

AMENDED IN ASSEMBLY JUNE 1, 2009  
AMENDED IN ASSEMBLY MARCH 31, 2009  
CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 756**

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**Introduced by Assembly Members Eng and Lieu**

February 26, 2009

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An act to add Section 10111.5 to the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 756, as amended, Eng. Public contracts: reports.

Existing law governing contracting between state agencies and private contractors sets forth requirements for the procurement of supplies, materials, equipment, and services by state agencies and sets forth the various responsibilities of the Department of General Services and other state agencies in overseeing and implementing state contracting procedures and policies.

This bill would require state agencies to prepare an annual report, available on each agency's Internet Web site, regarding personal services and consulting services contracts, as defined, entered into by the agency and to electronically transmit that report to the Department of Finance and to the Legislature, as provided.

This bill would require contractors to electronically provide specified information to assist the state agency in the preparation of its annual report of personal services and consulting services contracts. This bill would make contractors who fail to provide this information ineligible for any ~~future~~ *additional* personal services or consulting services

contracts, and would cease payment for any ongoing contracts, until the information is provided.

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. Section 10111.5 is added to the Public Contract
- 2 Code, to read:
- 3 10111.5. (a) Each state agency shall annually prepare a report
- 4 that includes a list of the personal services and consulting services
- 5 contracts that it entered into during the previous fiscal year. The
- 6 report shall be available on each agency's Internet Web site. The
- 7 report shall be organized to ensure transparency. The listing shall
- 8 include, but is not limited to, the following information:
- 9 (1) The name and identification number of each contractor.
- 10 (2) The statutory basis for the authorization of each contract,
- 11 including, if relevant, any applicable condition permitting personal
- 12 services contracts provided by Section 19130 of the Government
- 13 Code.
- 14 (3) The duration of each contract.
- 15 (4) The number of amendments to each contract and the number
- 16 of renewals of each contract, where applicable.
- 17 (5) The total amount of the contract price over the duration of
- 18 the contract, including all known amendments to the contract, the
- 19 total amount paid by the state agency during the most recently
- 20 completed fiscal year, and the number, cost, bill rate, and staffing
- 21 levels associated with each type of contract employee retained
- 22 during the most recently completed fiscal year. Staffing levels
- 23 shall also be described or accounted for in personnel years or
- 24 full-time equivalent terms.
- 25 (6) Costs and relevant staffing information shall be organized
- 26 and reported using the following contract categories:
- 27 (A) Architectural, engineering, and environmental services and
- 28 consulting services.
- 29 (B) Information technology personal services and consulting
- 30 services.
- 31 (C) Other personal services and consulting services contracts
- 32 as follows:

1 (i) Professional, administrative, financial, and staff services and  
2 consulting contracts.

3 (ii) Legal services and consulting contracts.

4 (iii) Education and information science services and consulting  
5 contracts.

6 (iv) Clerical and office services and consulting contracts.

7 (v) Security services and consulting contracts.

8 (vi) Scientific and technical services and consulting contracts.

9 (vii) Facility, equipment, and landscape maintenance services  
10 and consulting contracts.

11 (viii) Printing and publishing services and consulting contracts.

12 (ix) Property and food services, including janitorial services,  
13 and consulting contracts.

14 (x) Medical and health services and consulting contracts.

15 (xi) Psychiatric, psychological, and social welfare services and  
16 consulting contracts.

17 (xii) Miscellaneous.

18 (b) For purposes of this section, the following definitions apply:

19 (1) "Consulting services contracts" has the same meaning as  
20 defined in Section 10335.5.

21 (2) "Personal services contracts" means any contract, requisition,  
22 or purchase order, excluding public works contracts, under which  
23 labor or personal services is a significant, separately identifiable  
24 element.

25 (c) (1) To facilitate state agency reporting, contractors shall  
26 electronically provide all of the staffing and cost information  
27 specified in paragraph (5) of subdivision (a) to the agencies at the  
28 end of each fiscal year for each and every personal services and  
29 consulting services contract operative during that fiscal year.

30 ~~(2) Failure to report the staffing and cost information specified~~  
31 ~~in paragraph (5) of subdivision (a) in a useful and usable manner~~  
32 ~~shall be deemed a material breach of contract. Contractors who~~  
33 ~~fail to provide the information shall be ineligible for any future~~  
34 ~~personal services and consulting services contracts and payments~~  
35 ~~for any ongoing contracts shall cease until the requested~~  
36 ~~information is provided.~~

37 *(2) Contractors who fail to provide the required information*  
38 *shall be subject to both of the following until the information is*  
39 *provided:*

40 *(A) Payments for any ongoing contracts shall cease.*

1     (B) *The contractor shall be ineligible for any additional personal*  
2     *services or consulting services contracts.*

3     (d) A copy of the annual report shall be sent electronically within  
4     60 working days after the end of the previous fiscal year to the  
5     Department of Finance and the Legislature.

6     (e) This section shall not apply to information resulting from  
7     contracts for confidential expert consulting services that constitutes  
8     an attorney work product or is protected by the attorney-client  
9     privilege.

10    (f) The report shall be made available to the public in an  
11    electronic format similar to that used by the agency in its Wages  
12    and Salaries Supplement report.