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SB-1422 Acquisition of goods and services: alternative contracting procedures: installation of carpet, resilient flooring, synthetic turf, and lighting fixtures: pilot. (2021-2022)



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## Senate Bill No. 1422

## CHAPTER 310

An act to add and repeal Section 10298.5 of the Public Contract Code, relating to public contracts.

[Approved by Governor September 13, 2022. Filed with Secretary of State September 13, 2022.]

## LEGISLATIVE COUNSEL'S DIGEST

SB 1422, Hertzberg. Acquisition of goods and services: alternative contracting procedures: installation of carpet, resilient flooring, synthetic turf, and lighting fixtures: pilot.

The State Contract Act governs state contracts for public works projects and, among other things, generally requires public notice of a project, the submission of bids, and the award of a contract to the lowest responsible bidder, as provided. Other existing law also establishes procedures for state agencies to enter into contracts for goods and services, including generally requiring that certain contracts by a state agency be approved by the Department of General Services.

Existing law authorizes the Department of General Services to consolidate the needs of multiple state agencies for goods, information technology, and services and establish agreements that leverage the state's buying power, as specified, for certain acquisitions. Existing law authorizes state and local agencies to contract with suppliers awarded those contracts without further competitive bidding.

This bill would authorize the Director of General Services to use these alternative no-bid contracting procedures for contracts for the installation or purchase and installation, of carpet, resilient flooring, synthetic turf, or lighting fixtures that will satisfy the bill's requirements. The bill, except as specified, would authorize state agencies and specified local agencies to contract with suppliers awarded those contracts, if the installation work is not performed in connection with new construction and the contractor complies with specified requirements relating to wages and labor. The bill would require a state or local agency that enters into a contract under these provisions to provide the Department of Industrial Relations with a specified notice of the contract. The bill would require the Department of Industrial Relations, no later than January 1, 2027, to submit to the appropriate policy and fiscal committees of the Legislature a prescribed report on the use of the procedures. The bill would repeal these provisions as of January 1, 2028.

Vote: majority Appropriation: no Fiscal Committee: yes Local Program: no

## THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

**SECTION 1.** The Legislature finds and declares that it would be beneficial to conduct a time-limited pilot project, to evaluate the optional use of the alternative contracting procedures in Section 10298 of the Public Contract Code for contracts for the installation, or for the purchase and installation, of carpet, resilient flooring, synthetic turf, or lighting fixtures, so long as labor standards protections are required.

- **10298.5.** (a) The director may use the procedures described in Section 10298 for contracts for the installation, and contracts for the purchase and installation, of carpet, resilient flooring, synthetic turf, or lighting fixtures that will satisfy the requirements of this section. Except as specified in subdivision (b), notwithstanding any other law requiring bidding on public works projects, as defined in Section 1101, state agencies and local agencies, including school districts and any other agency subject to the Local Agency Public Construction Act (Chapter 1 (commencing with Section 20100) of Part 3), may contract with suppliers awarded those contracts, if all of the following requirements are satisfied:
  - (1) The installation work is not performed in connection with new construction.
  - (2) The contractor provides an acknowledgment to the state or local agency that the installation is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.
  - (3) (A) Except as otherwise provided in subparagraph (B), the contractor provides the state or local agency with an enforceable commitment that a skilled and trained workforce, as defined in Section 2601, will be used to complete the installation work.
    - (B) This paragraph shall not apply if the state or local agency has entered into a project labor agreement, as defined in Section 2500, that requires all contractors and subcontractors performing the installation work to use a skilled and trained workforce and the contractor agrees to be bound by that project labor agreement.
- (b) A local agency shall not use the procedures authorized by this section for a contract with an award amount that exceeds the amount in an applicable requirement for the local agency to use a formal competitive bidding process for a contract that exceeds a specified amount.
- (c) (1) Any state or local agency that enters into a contract for installation, or for purchase or installation, pursuant to this section shall provide notice of that contract to the Department of Industrial Relations pursuant to Section 1773.3 of the Labor Code, regardless of the size of the contract.
  - (2) (A) Notwithstanding Section 10231.5 of the Government Code, no later than January 1, 2027, the Department of Industrial Relations shall submit to the appropriate policy and fiscal committees of the Legislature a report on the use of the procedures authorized by this section.
    - (B) The report shall include, but is not limited to, the following information:
      - (i) A description of the contracts awarded using the procedures authorized by this section, including the state or local agency that awarded the contract.
      - (ii) The contract award amounts.
      - (iii) The contractors awarded the contracts.
    - (C) The report submitted pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.
- (d) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.