

## **The Good, The Bad, and The Ugly**

The Legislature has been in session since January 4<sup>th</sup>, however they have really just begun work on the thousands of bills that have been introduced in the first year of the 2007-2008 Legislative Session. AGC's Legislative Committee met in March to review and take positions on nearly a hundred bills that were seen as impacting the construction industry, and many of those bills have faced their first legislative committee reviews over the last three weeks. The following is a summary of some of the priority and interesting legislation that your Legislative Advocates have been active in so far this year:

### ***Bills AGC Opposed which have become "2 year" bills and will not be considered until 2008:***

SB 570 (Steinberg) – would require Cal OSHA to adopt a standard to regulate excessive indoor heat by July 2008.

AB 1337 (Nava) – would require all inspections on Caltrans work be performed by Caltrans employees and prohibit contracting out.

AB 107 (Smyth) – would require a public works bidder to stipulate, under penalty of perjury, that no "unauthorized aliens" would be employed on a public work.

AB 1615 (Runner) – would have prohibited an award of contract to any firm that "knowingly hired" an undocumented alien.

AB 654 (Maze) – would have increased "force account" limits for all counties over 500,000 population.

AB 1190 (Horton) – would have reduced Proposition 42 revenues by over \$500 million.

SB 540 (Harman) – would have eliminated sales tax charged on state and federal gas taxes and reduced Proposition 42 revenues by \$523 million.

### ***Legislation amended to remove AGC's concern***

AB 1189 (Veterans Committee) – amended to remove requirement on prime contractors to submit a report to awarding agency regarding payments to Disabled Veterans Business Enterprise subcontractors.

AB 1491 (Arambula) – amended to remove bond funding for a small and emerging business program to provide training and technical assistance in order to secure surety bonds and liability insurance.

SB 68 (Kuehl) – amended to remove requirements that all underground minerals be extracted before development can occur on certain lands.

AB 784 (Karnette) – amended to remove an exemption to “lowest responsible bidder” requirement for public works contracting.

AB 994 (Parra) – amended to limit any purchase preference of forrest products to direct purchase by state agencies and not cover contract work.

### ***Co-sponsored and supported legislation:***

SB 738 (Calderon) – (Sponsor) – would require a preliminary notice filing in order to make a payment bond claim, a two year bill to be acted on again in January 2008.

AB 256 (Huff) – (Co-Sponsored) - will allow continued expenditure of Highway Account funds in the event of a budget delay at the start of the fiscal year.

AB 642 (Wolk) – will authorize all cities, counties and special districts to utilize design-build.

AB 456 (Cook) (Co-Sponsored) – will authorize the Contractors State License Board to continually appropriate funds from the Construction Management Education Account to eligible colleges in a more timely manner.

AB 672 ( Torlakson) - will require high school students to take at least 2 career tech classes before they graduate.

AB 1047 (Houston) – would require the State Controller to annually send a notice to public agencies outlining the provisions of the Uniform Public Construction Cost Accounting Act.

AB 1076 (Houston) – (Co-Sponsored) – will provide protection for contractors that are assessed liquidated damage claims.

AB 1414 (Hancock) – will establish the Career Technical Education Revitalization Program and will provide funding for hiring of teachers in order to achieve a proportional pupil ratio and course offerings.

SB 355 (Margett) – will require the licensing of construction managers.

AB 1373 (Emerson) – would authorize San Bernardino County to use design-build for specific highway projects.

SB 56 (Runner) – will authorize Caltrans and local transportation agencies to issue design-build contracts on a limited number of projects.

SB 61 (Runner) – will authorize Public Private Partnerships for transportation projects.

SB 161 (Margett) – would allow public agencies to receive bids and supporting information over the internet.

SB 233 (Cox) – will allow counties to use design-build for wastewater treatment facilities.

SB 416 (Ashburn) – would authorize all counties to use design-build authority.

SB 619 (Migden) – will limit public works retention to 5% unless a subcontractor cannot furnish a performance bond.

SB 645 (Correa) – would authorize the Orange County Sanitation District to use design-build.

***Still bad and still moving:***

SB 622 (Padilla) – will allow an employee or a labor union to bring a civil action against an employer who willfully misclassifies an employee as an independent contractor.

AB 515 (Lieber) – will require Cal OSHA to adopt standards for Permissible Exposure Limits (PELs) of workplace hazardous substances that are the same as those adopted by the Office of Environmental Health Hazardous Assessment (OEHHA).

AB 1043 (Swanson) – will prohibit an employer from requiring an employee, as a condition of employment, to waive the application of California law to any dispute relating to their employment.

AB 1045 (Richardson) – will require Cal OSHA to adopt a standard by July 2008 to prevent exposure to excessive heat indoors.

SB 569 (Steinberg) – would place additional burdens and liabilities on contractors with respect to employee wage claims.

SB 936 (Perata) – would substantially increase workers' compensation costs to contractors by revising the formula for computing permanent partial disability awards.