

AMENDED IN ASSEMBLY APRIL 29, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 1364

Introduced by Assembly Member Evans
(Principal coauthor: Senator Florez)

February 27, 2009

An act to add Section 16482 to the Government Code, relating to public contracts, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1364, as amended, Evans. Public contracts: *state bonds: grant agreements*.

Existing law permits the modification of contracts by state agencies in specified instances.

This bill would provide that, notwithstanding any other provision of law, any state agency that has entered into a ~~contract~~ *grant agreement for the expenditure of state bond funds* where the *state agency or grant recipient* has or may be unable to comply with the terms of that ~~contract agreement~~ because of the suspension of programs by the Pooled Money Investment Board as described in California Department of Finance Budget Letter 08-33 shall, *with the consent of the grant recipient*, have *the authority to amend the terms of the contract to address contract either renegotiate the deadlines and timetables for and deliverables within the grant agreement* that may not be met because of that suspension *in order to preserve the validity of the agreement or to invalidate the grant agreement*.

This bill would declare that it would take effect immediately as an urgency statute.

Vote: 2/3. 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 16482 is added to the Government Code,
2 to read:

3 16482. Notwithstanding any other provision of law, any state
4 agency that has entered into a grant agreement for the expenditure
5 of state bond funds where the state agency or grant recipient has
6 or may be unable to comply with the terms of that agreement
7 because of the suspension of programs by the Pooled Money
8 Investment Board as described in California Department of
9 Finance Budget Letter 08-33 shall, with the consent of the grant
10 recipient, have authority to do either of the following:

11 (a) Renegotiate the deadlines and timetables for deliverables
12 within the grant agreement that may not be met because of the
13 suspension in order to preserve the validity of the agreement.

14 (b) Invalidate the grant agreement.

15 ~~SECTION 1. Notwithstanding any other provision of law, any~~
16 ~~state agency that has entered into a contract where the agency has~~
17 ~~or may be unable to comply with the terms of that contract because~~
18 ~~of the suspension of programs by the Pooled Money Investment~~
19 ~~Board as described in California Department of Finance Budget~~
20 ~~Letter 08-33 shall have authority to amend the terms of the contract~~
21 ~~to address contract deadlines and deliverables that may not be met~~
22 ~~because of that suspension.~~

23 SEC. 2. This act is an urgency statute necessary for the
24 immediate preservation of the public peace, health, or safety within
25 the meaning of Article IV of the Constitution and shall go into
26 immediate effect. The facts constituting the necessity are:

27 In order to permit state agencies to take immediate action to
28 make needed revisions to ~~contracts~~ *agreements*, it is necessary for
29 this act to take effect immediately.