

ASSEMBLY BILL

No. 852

**Introduced by Assembly Member Burke
(Coauthors: Assembly Members Roger Hernández and McCarty)**

February 26, 2015

An act to add Section 1720.7 to the Labor Code, relating to public works.

LEGISLATIVE COUNSEL'S DIGEST

AB 852, as introduced, Burke. Public works: prevailing wages.

Existing law defines “public works,” for the purposes of regulating public works contracts, as, among other things, construction, alteration, demolition, installation, or repair work done under contract and paid for, in whole or in part, out of public funds. Existing law further requires that, except as specified, not less than the general prevailing rate of per diem wages be paid to workers employed on public works and imposes misdemeanor penalties for a violation of this requirement.

This bill would expand the definition of “public works,” for the purposes of provisions relating to the prevailing rate of per diem wages, to also include any construction, alteration, demolition, installation, or repair work done under private contract on a hospital or health care facility project when the project is paid for, in whole or in part, with the proceeds of conduit revenue bonds, as defined, that were issued on or after January 1, 2016.

Because the violation of prevailing wage requirements when engaged in these public works projects would result in the imposition of misdemeanor penalties, this 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.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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

1 SECTION 1. Section 1720.7 is added to the Labor Code, to
2 read:

3 1720.7. For the limited purposes of Article 2 (commencing
4 with Section 1770) of this chapter, “public works” also means any
5 construction, alteration, demolition, installation, or repair work
6 done under private contract on a hospital or health care facility
7 project when the project is paid for, in whole or in part, with the
8 proceeds of conduit revenue bonds, as defined in Section 5870 of
9 the Government Code, issued on or after January 1, 2016, by a
10 public agency.

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