

SENATE BILL

No. 9

Introduced by Senator Moorlach
(Coauthors: Senators Anderson, Bates, Fuller, Huff, Nielsen,
Runner, Stone, and Vidak)

July 16, 2015

An act to add Section 14009 to, and to add Article 2.6 (commencing with Section 14140) to Chapter 2 of Part 5 of Division 3 of Title 2 of, the Government Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

SB 9, as introduced, Moorlach. Department of Transportation.

(1) Existing law creates the Department of Transportation with various powers and duties relative to the state highway system and other transportation programs.

This bill would prohibit the department from using any nonrecurring funds, including, but not limited to, loan repayments, bond funds, or grant funds, to pay the salaries or benefits of any permanent civil service position within the department.

(2) Article XXII of the California Constitution grants to the State of California and all other governmental entities the choice and authority to contract with qualified private entities for architectural and engineering services for all public works of improvement.

This bill would require the Department of Transportation to contract with qualified private entities for architectural and engineering services with respect to public works of improvement undertaken by the department, with a minimum of 15% of the total annual value of these services to be contracted to qualified private entities beginning on July 1, 2016, and increasing each year to a minimum of 50% by July 1, 2023.

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. The Legislature finds and declares all of the
2 following:
3 (a) Over the next 10 years, the state faces a \$59 billion shortfall
4 to adequately maintain the state highway system in a basic state
5 of good repair.
6 (b) The 21st Annual Highway Report by the Reason Foundation,
7 published in September 2014, found the following:
8 (1) California has 50,462 lane miles of highways under the
9 administration of the Department of Transportation (Caltrans).
10 (2) Overall, California spent \$501,136 per state mile of highway,
11 more than three times the national average, yet California’s state
12 highway system ranks 45th in overall performance and cost
13 effectiveness.
14 (3) California spent \$102,889 per state mile of highway
15 specifically on maintenance, nearly four times the national average.
16 (4) California spent \$48,754 per state mile of highway
17 specifically on administration, more than four times the national
18 average.
19 (c) Proposition 35, approved by voters in 2000, allows Caltrans,
20 without limitation, to contract for architectural and engineering
21 work. Currently, Caltrans only contracts for 10 percent of this
22 work, while 90 percent is completed by permanent state staff,
23 resulting in an inability to adjust staffing levels as workload
24 fluctuates.
25 (d) Hiring permanent state staff with limited-term or one-time
26 funding is fiscally imprudent and leads to structural funding
27 deficiencies.
28 (e) According to the Legislative Analyst’s Office, in the Capital
29 Outlay Support Program Review report issued in May 2014, the
30 Capital Outlay Support Program is overstaffed by approximately
31 3,500 full-time equivalent positions, at a cost of more than \$500
32 million annually.
33 SEC. 2. Section 14009 is added to the Government Code, to
34 read:

1 14009. The department may not use any nonrecurring funds,
2 including, but not limited to, loan repayments, bond funds, or grant
3 funds, to pay the salaries or benefits of any permanent civil service
4 position within the department.

5 SEC. 3. Article 2.6 (commencing with Section 14140) is added
6 to Chapter 2 of Part 5 of Division 3 of Title 2 of the Government
7 Code, to read:

8
9 Article 2.6. Architectural and Engineering Services

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11 14140. The department shall implement Article XXII of the
12 California Constitution by contracting with qualified private entities
13 for architectural and engineering services, as defined in Section
14 4529.10, with respect to public works of improvement undertaken
15 by the department, as follows:

16 (a) A minimum of 15 percent of the total annual value of
17 architectural and engineering services required by the department
18 shall be contracted to qualified private entities for the fiscal year
19 beginning on July 1, 2016.

20 (b) A minimum of 20 percent of the total annual value of
21 architectural and engineering services required by the department
22 shall be contracted to qualified private entities for the fiscal year
23 beginning on July 1, 2017.

24 (c) A minimum of 25 percent of the total annual value of
25 architectural and engineering services required by the department
26 shall be contracted to qualified private entities for the fiscal year
27 beginning on July 1, 2018.

28 (d) A minimum of 30 percent of the total annual value of
29 architectural and engineering services required by the department
30 shall be contracted to qualified private entities for the fiscal year
31 beginning on July 1, 2019.

32 (e) A minimum of 35 percent of the total annual value of
33 architectural and engineering services required by the department
34 shall be contracted to qualified private entities for the fiscal year
35 beginning on July 1, 2020.

36 (f) A minimum of 40 percent of the total annual value of
37 architectural and engineering services required by the department
38 shall be contracted to qualified private entities for the fiscal year
39 beginning on July 1, 2021.

1 (g) A minimum of 45 percent of the total annual value of
2 architectural and engineering services required by the department
3 shall be contracted to qualified private entities for the fiscal year
4 beginning on July 1, 2022.

5 (h) A minimum of 50 percent of the total annual value of
6 architectural and engineering services required by the department
7 shall be contracted to qualified private entities for the fiscal year
8 beginning on July 1, 2023, and in subsequent fiscal years.

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