

Senate Bill No. 957

Passed the Senate May 12, 2016

Secretary of the Senate

Passed the Assembly August 11, 2016

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 32132.5 of the Health and Safety Code, relating to health care districts.

LEGISLATIVE COUNSEL'S DIGEST

SB 957, Hueso. Health care districts: design-build process.

Existing law authorizes the Sonoma Valley Health Care District and, until January 1, 2025, the Marin Healthcare District, to use the design-build process when contracting for the construction of a building or improvements directly related to a hospital or health facility building at the Sonoma Valley Hospital or the Marin General Hospital. Existing law sets forth the procurement process for design-build projects, as specified, and requires specified information by submitted design-build entities to be verified under penalty of perjury.

This bill would instead authorize, until January 1, 2025, any health care district to use the design-build process when contracting for the construction of a hospital or health facility building. Because the bill would expand the application of the procurement process to additional design-build entities, the bill would expand the crime of perjury, thereby imposing 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. The Legislature finds and declares all of the following:

(a) Utilizing a design-build contract requires a clear understanding of the roles and responsibilities of each participant in the process.

(b) Cost benefits for health care districts are achieved by shifting liability and risk for cost containment and project completion to the design-build entity.

(c) It is the intent of the Legislature that the design-build process be used by health care districts solely for buildings associated with hospitals and health care facilities, including clinics and skilled nursing facilities, and not for other infrastructure, including, but not limited to, streets, highways, public rail transit, roads, bridges, other water resources facilities, and related infrastructure.

SEC. 2. Section 32132.5 of the Health and Safety Code, as amended by Section 4 of Chapter 931 of the Statutes of 2014, is amended to read:

32132.5. (a) Notwithstanding Section 32132 or any other law, upon approval by its board of directors, a health care district may use the design-build procedure described in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code to assign contracts for the construction of a building or improvements directly related to construction of a hospital or health facility building.

(b) For purposes of this section, except where the context otherwise requires, all references in Chapter 4 (commencing with Section 22160) of Part 3 of Division 2 of the Public Contract Code to “local agency” shall mean a health care district that owns or operates a hospital or clinic and its board of directors.

(c) A hospital building project utilizing the design-build process authorized by subdivision (a) shall be reviewed and inspected in accordance with the standards and requirements of the Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 (Chapter 1 (commencing with Section 129675) of Part 7 of Division 107).

(d) Except as provided in this section, this section shall not be construed to affect the application of any other law.

(e) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 3. 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 _____, 2016

Governor