

AMENDED IN ASSEMBLY MARCH 29, 2005

CALIFORNIA LEGISLATURE—2005—06 REGULAR SESSION

ASSEMBLY BILL

No. 524

Introduced by Assembly Member Chan

February 16, 2005

An act to add Section 10170 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 524, as amended, Chan. Public contracts: offshore jobs.

The State Contract Act authorizes the Department of General Services, or any other department with authority to enter into contracts, to require prospective bidders of state contracts to complete a questionnaire and financial statement regarding the prospective bidder's financial ability and experience in performing public works contracts.

This bill would require the department, *when any portion of a public contract will be performed by subcontractors or employees outside of the United States*, to require from all prospective *and successful* bidders the completion of a standard form of questionnaire including a complete ~~statement~~ *on description of any or all portions of the contract that will be performed by subcontractors or employees outside of the United States and the percentage of the entire contract that the work to be performed outside of the United States represents. The bill would require the department to reject the bid of any prospective bidder, or terminate the existing contract of any contractor, who fails to complete the questionnaire. The bill would impose specified penalties on contractors who fail to comply with the bill's provisions.*

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 10170 is added to the Public Contract
2 Code, to read:
3 10170. ~~The~~*(a) When any portion of a public contract will be*
4 *performed by subcontractors or employees outside of the United*
5 *States, the department shall require from all prospective and*
6 *successful bidders the completion of a standard form of*
7 *questionnaire ~~including a complete statement on that includes a~~*
8 *complete description of any or all portions of the contract that*
9 *will be performed by subcontractors or employees outside of the*
10 *United States and the percentage of the total contract that*
11 *represents the work to be performed outside of the United States.*
12 *(b) The department shall reject the bid of any prospective*
13 *bidder who fails to complete the questionnaire required by*
14 *subdivision (a).*
15 *(c) An awarded contract shall be terminated if the contractor*
16 *fails to complete the questionnaire required by subdivision (a).*
17 *Upon termination of the contract for noncompliance with*
18 *subdivision (a), the contractor shall forfeit penalties to the*
19 *department in an amount equal to the amount paid by the*
20 *department for the percentage of the total contract that*
21 *represents work that was performed by subcontractors or*
22 *employees outside the United States.*

O