

# Memorandum

TO:

Clients

DATE:

August 4, 2014

RE:

New Department of Industrial Relations' Requirements for Public Works Contractors

On June 20, 2014, Governor Brown signed into law SB 854, a budget trailer bill that made significant changes to the administration and enforcement of prevailing wage requirements by the Department of Industrial Relations (DIR). Among these changes was the creation of a new public works contractor registration program to *replace* the Compliance Monitoring Unit ("CMU") and Labor Compliance Program ("LCP") requirements for bond-funded and other public works projects.

Under the new contractor registration program, contractors must meet certain minimum requirements, register with DIR using the new online application system and pay an annual fee of \$300.00. The registration and annual fee enables the contractor *to bid on and perform on public works*. DIR will post a list of all registered contractors and subcontractors on its website. A contract with an unregistered contractor is subject to cancellation.

Under the new contractor registration program, DIR (through and the Labor Commissioner's Office) will monitor and enforce prevailing wage laws. Therefore, all CMU or LCP requirements based on the funding source *have been eliminated and replaced* by requirements that apply to all public works projects as set forth in the Labor Code. Accordingly, DIR will *no longer charge awarding bodies* for prevailing wage monitoring and enforcement effective June 20, 2014.

Awarding bodies will now be required to submit a PWC-100 for all public works projects. Awarding bodies must also include in all call for bids and contracts documents that no bid can be accepted nor any contract or subcontract entered into without proof that the contractor and all subcontractors are registered.

#### Key Dates to Note:

• Now: Awarding bodies must submit a PWC-100 for all public works projects.

• Now: DIR contractor registration online application available.

• March 1, 2015: Deadline for all contractors and subcontractors to be registered.

• April 1, 2015: Awarding bodies must utilize registered contractors and subcontractors for any new projects awarded on or after this date.

• January 1, 2016: Awarding bodies must utilize only registered contractors and subcontractors on all public works projects (new or ongoing) awarded on or after this date.

The Labor Commissioner may make an exemption to the new requirements for projects undertaken by LCP legacy programs or for projects covered by qualifying project labor agreements.

For further information regarding SB 854 and how the law may further impact your Awarding Body or Agency, please contact our Labor Compliance Department at (310) 788-9200.



Submit Your Bill Idea

## Offices

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## At-a-Glance: California Economy



# Internships





#### Hill Introduces Bill Banning New Artificial Turf Fields Made With Recycled Tires While State Studies Possible Link To Cancer And Other Health Risks

December 17, 2014

Senator Jerry Hill Introduces Bill Banning New Artificial Turf Fields Made With Recycled Tires While The State Studies Possible Link To Cancer And Other Health Risks

SB 47 Would Use Money From The California Tire Recycling Management Fund To Pay For The Comprehensive Study Prompted By Concerns These Surfaces Are Harming Children

SACRAMENTO - Senator Jerry Hill, prompted by increasing concerns that artificial turf fields made with crumbs of rubber from recycled tires may be linked to serious illnesses in children, today introduced legislation that would prohibit the installation of these surfaces in schools and parks in California while the state conducts a study to determine possible health risks.

"The Los Angeles Unified School District and city of New York have already implemented complete bans - this is just a temporary moratorium until a thorough analysis can be conducted," Hill, D-San Mateo and Santa Clara counties, said in introducing Senate Bill 47, The Children's Safe Playground and Turf Field Act of 2015.

Concerns have mounted about chemical compounds contained in recycled rubber tires as an increasing number of young athletes have developed leukemia, non-Hodgkin lymphoma, and testicular, prostate and other forms of cancer.

Hill's bill would require the state Office of Environmental Health Hazard Assessment, in consultation with the Department of Resources Recycling and Recovery, the Department of Public Health, and the Department of Toxic Substances Control, to conduct a study to be completed by July 1, 2017, into possible health risks posed by these artificial fields.

SB 47 would prohibit a public or private school or local government until Jan. 1, 2018, from installing, or contracting for the installation of a new field or playground surface made from synthetic turf containing crumb rubber from used tires in public or private schools or public parks. The temporary moratorium would not affect the installation of fields already underway. The temporary moratorium will not impact turf fields and playground surfaces containing alternative materials made without used tires.

"We have a responsibility to ensure that our children aren't being harmed by materials used to make their fields and playgrounds," Hill said.

The federal Environmental Protection Agency has deferred such studies and regulation to states. In California, the Legislature commissioned a 2010 study that looked, specifically, at whether these fields release significant amounts of volatile organic compounds that are harmful to humans and if they increase the risk of serious skin infections.

Hill's legislation calls for a more comprehensive study, including the cumulative impacts on human health from various chemicals found in tires that might also be present in turf fields and playgrounds made with crumb rubber. The study will also look at alternatives to crumb rubber from used tires such as coconut fibers, rice husks, cork and used shoes.

Money for the study would come from the California Tire Recycling Management Fund, which requires a person who purchases a new tire to pay a state fee for programs related to disposal of used tires.

To view the text of SB 47, please click here.

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## **Introduced by Senator Hill**

December 17, 2014

An act to add Article 3 (commencing with Section 115810) to Chapter 4 of Part 10 of Division 104 of, and to repeal Section 115812 of, the Health and Safety Code, and to amend Section 42873 of the Public Resources Code, relating to environmental health.

#### LEGISLATIVE COUNSEL'S DIGEST

SB 47, as introduced, Hill. Environmental health: synthetic turf. Existing law regulates certain behavior related to recreational activities and public safety, including, among other things, playgrounds and wooden playground equipment.

This bill would require the Office of Environmental Health Hazard Assessment, by July 1, 2017, in consultation with the Department of Resources Recycling and Recovery, the State Department of Public Health, and the Department of Toxic Substances Control, to prepare and provide to the Legislature and post on the office's Internet Web site a study analyzing synthetic turf, as defined, for potential adverse health impacts. The bill would require the study to include certain information, including a hazard analysis of individual, synergistic, and cumulative exposures to the chemicals that may be found in synthetic turf, as provided. The bill would prohibit a public or private school or local government, until January 1, 2018, from installing, or contracting for the installation of, a new field or playground surface made from synthetic turf within the boundaries of a public or private school or public recreational park, as provided.

The California Tire Recycling Act (act) requires a person who purchases a new tire to pay a California tire fee, for deposit in the California Tire Recycling Management Fund, for expenditure by the

 $SB 47 \qquad \qquad -2 -$ 

department, upon appropriation by the Legislature, for programs related to the disposal of waste tires. The act specifies that the activities eligible for funding include the manufacture of specified products made from used tires.

The bill would include the above study as one of the acceptable activities eligible for this funding.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:* 

SECTION 1. Article 3 (commencing with Section 115810) is added to Chapter 4 of Part 10 of Division 104 of the Health and Safety Code, to read:

Article 3. The Children's Safe Playground and Turf Field Act of 2015

115810. For purposes of this article, "synthetic turf" means any composition material that contains recycled crumb rubber from waste tires and is used to cover or surface a field or playground.

- 115811. (a) By July 1, 2017, the Office of Environmental Health Hazard Assessment, in consultation with the Department of Resources Recycling and Recovery, the State Department of Public Health, and the Department of Toxic Substances Control, shall prepare and provide to the Legislature and post on the office's Internet Web site a study analyzing synthetic turf for potential adverse health impacts.
  - (b) The study shall include all of the following:
- (1) A hazard analysis of individual, synergistic, and cumulative exposures to the chemicals that may be found in synthetic turf, such as 4-t-octylphenol, acetone, arsenic, barium, benzene, benzothiazole, butylated hydroxyanisole, codmium, carbon black, chloroethane, chromium, lead, manganese, matex, mercury, methyl ethyl ketone, methyl isobutyl ketone, n-hexadecane, naphthalene, nickel, nylon, phenol, phthalates, polycyclic aromatic hydrocarbons, and zinc.
- (2) A specific analysis evaluating varying exposure activities, environments, duration of play, ages of different populations who

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play on synthetic turf, and exposure pathways, including whether chemicals found in tires have negative impacts on human health when used in indoor and outdoor fields and parks with various weather exposures and potentially ingested by children or coming in contact with children's bodies.

- (3) Biomonitoring or other exposure monitoring of children or adults exposed to synthetic turf to be used to assess their exposure to chemicals found in the synthetic turf, to the extent feasible, to determine potential health impacts on children and other age groups.
- (4) An examination of the potential for fields and playgrounds containing synthetic turf to cause adverse health impacts, including, but not limited to, non-Hodgkin lymphoma, testicular cancer, prostate cancer, sarcoma cancer, and leukemia. This examination shall include people who have developed these health impacts and played on fields and playgrounds containing used tires, including, but not limited to, soccer goalies.
- (5) An examination of the health impacts associated with synthetic turf fields and playgrounds of varying age.
- (6) An evaluation of the differences in the manufacturers of synthetic turf and different turf, field, and playground products, including those that do not use recycled tires, and how these differences may affect health impacts. The evaluation shall include, but not be limited to, the types and age of tires used, the tire processing, and the type of plasticizer, backing material, adhesives, and plastic blades of artificial grass used to make the final synthetic turf product.
- (7) An evaluation of the differences, in terms of health impacts, between crumb rubber and alternative surface materials, including coconut fibers, rice husks, cork, and used shoes.
- (8) A review of current research on the health impacts of synthetic turf done by authoritative bodies from around the country and the world.
- (9) Research to fill any data gaps, such as those data gaps identified by the report prepared by the Office of Environmental Health Hazard Assessment on behalf of the Department of Resources Recycling and Recovery titled "Safety Study of Artificial Turf Containing Crumb Rubber Infill Made From Recycled Tires: Measurements of Chemicals and Particulates in

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the Air, Bacteria in the Turf, and Skin Abrasions Caused byContact with the Surface."

- (10) An examination of the health impacts of exposures to many low level volatile organic compounds and polycyclic aromatic hydrocarbons found in synthetic turf fields and playgrounds.
- (c) At least 20 synthetic turf fields and playgrounds around the state shall be analyzed for purposes of the study.
- (d) (1) A study submitted to the Legislature pursuant to subdivision (a) shall be submitted in compliance with Section 9795 of the Government Code.
- (2) The requirement for submitting a study to the Legislature imposed pursuant to subdivision (a) is inoperative on July 1, 2021, pursuant to Section 10231.5 of the Government Code.
- 115812. (a) (1) A public or private school or local government shall not install, or contract for the installation of, a new field or playground surface made from synthetic turf within the boundaries of a public or private school or public recreational park.
- (2) Paragraph (1) shall not apply to any installation of a field or playground surface made from synthetic turf that commenced, or any contract for such installation entered into, prior to January 1, 2016.
- (b) This section shall remain in effect only until January 1, 2018, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.
- SEC. 2. Section 42873 of the Public Resources Code is amended to read:
  - 42873. (a) Activities eligible for funding under this article, that reduce, or that are designed to reduce or promote the reduction of, landfill disposal of used whole tires, may include the following:
  - (1) Polymer treatment.
  - (2) Rubber reclaiming and crumb rubber production.
- 32 (3) Retreading.
- 33 (4) Shredding.
- 34 (5) The manufacture of products made from used tires, 35 including, but not limited to, all of the following:
- 36 (A) Rubberized asphalt, asphalt rubber, modified binders, and chip seals.
- 38 (B) Playground equipment.
- 39 (C) Crash barriers.
- 40 (D) Erosion control materials.

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- 1 (E) Nonslip floor and track surfacing.
- 2 (F) Oilspill recovery equipment.
- 3 (G) Roofing adhesives.
- 4 (H) Tire-derived aggregate applications, including lightweight 5 fill and vibration mitigation.
  - (I) Molded products.

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- (J) Products using recycling rubber and other materials, such as plastic.
  - (K) Paint and coatings.
- (6) Other environmentally safe applications or treatments determined to be appropriate by the board. department.
- (7) A study to analyze synthetic turf for potential adverse health impacts, pursuant to Section 115811 of the Health and Safety Code.
- (b) (1) The board may department shall not expend funds for an activity that provides support or research for the incineration of tires. For the purposes of this article, incineration of tires, includes, but is not limited to, fuel feed system development, fuel sizing analysis, and capacity and production optimization.
- 19 (2) Paragraph (1) does not affect the permitting or regulation of facilities that engage in the incineration of tires.

# AMENDED IN ASSEMBLY APRIL 10, 2014 AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE---2013-14 REGULAR SESSION

#### ASSEMBLY BILL

No. 1581

#### Introduced by Assembly Member Buchanan

February 3, 2014

An act to amend, repeal, and add-Section Sections 17406 and 17407 of the Education Code, and to amend Section 20111.6 of the Public Contract Code, relating to school facilities.

#### LEGISLATIVE COUNSEL'S DIGEST

AB 1581, as amended, Buchanan. School facilities: construction contracts.

Existing law requires, until January 1, 2019, the governing board of a school district that enters into a contract for a public project, as defined, for which the board uses moneys received pursuant to the Leroy F. Greene School Facilities Act of 1998 or moneys from future state school bonds for a public project that involves a projected expenditure of \$1,000,000 or more, to require prospective bidders for a construction contract to complete and submit a standardized prequalification questionnaire and financial statement. Existing law requires the questionnaire and statement to be verified under oath by the bidder and for the district to adopt and apply a uniform system of rating bidders on the basis of the questionnaire and statement.

Existing law authorizes the governing board to lease real property for a minimum rental of \$1 per year if the instrument by which this property is leased requires the lessee to construct or provide for the construction of a building to be used by the district.

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Existing law also authorizes the governing board to enter into an agreement with the lowest responsible bidder to construct, or provide for the construction of, a building to be leased and used by the district upon a designated site. Existing law requires the instrument to provide that the title to the building and site to vest in the district at the end of the lease.

This bill would, until January 1, 2019, require-a-prospective bidder for a contract with a school district, for construction of the lease instrument and the agreement with the lowest responsible bidder to include a requirement for the person, firm, or corporation that constructs a building to be leased and used by the school district upon a designated site, including, but not limited to, the prime contractor and, if used, electrical, mechanical, and plumbing subcontractors, to comply with the above-described prequalification questionnaire and financial statement requirements when the agreement is for a public project using moneys received pursuant to the Leroy F. Greene School Facilities Act of 1998 or moneys from future state school bonds that involves a projected expenditure of \$1,000,000 or more. By requiring additional persons to complete a questionnaire and statement that is verified under oath and increasing the duties of local officials, the bill would impose a state-mandated local program.

The bill would also, among other things, require the governing board to establish a process to prequalify a person, firm, or corporation, including, but not limited to, the prime contractor and, if used, an electrical, mechanical, and plumbing subcontractor, to construct the leased building on a quarterly or annual basis, which would be valid for one calendar year following the date of the initial prequalification.

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 with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

SECTION 1. Section 17406 of the Education Code is amended to read:

- 17406. (a) (1) Notwithstanding Section 17417, the governing board of a school district, without advertising for bids, may let, for a minimum rental of one dollar (\$1) a year, to any person, firm, or corporation any real property that belongs to the district if the instrument by which—such this property is let requires the lessee therein to construct on the demised premises, or provide for the construction thereon of, a building or buildings for the use of the school district during the term—thereof of the lease, and provides that title to that building shall vest in the school district at the expiration of that term. The instrument may provide for the means or methods by which that title shall vest in the school district prior to the expiration of that term, and shall contain—such other terms and conditions as the governing board may deem to be in the best interest of the school district.
- (2) If the instrument meets the criteria of subdivision (a) of Section 20111.6 of the Public Contract Code, the instrument shall also require that a person, firm, or corporation that constructs the building, including, but not limited to, the prime contractor and, if used, electrical, mechanical, and plumbing subcontractor, shall be subject to the same prequalification requirements for prospective bidders described in Section 20111.6 of the Public Contract Code, including the requirement for the completion and submission of a standardized prequalification questionnaire and financial statement that is verified under oath and is not a public record.
- (b) Any rental of property that complies with subdivision (a) as it reads on the day that the lease is entered into shall be deemed to have thereby required the payment of adequate consideration for purposes of Section 6 of Article XVI of the California Constitution.
- (c) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date.
- SEC. 2. Section 17406 is added to the Education Code, to read: 17406. (a) Notwithstanding Section 17417, the governing board of a school district, without advertising for bids, may let,

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for a minimum rental of one dollar (\$1) a year, to any person, firm, or corporation any real property that belongs to the district if the instrument by which this property is let requires the lessee to construct on the demised premises, or provide for the construction thereon of, a building or buildings for the use of the school district during the term of the lease, and provides that title to that building shall vest in the school district at the expiration of that term. The instrument may provide for the means or methods by which that title shall vest in the school district prior to the expiration of that term, and shall contain other terms and conditions as the governing board may deem to be in the best interest of the school district. 

- (b) Any rental of property that complies with subdivision (a) shall be deemed to have thereby required the payment of adequate consideration for purposes of Section 6 of Article XVI of the California Constitution.
  - (c) This section shall become operative on January 1, 2019. SECTION 1.
- SEC. 3. Section 17407 of the Education Code is amended to read:
- 17407. (a) The governing board of any school district may enter into an agreement with any person, firm, or corporation under which that person, firm, or corporation shall construct, or provide for the construction of, a building to be used by the district upon a designated site and lease the building and site to the district. The instrument shall provide that the title to the building and site shall vest in the district at the expiration of the lease, and may provide the means or method by which the title to the building and site shall vest in the district prior to the expiration of the lease, and shall contain other terms and conditions as the governing board of the district deems to be in the best interest of the district.
- (b) The agreement entered into shall be with the lowest responsible bidder who shall give the security that any board requires. The board may reject all bids. For the purpose of securing bids the board shall publish at least once a week for two weeks in some newspaper of general circulation published in the district, or if there is no paper, then in some paper of general circulation circulated in the county, a notice calling for bids, stating the proposed terms of the agreement and the time and place where bids will be opened.

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(c) If the agreement meets the criteria of subdivision (a) of Section 20111.6 of the Public Contract Code, the agreement shall also require that a person, firm, or corporation-entering into an agreement with the governing board of a school district that constructs the building, including, but not limited to, the prime contractor and, if used, electrical, mechanical, and plumbing subcontractor, under this section shall be subject to the same prequalification requirements for prospective bidders described in Section 20111.6 of the Public Contract Code, including the requirement for the completion and submission of a standardized prequalification questionnaire and financial statement that is verified under oath and is not a public record.

(d) This section shall remain in effect only until January 1, 2019, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2019, deletes or extends that date. SEC. 2.

SEC. 4. Section 17407 is added to the Education Code, to read: 17407. (a) The governing board of any school district may enter into an agreement with any person, firm, or corporation under which that person, firm, or corporation shall construct, or provide for the construction of, a building to be used by the district upon a designated site and lease the building and site to the district. The instrument shall provide that the title to the building and site shall vest in the district at the expiration of the lease, and may provide the means or method by which the title to the building and site shall vest in the district prior to the expiration of the lease, and shall contain other terms and conditions as the governing board of the district deems to be in the best interest of the district.

- (b) The agreement entered into shall be with the lowest responsible bidder who shall give the security that any board requires. The board may reject all bids. For the purpose of securing bids the board shall publish at least once a week for two weeks in some newspaper of general circulation published in the district, or if there is no paper, then in some paper of general circulation circulated in the county, a notice calling for bids, stating the proposed terms of the agreement and the time and place where bids will be opened.
  - (c) This section shall become operative on January 1, 2019.

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1 SEC. 3.

SEC. 5. Section 20111.6 of the Public Contract Code is amended to read:

20111.6. (a) This section shall apply only to public projects, as defined in subdivision (c) of Section 22002, for which the governing board of the district uses funds received pursuant to the Leroy F. Greene School Facilities Act of 1998 (Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1 of the Education Code) or any funds from any future state school bond for a public project that involves a projected expenditure of one million dollars (\$1,000,000) or more.

- (b) If the governing board of the district enters into a contract meeting the criteria of subdivision (a), then the governing board of the district shall require that prospective bidders for a construction contract, including a contract for the construction of a building to be used and leased by the district pursuant to Sections 17406 and 17407 of the Education Code, complete and submit to the board of the district a standardized prequalification questionnaire and financial statement. The questionnaire and financial statement shall be verified under oath by the bidder in the manner in which civil pleadings in civil actions are verified. The questionnaires and financial statements shall not be public records and shall not be open to public inspection.
- (c) The board of the district shall adopt and apply a uniform system of rating bidders on the basis of the completed questionnaires and financial statements. This system shall also apply to a person, firm, or corporation that constructs a building described in Section 17406 or 17407 of the Education Code.
- (d) The questionnaire and financial statement described in subdivision (b), and the uniform system of rating bidders described in subdivision (c), shall cover, at a minimum, the issues covered by the standardized questionnaire and model guidelines for rating bidders developed by the Department of Industrial Relations pursuant to subdivision (a) of Section 20101.
- (e) Each prospective bidder shall be furnished by the school district letting the contract with a standardized proposal form that, when completed and executed, shall be submitted as his or her bid. Bids not presented on the forms so furnished shall be disregarded.
- (f) A proposal form required pursuant to subdivision (e) shall not be accepted from any person or other entity that is required to

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submit a completed questionnaire and financial statement for prequalification pursuant to subdivision (b) or from any person or other entity that uses a subcontractor that is required to submit a completed questionnaire and financial statement prequalification pursuant to subdivision (b), but has not done so at least 10 business days prior to the date fixed for the public 6 7 opening of sealed bids or has not been prequalified for at least five business days prior to that date. The district may require the 9 completed questionnaire and financial statement for prequalification to be submitted more than 10 business days prior 10 to the fixed date for the public opening of sealed bids. The district may also require the prequalification more than five business days prior to the fixed date. 13

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- (g) (1) The board of the district may establish a process for prequalifying prospective bidders pursuant to this section on a quarterly or annual basis and a prequalification pursuant to this process shall be valid for one calendar year following the date of initial prequalification.
- (2) The board shall establish a process to prequalify a person, firm, or corporation, including, but not limited to, the prime contractor and, if used, an electrical, mechanical, and plumbing subcontractor, to construct a building described in Section 17406 or 17407 of the Education Code on a quarterly or annual basis. A prequalification pursuant to this process shall be valid for one calendar year following the date of initial prequalification.
- (h) This section shall not preclude the governing board of the district from prequalifying or disqualifying a subcontractor of any specialty classification described in Section 7058 of the Business and Professions Code.
- (i) For purposes of this section, bidders shall include the general contractor and, if utilized, all electrical, mechanical, and plumbing subcontractors. both of the following:
- 33 (1) A prime contractor, as defined in Section 4113, that is either 34 of the following:
  - (A) A general engineering contractor described in Section 7056 of the Business and Professions Code.
  - (B) A general building contractor described in Section 7057 of the Business and Professions Code.

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(2) If utilized, each electrical, mechanical, and plumbing contractor, whether as a prime contractor or as a subcontractor, as defined in Section 4113.

- (j) If a public project covered by this section includes electrical, mechanical, or plumbing components that will be performed by electrical, mechanical, or plumbing contractors, a list of prequalified general contractors and electrical, mechanical, and plumbing subcontractors shall be made available by the school district to all bidders at least five business days prior to the dates fixed for the public opening of sealed bids. The district may require the list to be made available more than five business days prior to the fixed dates for the public opening of sealed bids.
- (k) For purposes of this section, electrical, mechanical, and plumbing subcontractors are contractors licensed pursuant to Section 7058 of the Business and Professions Code, specifically contractors holding C-4, C-7, C-10, C-16, C-20, C-34, C-36, C-38, C-42, C-43, and C-46 licenses, pursuant to regulations of the Contractors' State License Board.
- (1) This section shall not apply to a school district with an average daily attendance of less than 2,500.
- (m) (1) This section shall apply only to contracts awarded on or after January 1, 2014.
- (2) The amendments made to this section by the act adding this paragraph shall apply only to contracts awarded on or after January 1, 2015.
- (n) (1) On or before January 1, 2018, the Director of Industrial Relations shall (A) submit a report to the Legislature evaluating whether, during the years this section has applied to contracts, violations of the Labor Code on school district projects have decreased as compared to the same number of years immediately preceding the enactment of this section, and (B) recommend improvements to the system for prequalifying contractors and subcontractors on school district projects.
- (2) A report to be submitted pursuant to this subdivision shall be submitted in compliance with Section 9795 of the Government Code
- 37 (o) This section shall become inoperative on January 1, 2019, and, as of July 1, 2019, is repealed.

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1 SEC. 4.

SEC. 6. No reimbursement is required by this act pursuant to Section 6 of Article XIIIB of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, 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 XIIIB of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made

pursuant to Part 7 (commencing with Section 17500) of Division
 4 of Title 2 of the Government Code.