

**Senate Bill No. 975**

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Passed the Senate August 28, 2014

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*Secretary of the Senate*

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Passed the Assembly August 27, 2014

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*Chief Clerk of the Assembly*

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This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014, at \_\_\_\_\_ o'clock \_\_\_\_M.

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*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to add Section 19138.1 to the Government Code, relating to personal services contracts.

## LEGISLATIVE COUNSEL'S DIGEST

SB 975, Lieu. Personal services contracts: legal compliance.

The California Constitution establishes that the civil service includes every officer and employee of the state, except as otherwise provided in the California Constitution, and requires civil service appointment to be made under a general system based on merit ascertained by competitive examination.

The State Civil Service Act establishes standards for the use of personal services contracts by state agencies, consistent with those provisions of the California Constitution relating to civil service, and authorizes personal services contracts when prescribed conditions are met.

The State Contract Act requires an applicable state department to require a prospective bidder on a public works project to answer questions inquiring whether, and if so, to explain the circumstances under which the prospective bidder has ever been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local government project because of a violation of law or a safety regulation. Existing law requires the questionnaire to be completed under the penalty of perjury. Existing law authorizes the department to reject the bid of a bidder who has been disqualified, removed, or otherwise prevented from bidding on, or completing a federal, state, or local project because of a violation of law or a safety regulation.

Existing law requires a competitive bidding process for certain contracts, including amendments, entered into by any state agency for services to be rendered to the state, whether or not the services involve the furnishing or use of equipment, materials, or supplies, or are performed by an independent contractor.

This bill would require every bidder for a personal services contract to complete, under the penalty of perjury, a standard questionnaire inquiring whether the bidder has ever violated state tax law or laws and regulations relating to health and safety, labor

and employment, and licensing relevant to the bidder's employees, worksite, bid, and contract, and if so, requiring an explanation of the violation. The bill would prohibit the award of a personal services contract to a bidder who does not complete the required questionnaire. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

*The people of the State of California do enact as follows:*

SECTION 1. Section 19138.1 is added to the Government Code, to read:

19138.1. (a) Every bidder for a personal services contract entered into pursuant to Section 19130 shall complete, under penalty of perjury, a standard form of questionnaire inquiring whether the bidder has ever violated state tax law or laws and regulations relating to health and safety, labor and employment, or the licensing of the contractor's employees, worksite, bid, and contract, and if so, requiring the bidder to explain the circumstances of that violation.

(b) A personal services contract shall not be awarded to a bidder who does not complete the questionnaire required by this section.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

Approved \_\_\_\_\_, 2014

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*Governor*