

AMENDED IN ASSEMBLY MARCH 31, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

ASSEMBLY BILL

No. 2994

Introduced by Assembly Member Frommer

February 20, 2004

An act to amend Section ~~10115.5~~ 12405 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 2994, as amended, Frommer. Public contracts: ~~reports~~ preferences: forest products.

Existing law generally requires state agencies to comply with competitive bidding procedures in soliciting and evaluating bids for public works projects. Existing law authorizes bidding preferences for certain categories of business owners, including businesses owned by minorities, women, or military veterans.

Existing law also requires the Department of General Services, in consultation with the California Environmental Protection Agency, members of the public, industry, and public health and environmental organizations, to provide state agencies with information and assistance regarding environmentally preferable purchasing.

This bill would require any state agency that contracts for, or acquires, lumber or other solid wood products to give preference, if fiscally feasible, to lumber and other solid wood products that are harvested either from forests within this state or from a forest that is certified as being in compliance with environmentally responsible forest practices.

~~Existing law provides that state agencies are required to prepare and submit an annual report to the Legislature or the Governor specifying the level of participation by minority, women, and disabled veteran business enterprises in specified categories of public contracts.~~

~~This bill would require state agencies to include in that report the level of participation by minority, women, and disabled veteran business enterprises in contracts for personnel services provided to state veteran’s homes and hospitals.~~

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1.—Section 10115.5 of the Public Contract Code is~~
 2 *SECTION 1. The Legislature finds and declares all of the*
 3 *following:*
 4 *(a) It is a priority in California to protect the wildlife, rivers,*
 5 *streams and soil that make up its rich forest ecosystems covering*
 6 *approximately 40 percent of the state’s entire land area where less*
 7 *than one-half of that area is available for timber harvesting.*
 8 *(b) Laws and regulations governing forestry in California have*
 9 *been adopted to achieve the highest environmental standards*
 10 *nationally and internationally for sustainable forestry.*
 11 *(c) California’s significant forest resources and environmental*
 12 *laws and regulations have provided high quality jobs in rural*
 13 *communities.*
 14 *(d) Currently, approximately 70 percent of California’s timber*
 15 *products must be imported to meet the demand of the state’s*
 16 *population of 35 million people. California’s population is*
 17 *projected to increase to 49 million people by 2025, further*
 18 *intensifying our consumption and demand for timber products*
 19 *from abroad.*
 20 *(e) Importing and exporting goods is part of a healthy economy*
 21 *and has contributed to the diverse economic base of California.*
 22 *However, to meet California’s increasing demand for forest*
 23 *products massive destruction of native forests in other countries,*
 24 *such as New Zealand, Chile, and Canada, has devastated some of*
 25 *the world’s most unique and biologically diverse forests, resulting*
 26 *in a negative impact to the global environment.*



1 (f) *Most of the imported lumber California uses comes from*
2 *Canada, which is the home to one-third of the earth's ecologically*
3 *diverse boreal forest that plays a critical role in regulating the*
4 *earth's climate, thereby protecting it from global warming. Of the*
5 *2.5 million acres of Canadian forests harvested each year,*
6 *two-thirds are old-growth forests where harvesting methods rarely*
7 *meet California's forestry standards. In addition, British*
8 *Columbia recently deregulated its forest practice regulations by*
9 *more than 50 percent, removing an unprecedented amount of*
10 *community control over public resources.*

11 (g) *When fiscally feasible and when the market place allows,*
12 *the State of California has a responsibility to purchase either*
13 *California grown forest products or forest products that are*
14 *certified as being in compliance with environmentally responsible*
15 *forest practices.*

16 SEC. 2. *Section 12405 is added to the Public Contract Code,*
17 *to read:*

18 12405. (a) *Notwithstanding Section 4331 of the Government*
19 *Code, any state agency, as used in Section 10115.1, that contracts*
20 *for, or acquires, lumber or other solid wood products, shall, if*
21 *fiscally feasible, give preference to lumber and other solid wood*
22 *products that are harvested either from forests within this state or*
23 *from forests that are certified by an independent environmental*
24 *forest certification program as being in compliance with*
25 *environmentally responsible forest practices.*

26 (b) *In determining the fiscal feasibility of a contract for, or the*
27 *acquisition of, lumber or other solid wood products, the*
28 *purchasing state agency shall consider the total cost, quantity, and*
29 *quality of the lumber or solid wood product proposed to be*
30 *acquired and the existing policies and budgetary constraints, if*
31 *any, of that state agency.*

32 ~~amended to read:~~

33 ~~10115.5. (a) Notwithstanding Section 7550.5 of the~~
34 ~~Government Code, on January 1 of each year, each awarding~~
35 ~~department shall report to the Governor and the Legislature on the~~
36 ~~level of participation by minority, women, and disabled veteran~~
37 ~~business enterprises in contracts as identified in this article for the~~
38 ~~fiscal year beginning July 1 and ending June 30. In addition, the~~
39 ~~report shall contain the levels of participation by minority, women,~~



- 1 ~~and disabled veteran business enterprises for the following~~
2 ~~categories of contracts:~~
- 3 ~~(1) Construction.~~
 - 4 ~~(2) Purchases of materials, supplies, and equipment.~~
 - 5 ~~(3) Professional services.~~
 - 6 ~~(4) Personnel services provided to state veteran's homes and~~
7 ~~hospitals.~~
 - 8 ~~(5) All contracts for a dollar amount of less than twenty-five~~
9 ~~thousand dollars (\$25,000).~~
- 10 ~~(b) If the established goals are not being met, the awarding~~
11 ~~department shall report the reasons for its inability to achieve the~~
12 ~~standards and identify remedial steps it shall take.~~

