

AMENDED IN ASSEMBLY APRIL 8, 2008
AMENDED IN ASSEMBLY MARCH 28, 2008
CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 2037

Introduced by Assembly Member Portantino

February 15, 2008

An act to amend Sections 10500, 10504.5, and 10505 of the Public Contract Code, relating to the University of California. An act to add Section 89528.5 to the Education Code, relating to the California State University.

LEGISLATIVE COUNSEL'S DIGEST

AB 2037, as amended, Portantino. ~~University of California: bidding requirements. California State University: prevailing wage law study.~~

Existing law establishes the California State University and provides for its administration by the Trustees of the California State University. Existing law requires the trustees to adopt rules and regulations not inconsistent with the laws of this state for the government of the trustees, their appointees and employees, and the California State University.

This bill would, require the Office of the Legislative Analyst to complete a study on or before July 1, 2009, of the compliance by California State University's compliance with current prevailing wage laws.

~~(1) Existing law requires the Regents of the University of California, except as specified, to let any contract for a project to the lowest responsible bidder. That law provides that a "project" includes the construction or other improvement of any University of California structure that will cost more than \$50,000.~~

~~This bill would raise the threshold for the competitive bidding requirements from \$50,000 to \$100,000.~~

~~(2) Existing law provides that where the nature of the work, in the opinion of the Regents of the University of California, is such that the application of specified provisions of law relating to competitive bidding is not required and the cost of the project does not exceed \$100,000, the regents shall award the work to the lowest responsible bidder or reject all bids.~~

~~This bill would instead provide that competitive bidding requirements do not apply, if in the opinion of the regents, the cost does not exceed the value of a minor capital outlay project for which the services of the Department of General Services are not required and a state agency or department is authorized to carry out its own project.~~

~~(3) Existing law authorizes the Regents of the University of California to perform projects placement for the construction or improvement of experimental, diagnostic, or specialized research equipment with a value not exceeding \$50,000 with university employees if the regents deem that the award of a contract or acceptance of bids is not in the best interests of the university. These provisions do not apply to the painting of a building or improvement if the value of the painting exceeds \$25,000.~~

~~This bill would raise the threshold for the authorization to use university employees from \$50,000 to \$100,000 and the threshold for the exclusion from the authorization for painting from \$25,000 to \$100,000.~~

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 89528.5 is added to the Education Code,
- 2 to read:
- 3 89528.5. On or before July 1, 2009, the Office of the Legislative
- 4 Analyst shall complete a study of the compliance by California
- 5 State University with the prevailing wage laws.
- 6 SECTION 1. ~~Section 10500 of the Public Contract Code is~~
- 7 amended to read:
- 8 10500. As used in this article, "project" includes the erection,
- 9 construction, alteration, repair, or improvement of any University
- 10 of California structure, building, road, or other improvement that

1 will exceed in cost, including labor and materials, a total of one
2 hundred thousand dollars (\$100,000).

3 ~~SEC. 2. Section 10504.5 of the Public Contract Code is~~
4 ~~amended to read:~~

5 ~~10504.5. Where the nature of the work, in the opinion of the~~
6 ~~regents, is such that the application of all of the provisions of this~~
7 ~~chapter in connection with that work is not required, and the cost~~
8 ~~of the project does not exceed the value of a minor capital outlay~~
9 ~~project for which, pursuant to Section 10108, the services of the~~
10 ~~Department of General Services are not required and a state agency~~
11 ~~or department is authorized to carry out its own project, the regents~~
12 ~~shall solicit bids in writing and shall award the work to the lowest~~
13 ~~responsible bidder or reject all bids.~~

14 ~~SEC. 3. Section 10505 of the Public Contract Code is amended~~
15 ~~to read:~~

16 ~~10505. (a) The Regents of the University of California may~~
17 ~~perform work on a project with university employees if the regents~~
18 ~~deem that the award of a contract, the acceptance of bids, or the~~
19 ~~acceptance of further bids is not in the best interests of the~~
20 ~~university, under either of the following circumstances:~~

21 ~~(1) The value of the work to be so performed shall not exceed~~
22 ~~one hundred thousand dollars (\$100,000).~~

23 ~~(2) The project is for the erection, construction, alteration, repair,~~
24 ~~or improvement of experimental, diagnostic, or specialized research~~
25 ~~equipment.~~

26 ~~(b) This section does not apply to the painting or repainting of~~
27 ~~a structure, building, road, or improvement of any kind if the value~~
28 ~~of the painting or repainting work exceeds one hundred thousand~~
29 ~~dollars (\$100,000).~~