

AMENDED IN SENATE JUNE 15, 2015

AMENDED IN ASSEMBLY APRIL 6, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 852**

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**Introduced by Assembly Member Burke**  
**(Coauthors: Assembly Members ~~Roger Hernández~~ Dodd, Gonzalez,**  
**Roger Hernández, and McCarty)**

February 26, 2015

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

LEGISLATIVE COUNSEL'S DIGEST

AB 852, as amended, 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 *willful* 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 *project for a general acute care hospital*, ~~as defined~~, *except on a project for a rural general acute care hospital with a maximum of 76 beds*, 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 *willful* 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 *project for a* general acute care  
7 ~~hospital~~ *hospital, except on a project for a rural general acute*  
8 *care hospital with a maximum of 76 beds*, when the project is paid  
9 for, in whole or in part, with the proceeds of conduit revenue bonds,  
10 as defined in Section 5870 of the Government Code, issued on or  
11 after January 1, 2016, by a public agency. For purposes of this  
12 section, “general acute care hospital” ~~has and~~ “*rural general acute*  
13 *care hospital*” *have* the same meaning as *each term is* defined in  
14 subdivision (a) of Section 1250 of the Health and Safety Code.

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

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