

ASSEMBLY BILL

No. 20

Introduced by Assembly Member Solorio

December 1, 2008

An act to add Article 6 (commencing with Section 92060) to Chapter 1 of Part 57 of Division 9 of Title 3 of the Education Code, relating to the University of California.

LEGISLATIVE COUNSEL'S DIGEST

AB 20, as introduced, Solorio. University of California: contracts.

Existing law establishes the University of California as a public trust administered by the Regents of the University of California. Employees of the university provide instruction to students and conduct research at each of the 10 campuses of the university, which are located in Berkeley, Davis, Irvine, Los Angeles, Merced, Riverside, San Diego, San Francisco, Santa Barbara, and Santa Cruz.

This bill would urge the regents, and require the Department of General Services, to establish a model contract with standard contract provisions. The bill would define the term contract to mean a research, training, or service agreement between the state and the university, or a grant from the state to the university for research, training, or service. The bill would require that, to the extent feasible, these standard contract provisions include, but not necessarily be limited to, provisions relating to specified legal issues. The bill would require that any and all standard provisions in the model contract agreed upon under the bill be used in contracts entered into between the university and the state, unless either of the contracting parties determines that a specific standard contract provision is inappropriate for a specific contract. The bill would authorize the Department of General Services to use the services of any

state agency, defined to include every state office, officer, department, division, bureau, board, and commission, in implementing the bill.

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. Article 6 (commencing with Section 92060) is
2 added to Chapter 1 of Part 57 of Division 9 of Title 3 of the
3 Education Code, to read:

4
5 Article 6. Contracts
6

7 92060. For the purposes of this article, “contract” means a
8 research, training, or service agreement between the state and the
9 University of California or a grant from the state to the University
10 of California for research, training, or service.

11 92060.5. The Legislature finds and declares all of the following:

12 (a) The University of California is the state’s premier public
13 university.

14 (b) The university receives about \$3 billion from the state
15 General Fund each year.

16 (c) In the 2006–07 fiscal year, state agencies and departments
17 entered into a total of 1,266 contracts or contract amendments with
18 the university.

19 (d) Many of these contracts contain similar provisions, such as
20 provisions dealing with issues relating to liability, intellectual
21 property, the right to undertake additional research, the right to
22 publish, hiring, personnel, invoicing, and payments.

23 (e) The provisions of each contract or contract amendment are
24 typically negotiated between attorneys representing the state
25 agencies and departments and attorneys representing the university.

26 (f) The drafting of many of these contracts takes six months to
27 a year, and, in many cases, the state is paying for both sides of the
28 contract negotiations.

29 (g) It would be more cost effective and efficient if the state and
30 the university would establish standardized “boilerplate” provisions
31 that would apply to all contracts between the state and the
32 university, allowing for variations only in unusual situations.

1 (h) The federal government has established the Federal
2 Demonstration Partnership, which provides for uniform contracting
3 provisions.

4 92061. (a) The regents are urged to, and the Department of
5 General Services, acting for the state, shall, establish a model
6 contract with standard contract provisions. The Department of
7 General Services shall seek the active participation of state agencies
8 and departments that have contracts with the university. The model
9 contract may be revised in a manner determined by the university
10 and the Department of General Services. To the extent feasible,
11 these standard contract provisions shall include, but not necessarily
12 be limited to, provisions relating to all of the following:

- 13 (1) Liability.
- 14 (2) Intellectual property.
- 15 (3) The right to undertake additional research.
- 16 (4) The right to publish.
- 17 (5) Hiring and other personnel-related matters.
- 18 (6) Invoicing.
- 19 (7) Payments.
- 20 (8) Dispute resolution.
- 21 (9) Travel.
- 22 (10) Termination.
- 23 (11) Administrative overhead and indirect costs.

24 (b) Any and all standard provisions in the model contract agreed
25 upon pursuant to subdivision (a) shall be used in contracts entered
26 into between the university and the state, unless either of the
27 contracting parties determines that a specified standard contract
28 provision is inappropriate for a specified contract.

29 (c) In implementing this section, the Department of General
30 Services may use the services of any state agency, as that term is
31 defined in Section 11000 of the Government Code.

32 (d) The Department of General Services and the university may
33 determine those types of contracts for which the use of the model
34 contract would be inappropriate.

35 (e) It is not the intent of the Legislature that the model contract
36 provisions waive the requirements of the law.

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