

ASSEMBLY BILL

No. 2728

Introduced by Assembly Member Perea

February 21, 2014

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

LEGISLATIVE COUNSEL'S DIGEST

AB 2728, as introduced, Perea. Public contracts: public works: bids.

The State Contract Act provides a bidding process for public works projects, including the erection, construction, alteration, repair, or improvement of any state structure, building, road, or other state improvement of any kind that will exceed a total cost calculated, as provided, and generally requires a contract to be awarded based on best value or lowest responsible bid.

This bill would revise the calculation of the bid price, by excluding from that price, amounts equal to the sum of sales tax reimbursement and use tax.

Vote: majority. Appropriation: no. Fiscal committee: no.
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. For purposes of awarding a contract to the lowest
- 4 responsible bidder under this chapter, the bid price shall be reduced
- 5 by the amount equal to the sum of sales tax reimbursement and

- 1 use tax imposed by Part 1 (commencing with Section 6001) of
- 2 Division 2 of the Revenue and Taxation Code.

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