

AMENDED IN SENATE AUGUST 18, 2014

AMENDED IN ASSEMBLY MAY 7, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1586**

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**Introduced by Assembly Member Holden  
(Principal coauthor: Assembly Member Brown)**

February 3, 2014

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An act to amend Section 10353 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1586, as amended, Holden. Public contracts: hiring: priority consideration.

Existing law requires that specified contracts, in an amount that exceeds \$200,000, entered into by any state agency for services contain a provision requiring the contractor to give priority consideration in filling vacancies in positions funded by the contract to qualified recipients of CalWORKs aid.

This bill would also require the contract provision to include priority consideration, as defined, for qualified job applicants who are receiving or have exhausted entitlement to unemployment insurance benefits, and residents of a targeted employment area, as defined.

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 10353 of the Public Contract Code is  
2 amended to read:

3 10353. (a) (1) A contract in an amount in excess of two  
4 hundred thousand dollars (\$200,000) that is governed by the  
5 provisions of this part shall contain a provision requiring the  
6 contractor to give priority consideration in filling vacancies in  
7 positions funded by the contract to qualified job applicants who  
8 are one or more of the following:

9 (A) Recipients of aid under Chapter 2 (commencing with Section  
10 11200) of Part 3 of Division 9 of the Welfare and Institutions Code,  
11 in accordance with Article 3.9 (commencing with Section 11349)  
12 of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions  
13 Code.

14 (B) Receiving or have exhausted entitlement to unemployment  
15 insurance benefits.

16 (C) Residents of a targeted employment area, as defined in  
17 former Section 7072 of the Government Code as in effect on  
18 December 31, 2013.

19 (2) “Priority consideration” means that a contractor shall ~~hire~~  
20 *consider* all qualified job applicants, as determined by the  
21 employer, who meet one or more of the criteria specified in  
22 subparagraphs (A) to (C), inclusive, of paragraph (1) and who  
23 apply within five working days of the listing of the job opening  
24 with the Employment Development ~~Department, before hiring any~~  
25 ~~other applicant~~ *Department*.

26 (b) This section and Article 3.9 (commencing with Section  
27 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and  
28 Institutions Code shall not be applicable to any contracts for a  
29 project as defined in Section 10105.

30 (c) This section and Article 3.9 (commencing with Section  
31 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and  
32 Institutions Code shall not be construed so as to do any of the  
33 following:

34 (1) Interfere with or create a violation of the terms of valid  
35 collective bargaining agreements.

36 (2) Require the contractor to hire an unqualified recipient of  
37 aid.

1 (3) Interfere with, or create a violation of, any federal affirmative  
2 action obligation of a contractor for hiring disabled veterans or  
3 veterans of the Vietnam era.

4 (4) Interfere with, or create a violation of, the requirements of  
5 Section 12990 of the Government Code.

6 (d) If waivers are deemed necessary to implement this section  
7 and Article 3.9 (commencing with Section 11349) of Chapter 2 of  
8 Part 3 of Division 9 of the Welfare and Institutions Code, and if  
9 the State Department of Social Services has not obtained these  
10 waivers from the federal government by March 1, 1985, the  
11 department shall report on the barriers to the waivers and the  
12 expected date of waiver approval.

13 (e) This section is not applicable to consulting services contracts.

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