gray, GO-Biz Office of Small Business Advocate, Director |
| 2. | Action to approve March Panel Meeting Agenda | Tara Lynn Gray, GO-Biz Office of Small Business Advocate, Director |
| 3. | Action to Approve December Meeting Minutes | Tara Lynn Gray, GO-Biz Office of Small Business Advocate, Director |
| 4 | Update from PI | Professor David Levine, UC Berkeley Institute of Business and Social Impact (IBSI)  |
| 5. | Opportunity for panel members to request agenda items for future panel meetings | Tara Lynn Gray, GO-Biz Office of Small Business Advocate, Director |
| 7. | Public Comment on Non-Agenda Items (5 minutes) | Tara Lynn Gray, GO-Biz Office of Small Business Advocate, Director |
| 8. | Public meeting adjourns | Tara Lynn Gray, GO-Biz Office of Small Business Advocate, Director |

*Meetings are open to the public except when specifically noticed otherwise in accordance with the Open Meeting Act. All times when stated are approximate and subject to change without prior notice at the discretion of the Panel unless listed as “time certain.” Items may be taken out of order to maintain a quorum, accommodate a speaker, or for convenience. Action may be taken on any item listed on this agenda, including information-only items. The meeting may be canceled without notice.*

*Members of the public can address the board during the public comment session. Public comments will also be taken on agenda items at the time the item is heard and prior to the Board taking any action on said items. Total time allocated for public comment may be limited at the discretion of the board chair.*

*Members of the public may, but are not obligated to, provide their names or personal information as a condition of observing or participating in the meeting. When signing into the Zoom platform, participants may be asked for their name and email address. Participants who choose not to provide their names will need to provide a unique identifier such as their initials or another alternative, so that the meeting moderator can identify individuals who wish to make public comment; participants who choose not to provide their email address may utilize a fictitious email address like in the following sample format: XXXXX@mailinator.com or by calling in (instructions included in the Zoom meeting link above).*

*This Notice/Agenda of Panel Meeting and related documents are available on the LWDA website at* [*https://www.labor.ca.gov/promote-ownership-by-workers-for-economic-recovery-act-panel*](https://www.labor.ca.gov/promote-ownership-by-workers-for-economic-recovery-act-panel/)*.*

*Please continue to access the LWDA website for current and updated information.*



**AB 2849 Worker Ownership Study**

**Table of Contents**

**Panel Meeting**

**March 20, 2024**

PANEL MATTERS

December 20, 2023 Meeting Minutes

OTHER MATTERS

Meeting Location and Directions

**LABOR & WORKFORCE DEVELOPMENT AGENCY**

**AB 2849 Worker Ownership Study**

**Panel Meeting Minutes**

**December 20, 2023**

Video recording available at: [**https://www.youtube.com/watch?v=8ROAuILkcWA**](https://www.youtube.com/watch?v=8ROAuILkcWA)

**Open Session**

The AB 2849 Study Panel meeting convened at 3:00 p.m., December 20, 2023, with Chair Tara Lynn Gray presiding.

1. **Roll Call**

|  |  |  |
| --- | --- | --- |
| Members   | Present   | Absent   |
| Jessica Pitt, LWDA Assistant Secretary Healthcare Workforce   | X   |    |
| Tara Lynn Gray, GO-Biz Office of Small Business Advocate Director   | X   |    |
| Ra Criscitiello, SEIU UHW   | X   |    |
| Denise Tugade, SEIU UHW   | X   |    |
| Maria Salinas, Los Angeles Area Chamber of Commerce   | X   |    |

1. **Approval of the December 20, 2023 Meeting Agenda**

JPitt moved to approve; Second by RCriscitiello; Approved by all Panel members.

1. **Approval of the October 9, 2023 Meeting Minutes**

MSalina moved to approve; Second by D.Tugade; Approved by all Panel members.

1. **Summary of Public Comment – Study Plan**

Summary by J. Davey: The panel issued a Request for Public Comment seeking input on the draft AB 2849 Promote Worker Ownership Study Plan on November 15 with a request to submit comments by December 1, 2023.

The panel received 6 total public comments – 4 panel members and 2 members of the public.

All comments are provided in the December 20, 2023 Briefing Packet. To summarize:

1. There is general support for the study design.
2. There are two comments that suggest the study design places too much emphasis on ESOPS by including in literature review, use of existing survey data, and case study sample.
3. There is one strong recommendation to include a ‘cooperative conversion’ in the case study sample.
4. There are several comments to strengthen the focus on HOW the State can support the conversion/establishment/expansion of cooperatives and HOW the State can create higher impact for low wage workers through worker ownership.

1. **Decision on Instruction to PI**

Facilitation by J. Davey and J. Sturdy:

The public comments raised specific questions for the Panel’s consideration and decisions:

1. **Study Scope** – Some of the public comments recommend changes to the scope of the study, from minor changes that may be within the scope of the Study Plan to broader suggestions to alter the focus of the study (e.g., comment of Hilary Abell*).* Does the Panel require the Study Plan to reflect a different scope than the one defined in the SOW and Study Plan?

Summary of Panel Discussion and Decisions:

The existing Scope is stated as: The Panel and Study has the following guiding objective/scope: AB2849 **establishes a panel** to conduct a study regarding the creation of an **Association of Cooperative Labor Contractors** among other potential activitiesfor the purpose of facilitating the growth of democratically run high-road cooperative labor contractors. AB2849 requires the **study to consider specified issues, including how to promote tenets of democratic worker control and ensure that the association’s members offer high-road jobs.** AB2849 requires the panel, in preparing the study, to engage in a stakeholder process by which it consults with, at a minimum, organized labor, worker cooperatives, and business groups that can assess the opportunities and challenges associated with expanding workplace democracy.

In the December 2023 meeting, Panel members added two additional points to the Study Scope:

* Focus on how to support worker ownership models: The study must include a focus on how the State can support the conversion/establishment/expansion of cooperatives and how the State can create higher impact for low wage workers through worker ownership.
* Focus on demographics: The study must draw out any possible conclusions about how worker-owned entities may have disproportionately positive impacts not just for low-wage workers but for black workers and other workers whose wages have been historically suppressed. The Panel recognizes that any effort to examine results through the lens of gender, race and ethnicity, or other demographics will depend on sample sizes and may face potential limitations. The study must include this focus, and any limitations and suggestions for future study must be included in the Recommendations.

1. **Case Study – Requirements** – In the October 9, 2023 meeting, Panel members suggested focusing on care sectors for the Case Study sample, however no specific decision was made.

Summary of Panel Discussion and Decisions:

In the December 2023 meeting, the Panel provided the following decisions related to Case Study sample selection:

* **Sector** – The Panel confirmed the Case Study sample could be drawn from multiple low-wage sectors (Construction, Food service, Allied healthcare, etc).
* **ESOP -** If an ESOP is included, it must be 100% worker owned and must be in a low wage sector.
* **Conversion** - One case study must be a conversion.

M. Salinas moved to approve; Second by D. Tugade; Approved by all Panel members.

1. **Use of existing survey on ESOP** – One public comment (comment of panel member Jessica Pitt) raised concern on the inclusion of data analysis on existing surveys of ESOP (using available data to examine key topics). Does the panel approve or reject the use of the existing survey data given this existing survey data is only available for ESOPs?

The Panel moved to approved use of existing ESOP data to complement data gaps specific to cooperatives.

J. Pitt moves to approve; Second by M. Salinas; Approved by all Panel members.

1. **Panel approval of Case Study Sample and Study Plan** – *Final case study entities cannot be defined in the Study Plan because the study team still needs to confirm consent and participation of case study entity after the Study Plan is approved and the entities also have to consent to being publicly named or confirm they prefer their responses to remain confidential*. For example, the Study Team has already managed a relevant entity declining to participate in the Study. This is another reason to be respectful and waiting for any public statements regarding the Case Study entities until they consent to participate and consent to being publicly named. Does the Panel require that the study team provides them with a final list of 3, confirmed entities for approval before interviews can occur? Please note, this may have further implications on timing of the study and ability to meet June deadline.

The Panel agreed that the Study Team did not require Panel approval of Case Study Sample names if the Case Study Sample aligns with the rules discussed in Point 2.

D. Tugade moved to approve; M. Salinas seconded the motion to approve. Panel unanimously approves motion.

1. **Panel Meeting schedule and review/approval of Study Material**: If the Study Plan is approved, the Study Team recommends the following schedule for Panel meetings and updates.

|  |  |  |
| --- | --- | --- |
| Deliverable   | Public Review Date  | Panel Meeting Date  |
| Study SOW  | June 6, 2023  | June 13, 2023  |
| Contract Executed  | August 23, 2023  | N/A  |
| Initial Study Design public review  | September 9, 2023  | N/A  |
| Initial Study Design discussion  | September 29, 2023  | October 9, 2023  |
| Initial Study Plan, Initial Interview Forms, Initial Informed Consent, Case Studies (general)  | November 15, 2023  | N/A  |
| Initial Study Plan, Initial Interview Forms, Initial Informed Consent, Case Studies (general)  | December 8, 2023  | December 20, 2023  |
| Final Study Plan, Final Interview Forms, Final Informed Consent, Final Case Studies (general)  | January 2024  | N/A  |
| Study Status Update  | Early March 2024  | Mid March 2024  |
| Initial Study Results discussion  | Early April 2024  | Mid April 2024  |
| Initial Study Final Report presentation  | Mid May 2024  | End May 2024  |
| Final Report presentation   | Mid June 2024    | End June 2024  |

The Panel approved this schedule.

The Panel agreed that if the Study Plan can be updated to respond to decisions discussed during December 2023 meeting, then the Panel could delegate authority for approval of the Study Plan to Jennifer Sturdy, Deputy Secretary Evaluation and Jillien Davey, Research Data Specialist as Panel support staff within LWDA.

January meeting was removed from the schedule because staff is now granted authority to approve the Final Study Design Report on the Study Panel’s behalf. The next meeting will be scheduled for March 2023.

T.Gray moved to approve; J.Pitt seconded the motion to approve. Panel unanimously approves motion.

1. **Opportunity for Panel Members to Request Agenda Items for Future Panel Meetings**

None

1. **Public Comment on Non-Agenda Items**

None

1. **Adjournment.**

**LABOR & WORKFORCE DEVELOPMENT AGENCY**

**AB 2849 Worker Ownership Study**

**Panel Meeting In-Person Site Directions**

The AB 2849 Study Panel will meet on Wednesday, March 20, 2024 from 3:00-5:00pm PDT.

MCC Large Community Room - Ella K. McClatchy Library

2112 22nd St, Sacramento, CA 95818

Directions from Sacramento International Airport

* Take Hwy 5 South
* Exit on “X” Street in Sacramento.
* Continue on to “X” Street
* Turn Left on 22nd Street
* 2112 22nd St, Sacramento, CA 95818
1. See [SB 143 (Section 6)](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB143) [↑](#footnote-ref-2)