California Prevailing Wage Laws

Revised February 1, 2025

EDUCATION CODE

Title 1. General Education Code Provisions
Division 1. General Education Code Provisions
Part 10. School Bonds
Chapter 12. State School Building Lease-Purchase Law of 1976
Article 5 Joint Venture School Facilities Construction Projects

§ 17066. Prevailing wage requirements

This article does not affect any requirement of a school district to comply with the prevailing wage requirements of Article 2 (commencing with Section 1770) of Chapter 2 of Part 7 of Division 2 of the Labor Code with respect to the school facilities portion of a joint venture project under this article.

Title 1. General Education Code Provisions
Division 1. General Education Code Provisions
Part 10.5. School Facilities
Chapter 4. Property: Sale, Lease, Exchange
Article 2. Leasing Property

§ 17424. Provisions for wage payments

The governing board of the school district shall obtain the general prevailing rate of per diem wages from the Director of the Department of Industrial Relations for each craft, classification or type of workman needed for the construction of the building and shall specify in the resolution and in the notice, required by Section 17417, or in the resolution required by Section 17418 and in the lease or agreement made pursuant to this article, what the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality is for each craft, classification or type of workmen needed for the construction of the building. The holidays upon which such rate shall be paid need not be specified by the governing board but shall be all holidays recognized in the collective bargaining agreement applicable to the particular craft, classification or type of workmen employed on the project.

Any agreement or lease entered into pursuant to this article shall require that such general prevailing rates will be paid. It shall also require that work performed by any workman employed upon the project in excess of eight hours during any one calendar day shall be permitted only upon compensation for all hours worked in excess of eight hours per day at not less than 1 ½ times the basic rate of pay. There may also be included in leases or agreements entered into pursuant to this article any other requirements with respect to matters related to the subject of this section which the governing board deems necessary or desirable.

Title 3. Postsecondary Education
Division 5. General Provisions
Part 40. Donahoe Higher Education Act
Chapter 14.28. California Student Housing Revolving Loan Fund Act of 2022
Article 4. Criteria and Process

§ 67329.51. Bid solicitation

(a) For projects financed pursuant to this chapter, participating colleges and universities and participating nonprofit entities shall do all of the following:

(1) At least seven days before issuing a bid solicitation for the project, send a notice of the solicitation that describes the project to the following entities within the jurisdiction of the proposed project site:

(A) Any bona fide labor organization representing workers in the building and construction trades who may perform work necessary to complete the project.

(B) Any organization representing contractors that may perform work necessary to complete the project.

(2) Ensure that all contractors and subcontractors performing work on the project will be required to pay prevailing wages for any proposed construction, alteration, or repair in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code. All of the following shall occur:

(A) The participating college or university or participating nonprofit entity shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) Except as provided in subparagraph (E), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code, and make those records available for inspection and copying as provided therein.

(D) Except as provided in subparagraph (E), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee though a civil action under Section 1771.2 of the Labor Code. If a civil wage

and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(E) Subparagraphs (C) and (D) shall not apply if all contractors and subcontractors performing work on the development are subject to a multicraft building trades project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(3) For projects financed pursuant to this chapter with onsite construction, alteration, or repair costs totaling twenty-five million dollars ($25,000,000) or more, seek bids containing an enforceable commitment that all contractors and subcontractors performing work on the project will use a skilled and trained workforce to perform any rehabilitation, construction, or alterations work on the project that falls within an apprenticeable occupation in the building and construction trades.

(4) For the purpose of establishing a bidder pool of eligible contractors and subcontractors that satisfy the skilled and trained workforce requirements, establish a process to prequalify prime contractors and subcontractors, including, but not limited to, electrical, mechanical, and plumbing subcontractors. This process shall include, but is not limited to, all of the following requirements:

(A) The participating college or university or participating nonprofit entity shall only accept bids from prime contractors that have been prequalified and listed as eligible contractors.

(B) If the participating college or university or participating nonprofit entity receives at least two bids from prequalified prime contractors, the contract shall be awarded to the lowest qualified bidder and the participating college or university or participating nonprofit entity shall certify to the authority that a skilled and trained workforce will be used to perform all construction work on the development.

(C) If the participating college or university or participating nonprofit entity receives fewer than two bids from prequalified prime contractors, the contract may be rebid and awarded to the lowest responsive bidder without the skilled and trained workforce requirement applying to the prime contractor's scope of work.

(D) Prime contractors shall only accept bids and list subcontractors from the prequalified list. If the prime contractor receives bids from at least 2 subcontractors in each tier listed on the prequalified list, the prime contractor shall require that the contract for that tier or scope of work will require a skilled and trained workforce.

(E) If the prime contractor fails to receive at least 2 bids from subcontractors listed on the prequalified list in any tier, the prime contractor will not require that a skilled and trained workforce be used for that scope of work and may list subcontractors that do not appear on the prequalified list.

(F) The participating college or university or participating nonprofit entity shall establish minimum qualifications that are, to the maximum extent possible, quantifiable and objective. Only criterion, and minimum thresholds for any criterion, that are reasonably necessary to ensure that any bidder awarded a project can successfully complete the proposed scope shall be used by the project proponent.

(G) All bids submitted by prime contractors and subcontractors shall be sealed, opened in a public process that is open to all bidders and other interested parties, and listed on the participating college's or university's or participating nonprofit entity's internet website.

(H) The Subletting and Subcontracting Fair Practices Act established pursuant to Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code shall apply.

(5)(A) Except as provided in subparagraph (B), provide to the authority on a monthly basis while the development or contract is being performed a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the authority pursuant to this subparagraph shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. A participating college or university or participating nonprofit entity that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(B) Subparagraph (A) shall not apply if all contractors and subcontractors performing work on the development are subject to a multicraft building trades project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(6) Notify the Department of Industrial Relations within five calendar days of the contract award.

(b) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

Title 3. Postsecondary Education
Division 7. Community Colleges
Part 49. Community Colleges, Education Facilities
Chapter 2. Property: Sale, Lease, Use, Gift, and Exchange
Article 3. Leasing School Buildings

§ 81350. Provisions for wage payments

The governing board of the community college district shall obtain the general prevailing rate of per diem wages from the Director of the Department of Industrial Relations for each craft, classification or type of workman needed for the construction of the building and shall specify in the resolution and in the notice, required by Section 81344, or in the resolution required by Section 81345 and in the lease or agreement made pursuant to this article, what the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality is for each craft, classification or type of workmen needed for the construction of the building. The holidays upon which such rate shall be paid need not be specified by the governing board, but shall be all holidays recognized in the collective-bargaining agreement applicable to the particular craft, classification or type of workmen employed on the project.

Any agreement or lease entered into pursuant to this article shall require that such general prevailing rates will be paid. It shall also require that work performed by any workman employed upon the project in excess of eight hours during any one calendar day shall be permitted only upon compensation for all hours worked in excess of eight hours per day at not less than 1 ½ times the basic rate of pay. There may also be included in leases or agreements entered into pursuant to this article any other requirements with respect to matters related to the subject of this section which the governing board deems necessary or desirable.

Title 3. Postsecondary Education
Division 7. Community Colleges
Part 49. Community Colleges, Education Facilities
Chapter 3.5. Design-Build Contracts

§ 81704. Bonds; awards of additional subcontracts; labor compliance program for public works projects

(a) Any design-build entity that is selected to design and build a project pursuant to this chapter shall possess or obtain sufficient bonding to cover the contract amount for nondesign services, and errors and omission insurance coverage sufficient to cover all design and architectural services provided in the contract. This chapter does not prohibit a general or engineering contractor from being designated the lead entity on a design-build entity for the purposes of purchasing necessary bonding to cover the activities of the design-build entity.

(b) Any payment or performance bond written for the purposes of this chapter shall use a bond form developed by the Department of General Services pursuant to subdivision (g) of Section 14661 of the Government Code. The purpose of this subdivision is to promote uniformity of bond forms to be used on community college district design-build projects throughout the state.

(c) (1) All subcontracts that were not listed by the design-build entity in accordance with Section 81703 shall be awarded by the design-build entity in accordance with the design-build process set forth by the community college district in the design-build package.

(2) The design-build entity shall do all of the following:

(A) Provide public notice of the availability of work to be subcontracted.

(B) Provide a fixed date and time on which the subcontracted work will be awarded.

(3) Subcontractors bidding on contracts pursuant to this subdivision shall be afforded the protections contained in Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code.

(4) (A) If the community college district elects to award a project pursuant to this section, retention proceeds withheld by the community college district from the design-build entity shall not exceed 5 percent if a performance and payment bond, issued by an admitted surety insurer, is required in the solicitation of bids.

(B) In a contract between the design-build entity and a subcontractor, and in a contract between a subcontractor and any subcontractor thereunder, the percentage

of the retention proceeds withheld shall not exceed the percentage specified in the contract between the community college district and the design-build entity. If the design-build entity provides written notice to any subcontractor who is not a member of the design-build entity, before or at the time the bid is requested, that a bond may be required and the subcontractor subsequently is unable or refuses to furnish a bond to the design-build entity, then the design-build entity may withhold retention proceeds in excess of the percentage specified in the contract between the community college district and the design-build entity from any payment made by the design-build entity to the subcontractor.

(5) In accordance with the provisions of applicable state law, the design-build entity may be permitted to substitute securities in lieu of the withholding from progress payments. Substitutions shall be made in accordance with Section 22300 of the Public Contract Code.

(d)(1) For contracts for public works projects awarded before January 1, 2012, the community college district shall establish and enforce a labor compliance program containing the requirements outlined in Section 1771.5 of the Labor Code or shall contract with a third party to operate a labor compliance program containing the requirements outlined in Section 1771.5 of the Labor Code. This requirement shall not apply to projects where the community college district or the design-build entity has entered into a collective bargaining agreement that binds all of the contractors performing work on the project.

(2) For contracts for public works projects awarded on or after January 1, 2012, until July 1, 2020, the project shall be subject to the requirements of Section 1771.4 of the Labor Code.

Title 3. Postsecondary Education
Division 8. California State University
Part 55. California State University
Chapter 5. Personnel
Article 1. General Provisions

§ 89517. Fixing hourly salary limits to workers; memorandum of understanding

(a) The minimum and maximum salary limits for laborers, workmen, and mechanics employed on an hourly or per diem basis need not be uniform throughout the state, but the trustees shall ascertain, as to each such position, the general prevailing rate of such wages in the various localities of the state.

In fixing such minimum and maximum salary limits within the various localities of the state, the trustees shall take into account the prevailing rates of wages in the localities in which the employee is to work and other relevant factors, and shall not

fix the minimum salary limits below the general prevailing rate so ascertained for the various localities.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Chapter 12 (commencing with Section 3560) of Division 4 of Title 1 of the Government Code, the memorandum of understanding shall be controlling without further legislative action, except that if such provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

Division 9. University of California
Part 57. University of California
Chapter 2. Fiscal Treasury
Article 8. Campus Expansion Projects and Climate Initiatives

§ 92180. University of California, Riverside and Merced campuses

(a)(1) Moneys appropriated by the Legislature for purposes of this section in the annual Budget Act during the 2022-23 to 2024-25, inclusive, fiscal years to directly support one or both of the following at the University of California, Riverside, and the University of California, Merced, shall comply with the provisions of paragraph (2):

(A) Campus expansion projects, which may include, but are not limited to, related capital projects.

(B) University of California climate initiatives, which may include, but are not limited to, related capital projects.

(2) These funds shall supplement and not supplant any current or future funding.

(b) Projects that receive funding pursuant to subdivision (a) are a public work for which prevailing wages shall be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(c)(1) For projects that receive funding pursuant to subdivision (a), the University of California shall obtain an enforceable commitment from any contractor performing work in an apprenticeable occupation in the building and construction trades that the contractor and its subcontractors at every tier will individually use a skilled and trained workforce to complete the work.

(2) Paragraph (1) shall not apply if all contractors and subcontractors at every tier performing the work will be bound by a project labor agreement that requires the use of a skilled and trained workforce and provides for enforcement of that obligation through an arbitration procedure.

(3) For purposes of this subdivision, the following definitions apply:

(A) “Project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(B) “Skilled and trained workforce” has the same meaning as set forth in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(d) The University of California may use moneys appropriated pursuant to subdivision (a) for capital outlay projects, as defined in subdivision (b) of Section 92494, only if, for any affected project, facility, building, or other property, the University of California complies with the requirements of subdivision (d) of Section 92495.

(e) Commencing July 1, 2023, the University of California shall submit an annual report to the Legislature, pursuant to Section 9795 of the Government Code, and the Department of Finance on the amount of moneys allocated pursuant to subdivision (a) to the University of California, Riverside, and the University of California, Merced, how these funds were used, and outcomes resulting from the use of these funds.

FISH & GAME CODE

Division 2. Department of Fish and Game
Chapter 4 Wildlife Conservation Law of 1947
Article 3. Powers and Purposes

§ 1350. Construction of facilities; acceptance of federal grants and receipt of gifts, donations, and other financial support; award of grants or loans by the board

(a)(1) The department shall, when authorized by the board, construct in accordance with law those facilities as are suitable for the purpose for which the real property or rights in real property or water, or water rights, were acquired. Each completed project shall be managed and maintained by the department.

(2) The department, with the approval of the board, may enter into agreements with any other department or agency of this state, any local agency, any California Native American tribe, as defined in Section 21073 of the Public Resources Code, or any nonprofit organization, to provide for the construction, management, or maintenance of the facilities authorized by the board, and such other department or agency of this state, local agency, California Native American tribe, or nonprofit organization, and each of them may construct, manage, or maintain those facilities pursuant to the agreement. Work performed by a local agency, California Native American tribe, or nonprofit organization under those agreements is exempt from Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public

Contract Code. However, nothing in this section shall be construed to exempt any work from Part 7 (commencing with Section 1720) of Division 2 of the Labor Code.

(b) The department, when authorized by the board, may apply for and accept federal grants, and receive gifts, donations, and other financial support from public or private sources to be used for fish and wildlife habitat enhancement, including riparian habitat restoration projects on real property or waters for which the state obtains an interest. Funds received from any of those sources shall be deposited in the Wildlife Restoration Fund or the Fish and Game Preservation Fund.

(c) The board may award grants or loans to nonprofit organizations, local governmental agencies, federal agencies, state agencies, and California Native American tribes for the purposes of fish and wildlife habitat restoration, enhancement, management, protection and improvement of riparian resources, and for development of compatible public access facilities in the same manner and subject to the same terms and conditions as prescribed in Section 31116 of the Public Resources Code. Proceeds from repayment of any loans and the interest thereon shall be deposited in the Wildlife Restoration Fund.

Division 2. Department of Fish and Game
Chapter 5. Fish and Game Management
Article 1. Generally

§ 1501.5. Contracts and state aid for fish and wildlife habitat preservation, restoration and enhancement

(a) The department may enter into contracts for fish and wildlife habitat preservation, restoration, and enhancement with public and private entities whenever the department finds that the contracts will assist in meeting the department's duty to preserve, protect, and restore fish and wildlife.

(b) The department may grant funds for fish and wildlife habitat preservation, restoration, and enhancement to public agencies, Indian tribes, and nonprofit entities whenever the department finds that the grants will assist it in meeting its duty to preserve, protect, and restore fish and wildlife.

(c) Contracts authorized under this section are contracts for services and are governed by Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code. No work under this section is public work or a public improvement and is not subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(d) This section does not apply to contracts for any of the following:

(1) Construction of office, storage, garage, or maintenance buildings.

(2) Drilling wells and installation of pumping equipment.

(3) Construction of permanent hatchery facilities, including raceways, water systems, and bird exclosures.

(4) Construction of permanent surfaced roadways and bridges.

(5) Any project requiring engineered design or certification by a registered engineer.

(6) Any contract, except contracts with public agencies, nonprofit organizations, or Indian tribes that exceed fifty thousand dollars ($50,000) in cost, excluding the cost for gravel, for fish and wildlife habitat preservation, restoration, and enhancement for any one of the following:

(A) Fish screens, weirs, and ladders.

(B) Drainage or other watershed improvements.

(C) Gravel and rock removal or placement.

(D) Irrigation and water distribution systems.

(E) Earthwork and grading.

(F) Fencing.

(G) Planting trees or other habitat vegetation.

(H) Construction of temporary storage buildings.

GOVERNMENT CODE

Title 1. General
Division 6. Public Bonds and Obligations
Chapter 14. Infrastructure Financing

§ 5956.8. Plans and specifications; standards; design and construction; facilities leased to private entities

The plans and specifications for each project constructed pursuant to this chapter shall comply with all applicable governmental design standards for that particular infrastructure project. The private entity designing, constructing, operating, and

maintaining infrastructure facilities pursuant to this chapter shall utilize private sector design and construction firms to design and construct the infrastructure facilities. However, a facility subject to this chapter and leased to a private entity shall, during the term of the lease, be deemed to be public property for purposes of identification, maintenance, enforcement of laws and for purposes of Division 3.6 (commencing with Section 810). All public works constructed pursuant to this chapter shall comply with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

Title 1. General
Division 6. Public Bonds and Obligations
Chapter 15. Long Beach CIVIC Center

§ 5977. Construction of project; ownership; financing; plans and specifications

(a) The project is subject to compliance with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code). Neither the act of selecting a private entity, nor the execution of an agreement with the private entity, shall require prior compliance with the act. However, appropriate compliance with the act shall thereafter occur before project construction commences.

(b) The public portion of the project, at all times, shall be owned by the city, unless the city, in its discretion, elects to provide for ownership of the project by the private entity through a separate lease agreement. Notwithstanding Section 5956.6 or any other provision of this code, the agreement shall provide for the lease of all or a portion of the project to, or ownership by, the private entity or entities, for a term up to 50 years. In consideration therefor, the agreement shall provide for complete reversion of the public portion of the project to the city at the expiration of the lease or transfer term.

(c) The private portion of the project shall not be financed or developed by the public-private partnership or otherwise using public or tax-exempt financing.

(d) The plans and specifications for the project shall comply with all applicable governmental design standards for that particular infrastructure project. The private entity studying, planning, designing, constructing, developing, financing, operating, maintaining, or any combination thereof, the project shall utilize private sector firms for studying, planning, designing, constructing, developing, financing, operating, maintaining, or any combination thereof, the project. However, a facility subject to this chapter and leased to a private entity, during the term of the lease, shall be deemed to be public property for purposes of identification, maintenance, enforcement of laws, and for purposes of Division 3.6 (commencing with Section 810). All public works constructed pursuant to this chapter shall comply with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(e) This chapter shall not be construed to authorize the city to use tidelands trust revenues that are subject to Section 6306 of the Public Resources Code or any other

applicable granting statute for general municipal purposes or any other purposes unconnected with the public trust.

Title 1. General
Division 7. Miscellaneous
Chapter 5. Joint Exercise of Powers
Article 1. Joint Powers Agreements

§ 6538.5. Nonprofit mutual benefit corporations providing services to zero-emission transportation systems or facilities; formation of joint powers authority or agreement with public agencies; purpose; governance; use of skilled and trained workforce

(a) Notwithstanding any other provision of this chapter, one or more private, nonprofit mutual benefit corporations that are organized pursuant to Section 501(c)(3) of the Internal Revenue Code,1 formed for purposes of providing services to zero-emission transportation systems or facilities, including, but not limited to, finance, design, construction, operation, or maintenance, or authorized by their board of directors to provide such services, may join a joint powers authority or enter into a joint powers agreement with one or more public agencies otherwise established pursuant to this chapter. Any joint powers authority formed pursuant to a joint powers agreement as described in this subdivision shall be deemed a public entity, as described in Section 6507, except that, notwithstanding any other law, the authority shall not have the power to incur debt.

(b) The purpose of a joint powers authority or agreement formed pursuant to subdivision (a) shall be to facilitate the development, construction, and operation of zero-emission transportation systems or facilities that lower greenhouse gases, reduce vehicle congestion and vehicle miles traveled, and improve public transit connections.

(c) An authority formed pursuant to subdivision (a) shall be governed by a board of directors, the composition of which shall be determined by the participating public agency or agencies. The representation of private, nonprofit mutual benefit corporations on the board of directors shall not exceed 50 percent.

(d)(1)(A) For a project undertaken by joint powers authority formed pursuant to a joint powers agreement as described in this section, the joint powers authority shall obtain an enforceable commitment that any bidder, contractor, or other entity undertaking the project will use a skilled and trained workforce to complete the project.

(B) Subparagraph (A) does not apply if either of the following are met:

(i) The joint powers authority has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project to use a skilled and trained workforce.

(ii) The bidder, contractor, or other entity has entered into a project labor agreement that will bind all contractors and subcontractors at every tier performing work on the project to use a skilled and trained workforce.

(2) For a project undertaken by a bidder, contractor, or other entity that is a private entity under contract to or otherwise performing the work for a joint powers authority formed pursuant to a joint powers agreement as described in this section, the private entity shall do both of the following:

(A) Certify, in writing and under penalty of perjury, to the joint powers authority that either of the following is true:

(i) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the project is not in its entirety a public work and the project applicant is not required to pay prevailing wages to all construction workers under Article 2 (commencing with Section 1720)2 of Chapter 1 of Part 7 of Division 2 of the Labor Code, all construction workers employed on construction of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this clause, then for those portions of the project that are not a public work all of the following shall apply:

(I) The joint powers authority shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(II) All contractors and subcontractors at every tier shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors at every tier shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying by the joint powers authority and the public as provided by Section 1776 of the Labor Code.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors at every tier to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-

management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) do not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) Certify, in writing and under penalty of perjury, to the joint powers authority that a skilled and trained workforce will be used to perform all construction work on the project. All of the following requirements shall apply to the project:

(i) The joint powers authority shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the project.

(ii) Every contractor and subcontractor shall use a skilled and trained workforce to construct the project.

(iii)(I) Except as provided in subclause (II), the private entity shall provide to the joint powers authority, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the joint powers authority pursuant to this subclause shall be a public record under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1) and shall be open to public inspection. A private entity that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and

penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(II) Subclause (I) shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

(e) For purposes of this section, the following terms shall have the following definitions:

(1) “Project” means any zero-emission transportation system or facility that is developed, constructed, or operated by a joint powers authority formed pursuant to subdivision (a).

(2) “Project labor agreement” has the same meaning as defined in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(3) “Skilled and trained workforce” has the same meaning as defined in subdivision (d) of Section 2601 of the Public Contract Code and as described in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(f) This section shall remain in effect only until January 1, 2032, and as of that date is repealed.

Title 2. Government of the State of California
Division 2. Legislative Department
Part 1. Legislature
Chapter 1.5. General
Article 5.2. State Capitol Building Annex Act of 2016

§ 9112. Authorization for capital building annex projects; administration and supervision; application of laws; inclusion of California Highway Patrol emergency dispatch center

(a)(1) Notwithstanding any other law, including Section 9108, the Joint Rules Committee may pursue the construction of a state capitol building annex or the restoration, rehabilitation, renovation, or reconstruction of the State Capitol Building Annex described in Section 9105 and any other ancillary improvements to effectuate the purposes of this article.

(2) Projects authorized pursuant to this section may be pursued in phases and may include a visitor center, a relocated and expanded underground parking facility, and any related or necessary deconstruction and infrastructure work.

(b)(1) All work performed pursuant to this article shall be executed and managed by the Joint Rules Committee pursuant to its authority described in subdivision (a). The

Department of General Services shall provide counsel and advice to the Joint Rules Committee for purposes of the work. The work shall be undertaken pursuant to an agreement between the Joint Rules Committee, the Department of Finance or its designated representative, and the Department of General Services or its designated representative.

(2) The agreement entered into pursuant to paragraph (1) shall establish the scope, budget, delivery method, and schedule for any work undertaken pursuant to this article.

(3)(A) Notwithstanding any other law, the Joint Rules Committee, the Department of Finance or its designated representative, and the Department of General Services or its designated representative, pursuant to the agreement entered into pursuant to paragraph (1), may agree to utilize any delivery method deemed appropriate and advantageous for the work performed pursuant to this article.

(B) Notwithstanding any other law, any changes to the scope of the projects authorized by this section shall be agreed upon by the Joint Rules Committee, the Department of Finance or its designated representative, and the Department of General Services or its designated representative, pursuant to the agreement entered into pursuant to paragraph (1).

(c)(1) Notwithstanding any other law, all work performed pursuant to this article shall be exempt from all of the following:

(A) The State Contract Act (Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code).

(B) Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3.

(C) Chapter 2.1 (commencing with Section 15813) of Part 10b of Division 3.

(D) Section 2807 of the Penal Code.

(E) Sections 5024 and 5024.5 of the Public Resources Code.

(F) Division 13 (commencing with Section 21000) of the Public Resources Code.

(2) Notwithstanding any other law, the inclusion of office space for or an emergency dispatch center of the Department of the California Highway Patrol, including any associated telecommunications or radio equipment, in the state capitol building annex constructed or the existing State Capitol Building Annex described in Section 9105 restored, rehabilitated, renovated, or reconstructed pursuant to this article shall not subject any part of the projects authorized by this article, including that office space or emergency dispatch center, to any of the following:

(A) The Essential Services Buildings Seismic Safety Act of 1986 (Chapter 2 (commencing with Section 16000) of Division 12.5 of the Health and Safety Code).

(B) Any other law that would not otherwise apply to the projects authorized by this article but for the inclusion of the office space for or emergency dispatch center of the Department of the California Highway Patrol

(C) Any rule, regulation, standard, or requirement promulgated or enforced by the Division of the State Architect or the Office of the State Fire Marshal pursuant to the laws described in subparagraphs (A) and (B).

(3) Notwithstanding any other law, for purposes of work performed pursuant to this article involving the Department of General Services, the department may enter into negotiations directly with any firm for the provision of services described in Section 4525.

(d) Prevailing wages shall be paid to all workers employed on a project that is subject to this article, in accordance with Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

Title 2. Government of the State of California
Division 2. Legislative Department
Part 1. Legislature
Chapter 1.5. General
Article 5.6. State Office Building Act of 2018

§ 9125. Authorization for state office building projects; administration and supervision; application of laws; inclusion of California Highway Patrol emergency dispatch center

(a)(1) In order to adequately provide for the housing and administrative requirements of the Legislature and the executive branch during the construction of a state capitol building annex or the restoration, rehabilitation, renovation, or reconstruction of the existing State Capitol Building Annex pursuant to Article 5.2 (commencing with Section 9112), and to later provide for additional state-owned facilities in close proximity to the State Capitol, the Department of General Services may pursue the design and construction of a state office building located on O Street, between 10th Street and 11th Street, in the City of Sacramento.

(2) A project authorized pursuant to this section may proceed on a schedule different from that for the projects authorized by Section 9112, subject to good faith consultation between the Department of General Services and the Joint Rules Committee to determine the scope, budget, scheduling, organization, management, delivery method, and other approaches deemed most appropriate and advantageous to advance the office building authorized by this section and other related projects. This consultation shall be conducted pursuant to the agreement entered into pursuant to paragraph (1) of subdivision (b) of Section 9112.

(b)(1) The Department of General Services, or its designated representative, shall collaborate with the Joint Rules Committee and the Department of Finance, or its designated representative, to determine the scope, budget, delivery method, and schedule for any space to be constructed, restored, rehabilitated, renovated, or reconstructed pursuant to this article.

(2)(A) The scope, cost, and delivery method of each project pursuant to this section shall be recognized by, and subject to the oversight of, the State Public Works Board pursuant to Section 13332.11 or 13332.19, as applicable and subject to the provisions of this paragraph.

(B) Notwithstanding Sections 13332.11 and 13332.19, or any other law, the Joint Rules Committee, the Department of Finance or its designated representative, and the Department of General Services or its designated representative, may agree, pursuant to paragraph (1) of subdivision (b) of Section 9112, to utilize any delivery method deemed appropriate and advantageous for the work performed pursuant to this article.

(C) Notwithstanding any provision of Section 13332.11 or 13332.19 to the contrary, or any other law, any changes to the scope of the projects authorized by this section shall be agreed upon by the Joint Rules Committee, the Department of Finance or its designated representative, and the Department of General Services or its designated representative, pursuant to the agreement entered into pursuant to paragraph (1) of subdivision (b) of Section 9112.

(3) The height limitation specified in subdivision (c) of Section 8162.7 shall apply to any structure constructed, restored, rehabilitated, renovated, or reconstructed pursuant to this article.

(c)(1) Notwithstanding any other law, all work performed pursuant to this article by the Department of General Services shall be exempt from all of the following:

(A) The State Contract Act (Chapter 1 (commencing with Section 10100) of Part 2 of Division 2 of the Public Contract Code).

(B) Chapter 6 (commencing with Section 14825) of Part 5.5 of Division 3.

(C) Chapter 2.1 (commencing with Section 15813) of Part 10b of Division 3.

(D) Section 2807 of the Penal Code.

(2) Notwithstanding any other law, the inclusion of office space for or an emergency dispatch center of the Department of the California Highway Patrol, including any associated telecommunications or radio equipment, in the state office building constructed pursuant to this article shall not subject any part of the project authorized by this article, including that office space or emergency dispatch center, to any of the following:

(A) The Essential Services Buildings Seismic Safety Act of 1986 (Chapter 2 (commencing with Section 16000) of Division 12.5 of the Health and Safety Code).

(B) Any other law that would not otherwise apply to the project authorized by this article but for the inclusion of the office space for or emergency dispatch center of the Department of the California Highway Patrol.

(C) Any rule, regulation, standard, or requirement promulgated or enforced by the Division of the State Architect or the Office of the State Fire Marshal pursuant to the laws described in subparagraphs (A) and (B).

(3) Notwithstanding any other law, the Department of General Services may enter into negotiations directly with any firm for the provision of services described in Section 4525.

(d) Prevailing wages shall be paid to all workers employed on a project that is subject to this article, in accordance with Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

(e) The Department of General Services shall provide maintenance and operation services in connection with that portion of the state office building subject to this article that is utilized by the Legislature, as requested by the Joint Rules Committee.

(f) It is the intent of the Legislature to collaborate in good faith with the executive branch to consider any necessary statutory changes or actions pursuant to Section 9123 or any other law in order to facilitate the financing and continuing operation of the project authorized by this section. Furthermore, the executive branch and the Joint Rules Committee agree to collaborate, consistent with the terms of the agreement required by paragraph (1) of subdivision (b) of Section 9112, in the design, scheduling, organization, management, choice of delivery method, and other approaches needed to ensure that the project authorized by this section serves the needs of the Legislature, as well as the needs of the executive branch, during the period of the work authorized by Section 9112. Over the long term, joint occupancy by legislative and executive branch entities is contemplated, with the building's management provided by the Department of General Services, unless explicitly agreed to otherwise.

(g) Nothing in this article shall be construed to limit the jurisdiction of the Legislature over the buildings and property bounded by 10th, 11th, N, and O Streets in the City of Sacramento that are described in Article 5.5 (commencing with Section 9115)

Title 2. Government of the State of California
Division 3. Executive Department
Part 5. Department of Transportation
Chapter 2. Powers and Duties
Article 1. General

§ 14104.5. Contracts not subject to State Contract Act; renting tools and equipment; furnishing labor and materials

Where work to be performed, excluding regular maintenance work, which would otherwise be subject to the State Contract Act, does not lend itself to the preparation of plans and specifications to enable bids to be taken on a lump sum or unit basis, and the director so finds, the department may perform such work by the use of rented tools or equipment, either with operators furnished or unoperated. Contracts for such work may include provision for equipment rental and in addition the furnishing of labor and materials necessary to accomplish the work. Such contracts shall not be subject to the State Contract Act, but shall be subject to all of the provisions of Section 136.5 of the Streets and Highways Code, and of Article 2, Chapter 1, Part 7, Division 2 (commencing at Section 1770) of the Labor Code.

Title 2. Government of the State of California
Division 3. Executive Department
Part 5. Department of Transportation
Chapter 4. California Transportation Research and Innovation Program

§ 14453. Role of department; site evaluation and selection guidelines

The department's role in this program shall be limited to research and development. The department shall consider the following guidelines in evaluating and selecting a site for a research and development center:

(a) Sources of funding for the center, with the stipulation that the state's funding share does not exceed one-third of the total costs of the center, with the remaining funds provided from local, federal, and private sources. The department shall seek to maximize private participation in the funding of a center, and state funds shall be expended only for facilities to be used by the state to be located on real property owned by the state, including acquisition of real property to be owned by the state in fee simple or pursuant to a lease-purchase contract.

(b) Accessibility to the center by rail or bus service operating at frequency headways of not less than one-half hour during peak commute hours.

(c) Other criteria to be used in the evaluation of a site for the center, which shall include, but not be limited to, the following:

(1) The ability of the project to enhance environmental quality, including the dedication of open space for preservation of open space, wetlands, and other wildlife habitat.

(2) The ability of the project to rely on existing infrastructure, including water and sewer hookups to existing systems and access by existing roads and transit systems, or alternatively, an assurance by the local jurisdiction or jurisdictions that an infrastructure development plan has been adopted which provides for the timely construction of necessary infrastructure and which is fully funded.

(3) The extent to which the project will result in the least cost to public agencies, direct and indirect, including costs incurred by state and local agencies other than the department.

(4) The extent to which the project provides a return on investment of public funds to public agencies.

(d) Contracting for consultant services to assist it in selecting a site for a center.

(e) Receiving and evaluating proposals for the center, to be ranked in priority order consistent with this section.

(f) Not committing any state funds to the project other than for the development of a request for proposals and the evaluation of proposals received in response to the request, unless funds are specifically appropriated as a separate item in the annual Budget Act for the financing, planning, design, and construction of the center.

(g) Construction of the center shall be subject to prevailing wage laws and minority enterprise and women business enterprise participation laws applicable to the department's highway construction projects.

Title 2. Government of the State of California
Division 3. Executive Department
Part 5.5. Department of General Services
Chapter 2. Powers and Duties, Generally Article 2. State Property

§ 14670.36 Fairview Development Center; letting of property; housing for people with developmental disabilities

(a) Notwithstanding any other law, the Director of General Services, with the consent of the Director of Developmental Services, may, in the best interests of the state, let to any person or entity real property not exceeding 20 acres located within the grounds of the Fairview Developmental Center for a period not to exceed 55 years, at a price that will permit the development of affordable housing for people with developmental disabilities.

(b) Notwithstanding any other law, the lease authorized by this section may be assignable subject to approval by the Director of General Services, with the consent of the Director of Developmental Services. The lease shall do all of the following:

(1) Provide housing for individuals who qualify based upon criteria established by the Department of Developmental Services. A minimum of 20 percent of the housing units

developed shall be available and affordable to individuals with developmental disabilities served by a regional center pursuant to the Lanterman Developmental Disabilities Services Act (Chapter 1 (commencing with Section 4500) of Division 4.5 of the Welfare and Institutions Code). When filling vacancies, priority for housing shall be given to individuals transitioning from a developmental center or at risk for admission to a developmental center.

(2) Allow for lease revenues or other proceeds received by the state under the leases for projects authorized by this section and Section 14670.35, to be utilized by the Department of Developmental Services to support individuals with developmental disabilities, including subsidizing rents for those individuals.

(3) Include provisions authorizing the Department of Developmental Services, or its designee, to provide management oversight and administration over the housing for individuals with developmental disabilities and the general operations of the project sufficient to ensure the purposes of the lease are being carried out and to protect the financial interests of the state.

(c) The Department of Developmental Services may share in proceeds, if any, generated from the overall operation of the project developed pursuant to this section. All proceeds received from the project authorized by this section and the project authorized by Section 14670.35, in accordance with the terms of the lease, shall be deposited in the Department of Developmental Services Trust Fund, which is hereby created in the State Treasury. Moneys in the Department of Developmental Services Trust Fund shall be used, upon appropriation by the Legislature, for the purpose of providing housing and transitional services for people with developmental disabilities. Any funds not needed to support individuals with developmental disabilities shall be transferred to the General Fund upon the order of the Director of Finance.

(d) The Director of General Services, with the consent of the Director of Developmental Services, may enter into a lease pursuant to this section at less than market value, provided that the cost of administering the lease is recovered.

(e) The project and lease, including off-site improvements directly related to the housing project authorized by this section, shall not be deemed a “public works contract” as defined by Section 1101 of the Public Contract Code. However, construction projects contemplated by the lease authorized by this section shall be considered “public works,” as defined by paragraph (1) of subdivision (a) of Section 1720 of the Labor Code, for the purpose of prevailing wage requirements.

Title 2. Government of the State of California
Division 3. Executive Department
Part 5.5. Department of General Services
Chapter 8. Traffic

§ 14920. Specialized knowledge; purposes; commercial moving services under competitive bid contracts; definitions

(a) The Department of General Services provides for the specialized consideration of all traffic problems of the state; develops specialized knowledge of rates, tariffs, and traffic problems to the end that all state shipments be accomplished in the most expeditious, economical, and efficient manner possible via carrier or carriers whose drivers and supporting personnel are operating under current collective-bargaining agreements or who are maintaining the prevailing wages, standards and conditions of employment for its driver and supporting personnel employees; insures adequate state representation before administrative rate-setting bodies; disseminates traffic information throughout all state agencies.

(b) In establishing procedures for obtaining commercial moving services under competitive bid contracts the department shall act in accordance with the following:

Every contract (and any bid specification therefor) hereby authorized and entered into by the state in excess of two thousand five hundred dollars ($2,500), the principal purpose of which is to furnish commercial moving services to relocate state offices, facilities and institutions, shall specify that no contractor performing thereunder shall pay any employee actually engaged in the moving or handling of goods being relocated under such contract less than the prevailing wage rate, except consideration may be given to bids not conforming with these employee cost provisions in areas where no such employee wage standards and conditions are reasonably available. The term “prevailing wage rate,” as used in this subdivision, means the rate paid to a majority of workmen engaged in the particular craft, classification or type of work within the locality if a majority of such workmen be paid at a single rate; if there be no single rate being paid to a majority, then the rate being paid the greater number. The determination required by this subdivision of wage rates prevailing in a given area shall be made by the Department of Industrial Relations.

(c) The term “supporting personnel” for the purposes of this chapter shall include all employees of a carrier who directly participate in the actual moving and handling of goods.

The amendments to this section during the 1975-76 Regular Session, shall not apply to any contract, including those that may be renewed periodically, which affects the wage rates of supporting personnel until the end of the renewal period or the end of the contract, whichever first occurs.

Title 2. Government of the State of California
Division 3. Executive Department
Part 5.5. Department of General Services
Chapter 10. State Architect

§ 14955. Contracts not susceptible to bids on plans and specifications; rental of equipment; bids; emergency work

Where work to be performed, excluding regular maintenance work, which would otherwise be subject to the State Contract Act (Chapter 1 (commencing with Section 10100) of Division 2 of the Public Contract Code), does not lend itself to the preparation of plans and specifications to enable bids to be taken on a lump-sum or unit basis, and the director so finds, the department may perform the work by the use of rented tools or equipment, either with operators furnished or unoperated. Contracts for the work may include provision for equipment rental and in addition the furnishing of labor and materials necessary to accomplish the work. The contracts shall not be subject to the State Contract Act, but shall be subject to all of the provisions of Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

Whenever the total consideration of such a contract exceeds two thousand five hundred dollars ($2,500), it shall be awarded to the lowest responsible bidder, after competitive bidding on such reasonable notice as the department may prescribe, except in cases of emergency rental of tools or equipment as hereinafter provided. Posting of notice for five days in a public place in the Sacramento and Los Angeles offices of the Office of Architecture and Construction of the department is sufficient. Those contracts involving a consideration in excess of two thousand five hundred dollars ($2,500) shall be accompanied by labor and material bonds. The department may require faithful performance bonds when considered necessary. The notice for each contract shall state whether or not a bond shall be required. Where a faithful performance bond is required, labor and material bonds shall be required.

In cases of emergency work necessitated by the imminence or occurrence of a landslide, flood, storm damage, accident, or other casualty, tools or equipment may be rented for a period of not to exceed 10 days without competitive bidding.

Title 2. Government of the State of California
Division 3. Executive Department
Part 5.5. Department of General Services
Chapter 11. Emergencies

§ 14975. Payment bond

Notwithstanding the provisions of Section 9550 of the Civil Code, the contractor under any contract made under this chapter need not provide a payment bond before the commencement of the work but must provide a payment bond as otherwise required by law prior to payment under the contract.

§ 14976. Prevailing wage rates

Notwithstanding any provisions to the contrary contained in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code, the director need not determine the prevailing wage rates before the work under any such contract is commenced. However, such contract shall contain a provision that the contractor shall pay prevailing wages for the crafts or trades so utilized which wage rates shall be ascertained as of the date of such contract by the director as soon thereafter as is reasonably possible.

Title 2. Government of the State of California
Division 3. Executive Department
Part 10b. State Building Construction
Chapter 3.14. Financing of San Quentin State Prison Central Health Services Facilities

§ 15820.105. Compliance with building codes; project deemed governed by mechanics lien law; application of Labor Code provisions; use of private sector methods

(a) Plans and specifications for the project shall comply with applicable building codes.

(b) The project is hereby deemed to be governed by Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code.

(c) The provisions of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code shall apply to all public works contracts entered into for the project.

(d) Other than as provided in this section and Sections 15820.101 to 15820.104, inclusive, private sector methods may be used to deliver the project. Specifically, the procurement and contracting for the delivery of the project is not subject to the State Contract Act (Part 2 (commencing with Section 10100) of Division 2 of the Public

Contract Code) or any other provision of California law governing public procurement or public works projects.

Title 2. Government of the State of California
Division 5. Personnel
Part 2.6. Personnel Administration
Chapter 2. Administration of Salaries
Article 3. Salary Classification

§ 19830. Local limits for laborers, workers, and mechanics employed by hour or day; prevailing rates in various localities; conflict of section with memorandum of understanding

(a) The minimum and maximum salary limits for laborers, workers, and mechanics employed on an hourly or per diem basis need not be uniform throughout the state, but the appointing power shall ascertain and report to the department, as to each position, the general prevailing rate of the wages in the various localities of the state.

In fixing the minimum and maximum salary limits within the various localities of the state, the department shall take into account the prevailing rates of wages in the localities in which the employee is to work and other relevant factors, and shall not fix the minimum salary limits below the general prevailing rate so ascertained and reported for the various localities.

(b) If the provisions of this section are in conflict with the provisions of a memorandum of understanding reached pursuant to Section 3517.5, the memorandum of understanding shall be controlling without further legislative action, except that if the provisions of a memorandum of understanding require the expenditure of funds, the provisions shall not become effective unless approved by the Legislature in the annual Budget Act.

Title 5. Local Agencies
Division 2. Cities, Counties, and Other Agencies
Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies
Chapter 2.99. Enhanced Infrastructure Financing District
Article 3. Division of Taxes

§ 53398.75.7. Second Neighborhood Infill Finance and Transit Improvements Act

[preceding sections omitted]

(k) Paragraph (1) of subdivision (c) of Section 1720 of the Labor Code shall not apply to projects financed by the enhanced infrastructure financing district.

Title 5. Local Agencies
Division 2. Cities, Counties, and Other Agencies
Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies
Chapter 5. Property
Article 8. Surplus Land

§ 54222.3.1. Disposal of land by a city with a population exceeding 2,500,000; annual report; request for additional information; violations

(a) Subject to subdivisions (b) to (g), inclusive, this article shall not apply to the disposal of land by a city with a population exceeding 2,500,000 for use for any of the following purposes:

(1) A Low Barrier Navigation Center, as defined in Section 65660.

(2) Supportive housing, as defined in Section 50675.14 of the Health and Safety Code.

(3) Transitional housing, as defined in subdivision (j) of Section 65582, for youth and young adults. For purposes of this paragraph, “youth and young adults” means persons between 12 and 24 years of age, inclusive, and includes persons who are pregnant and parenting.

(4) Affordable housing. For purposes of this paragraph, “affordable housing” means a housing development with 100 percent of all units in the development, but exclusive of a manager's unit or units, sold or rented to lower income households, as defined by Section 50079.5 of the Health and Safety Code, or an affordable rent set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee, except that up to 20 percent of the units in the development may be for moderate-income households, as defined in Section 50053 of the Health and Safety Code, or an affordable rent set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee.

(b) Before land described in subdivision (a) is disposed of the city shall meet both of the following requirements:

(1) The city shall have a housing element that is compliant with law, including, but not limited to, Chapter 3 (commencing with Section 65100) of Division 1 of Title 7, as determined by the Department of Housing and Community Development.

(2) The city shall be designated prohousing pursuant to subdivision (c) of Section 65589.9.

(c)(1) If a city disposes of land pursuant to this section and the development is not in its entirety a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, construction and rehabilitation work on the land shall meet all of the following conditions:

(A) All construction workers employed in the execution of the development shall be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(B) The project sponsor shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work for those portions of the development that are not a public work.

(C) All contractors and subcontractors for those portions of the development that are not a public work shall comply with both of the following:

(i) Pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(ii) Maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section. This clause does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(2)(A) The obligation of the contractors and subcontractors to pay prevailing wages pursuant to this subdivision may be enforced by any of the following:

(i) The Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development.

(ii) An underpaid worker through an administrative complaint or civil action.

(iii) A joint labor-management committee through a civil action under Section 1771.2 of the Labor Code.

(B) If a civil wage and penalty assessment is issued pursuant to this paragraph, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(C) This paragraph does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(3) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing does not apply to those portions of the development that are not a public work if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(4) The requirement of this subdivision to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(d) A city may dispose of land pursuant to this section for a project involving construction or rehabilitation of 40 or more housing units only if the work will be subject to a project labor agreement. For purposes of this subdivision, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code. This subdivision does not apply to projects for the construction or rehabilitation of low barrier navigation centers pursuant to paragraph (1) of subdivision (a).

(e) The city shall include in the annual report required by paragraph (2) of subdivision (a) of Section 65400 the status of a development of land disposed of pursuant to this section, including, but not limited to, all of the following information:

(1) The total square footage of the residential and nonresidential development.

(2) The total square footage of low barrier navigation centers.

(3) The number of residential units and beds that have been permitted.

(4) The percentage of the residential units that have been permitted that are restricted for persons and families of low or moderate income, or lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(f)(1) The Department of Housing and Community Development may request additional information from the city regarding land disposed of pursuant to this section.

(2) Notwithstanding subdivision (g), a city that responds to the Department of Housing and Community Development pursuant to this subdivision shall not be liable for a civil penalty if the city is not notified by the Department of Housing and Community

Development that the proposed disposal would violate this section within 30 days of receiving the requested information. A city shall have 60 days to cure or correct an alleged violation before an action may be brought to enforce this section, unless the city disposes of the land before curing or correcting the alleged violation, or the department deems the alleged violation not to be a violation in fewer than 60 days.

(g)(1) If the city disposes of land in violation of this section, the city shall be liable for a civil penalty calculated as follows:

(A) For a first violation, 30 percent of the greater of the final sale price or the fair market value of the land at the time of disposition, or in the case of a lease, the discounted net present value of the fair market value of the lease as of the date the lease was entered into.

(B) For a second or subsequent violation, 50 percent of the greater of the final sale price or the fair market value of the land at the time of disposition, or in the case of a lease, the discounted net present value of the fair market value of the lease as of the date the lease was entered into.

(2) For purposes of paragraph (1), fair market value shall be determined by an independent appraisal of the land or lease, as applicable.

(3) An action to enforce paragraph (1) may be brought by any of the following:

(A) An entity identified in subdivisions (a) to (e), inclusive, of Section 54222.

(B) A person who would have been eligible to apply for residency in affordable housing had the city not violated this section.

(C) A housing organization, as that term is defined in Section 65589.5.

(D) A beneficially interested person or entity.

(E) The Department of Housing and Community Development.

(4) A penalty assessed pursuant to this subdivision shall, except as otherwise provided, be deposited into a local housing trust fund. The city may elect to instead deposit the penalty moneys into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund. Penalties shall not be paid out of funds already dedicated to affordable housing, including, but not limited to, Low and Moderate Income Housing Asset Funds, funds dedicated to housing for very low, low-, and moderate-income households, and federal HOME Investment Partnerships Program and Community Development Block Grant Program funds. The city shall commit and expend the penalty moneys deposited into the local housing trust fund within five years of deposit for the sole purpose of financing newly constructed housing units that are affordable to extremely low, very low, or low-income households.

(5) Five years after deposit of the penalty moneys into the local housing trust fund, if the funds have not been expended, the funds shall revert to the state and be deposited in the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund for the sole purpose of financing newly constructed housing units located in the same jurisdiction as the surplus land and that are affordable to extremely low, very low, or low-income households. Expenditure of any penalty moneys deposited into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund pursuant to this subdivision shall be subject to appropriation by the Legislature.

(h) This section shall not be construed to impose or affect any requirement applicable to disposals of land under any other provision of this article, including, but not limited to, any requirement for notice.

(i) This section shall remain in effect only until January 1, 2034, and as of that date is repealed.

Title 5. Local Agencies
Division 2. Cities, Counties, and Other Agencies
Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies
Chapter 5. Property
Article 8.5. Surplus Residential Property

§ 54239.3. Condition of sale to housing-related entity; commitment to prevailing wage rates for construction workers; applicability for portions of project not a public work

(a) As a condition of the sale of property to a housing-related entity pursuant to subdivision (c) of Section 54239.1 or pursuant to Section 54239.2, the housing-related entity shall provide an enforceable commitment to the selling agency that, if a construction project is undertaken on the property, and the entirety of the project is not a public work for which prevailing wages must be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, all construction workers employed on the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(b) If the project is subject to subdivision (a), then for those portions of the project that are not a public work all of the following shall apply:

(1) The housing-related entity shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(2) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(3) Except as provided in paragraph (5), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(4) Except as provided in paragraph (5), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee though a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(5) Paragraphs (3) and (4) shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this paragraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(6) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

Title 5. Local Agencies
Division 2. Cities, Counties, and Other Agencies
Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies
Chapter 5. Property
Article 8.5. Surplus Residential Property
§ 54239.4. Sale of surplus residential property in City of South Pasadena; priorities and procedures

Notwithstanding subdivision (d) of Section 54237, after a surplus residential property located within the City of South Pasadena is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237, the surplus residential property shall be offered for sale in accordance with all of the following priorities and procedures:

(a) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237, these properties shall then be offered at fair market value to present tenants who have occupied the property for five years or more and who are in good standing with all rent obligations current and paid in full, with first right of occupancy to the present tenants.

(b)(1) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and subdivision (a) of this section, and if the property has a historic home not occupied by tenants, the property shall be offered to the City of South Pasadena subject to all of the following:

(A) The sales price shall be the price paid by the Department of Transportation for original acquisition. The original acquisition price shall not be adjusted for inflation.

(B) Surplus residential property sold pursuant to this subdivision shall be sold in its existing “as is” condition.

(C) The City of South Pasadena shall, with the proceeds generated from the subsequent sale of unoccupied historic homes, finance the production or acquisition of affordable housing units. Units produced must have a regulatory agreement requiring an affordable sales price or an affordable rent, as defined in Sections 50052.5 and 50053 of the Health and Safety Code, for a minimum of 55 years for rental and 45 years for owner-occupied affordable housing. Units acquired must have a regulatory agreement requiring an affordable rent, as defined in Section 50053 of the Health and Safety Code, for a minimum of 55 years for rental. Proceeds may be used to finance either or both of the following:

(i) The production of three housing units affordable to persons and families of very-low, low- and moderate-income, as defined in Section 50093 of the Health and Safety Code, for every unoccupied historic home purchased by the City of South Pasadena.

(ii) The acquisition of three existing units for use as rental housing affordable to persons and families of very low, low, and moderate income, as defined in Section 50093 of the

Health and Safety Code, for every unoccupied historic home purchased by the City of South Pasadena.

(D) Prior to closing escrow on the purchase of the surplus residential property from the Department of Transportation, the City of South Pasadena shall demonstrate to the Department of Housing and Community Development the zoned capacity on parcels suitable for housing development to produce at least three affordable units, as defined in subparagraph (C), for each housing unit on the surplus residential property being purchased and identify and analyze potential and actual governmental constraints to the maintenance, improvement, or development of housing affordable to persons and families of low income, including housing for people with disabilities, on said parcels to the satisfaction of the Department of Housing and Community Development. The analysis must also demonstrate local efforts to remove constraints that hinder development of the parcels and evaluate their impact on the speed of delivery and depth of affordability of the necessary affordable units prescribed in subparagraph (C).

(E) Units may be produced or acquired on a single site, or on multiple sites.

(F) All units produced or acquired must be within the 91030 postal ZIP Code.

(G) The City of South Pasadena shall commence construction or complete acquisition of all affordable units numbering at least three times the total number of unoccupied historic homes acquired by the city by December 31, 2025.

(H) Notwithstanding any other law, funds generated through the sale of unoccupied historic homes by the City of South Pasadena shall be held by the City of South Pasadena for the sole purpose of the financing of these units.

(I) The City of South Pasadena shall include as an attachment to its annual report required by paragraph (2) of subdivision (a) of Section 65400 all of the following:

(i) Current ownership status of unoccupied historic homes in the State Route 710 corridor purchased by the City of South Pasadena, and an accounting of funds spent by the city on the purchase of these homes and generated through their sale.

(ii) The City of South Pasadena shall provide documents that evidence sale to the Department of Housing and Community Development. These documents shall include purchase and sale agreements, escrow instructions, and final HUD-1 form closing statements.

(iii) Documentation of rezoning actions taken by the City of South Pasadena to ensure the continued availability of sufficient capacity for development of sufficient affordable housing to accommodate all units prescribed in subparagraph (C).

(iv) Documentation of other actions taken by the City of South Pasadena to support its compliance with subparagraph (C), including the acquisition of homes for use as

affordable housing, rehabilitation of homes or apartment units for the same purpose, or the extension of affordability restrictions on housing units currently restricted to low- and moderate-income households.

(v) Other information requested by the Department of Housing and Community Development regarding the City of South Pasadena's compliance with this paragraph.

(J) At the end of the period defined in subparagraph (G), the City of South Pasadena shall additionally report all of the following information to the Department of Housing and Community Development:

(i) A summary of all prior reporting.

(ii) Supporting documentation that evidences the acquisition or commencement of construction on a sufficient number of units of affordable housing to satisfy subparagraphs (C) and (G) in a form agreeable to the Department of Housing and Community Development.

(iii) An accounting of total funds spent to acquire unoccupied historic homes from the Department of Transportation pursuant to this paragraph.

(iv) An accounting of funds generated through the sale of these homes.

(K) Failure to comply with any of subparagraphs (A) through (J), inclusive, shall require the City of South Pasadena to pay a fine of an amount equal to the funds generated through the sale of unoccupied historic homes pursuant to this paragraph less the city's acquisition cost. Fines shall be deposited into an account held by the Department of Housing and Community Development under the stipulations of Section 50470 and made accessible for the development of housing for persons and families of low and moderate income residing exclusively in the City of South Pasadena.

(L) Terms of subparagraph (K) may be subject to up two two-year extensions from the deadline specified in subparagraph (G), provided the City of South Pasadena is able to demonstrate sufficient progress on the development or acquisition of all required affordable units. Sufficient progress may include, but is not limited, to an executed option agreement or exclusive negotiation agreement for purchase of property intended for conversion to affordable units, completed project entitlements or building permits, executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, a combination thereof, or other proof of progress at the discretion of the Director of the Department of Housing and Community Development.

(M) Any surplus funds remaining after the completion of the construction of the required affordable units shall be used at the discretion of the City of South Pasadena for the production or acquisition of rental or for-sale housing affordable to persons and families

of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(N) Compliance with any clause in subparagraphs (C) through (M), inclusive, shall be determined by the Department of Housing and Community Development and is not subject to appeal.

(O) The Department of Housing and Community Development may review, adopt, amend, and repeal the standards, forms, or definitions to implement subparagraphs (C) through (N), inclusive. Any standards, forms, or definitions adopted to implement this article shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(P) The Department of Transportation shall provide an accounting of all historically designated properties in the State Route 710 corridor in the City of South Pasadena by January 1, 2022, to the Department of Housing and Community Development. This accounting shall include locations of all properties, addresses of all properties, parcel numbers for all properties, current occupancy status, and any other known building details.

(Q) The surplus residential property subject to this subdivision shall be subject to a covenant recorded against the property to ensure the property's use as pursuant to this paragraph.

(R) Notwithstanding subparagraphs (C) through (P), inclusive, if the City of South Pasadena does not resell a surplus residential property sold to it by the Department of Transportation within two years of closure of the sale, the property shall be used as affordable housing pursuant to paragraphs (3) and (4) of subdivision (c).

(S) Terms of subparagraph (R) may be subject to up one two-year extension provided the City of South Pasadena is able to demonstrate sufficient progress on the sale of the surplus residential properties. Sufficient progress may include proof that the property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of South Pasadena with no offers, unexpected structural damage due to a natural disaster or similar occurrence, or other proof of progress at the discretion of the Director of the Department of Housing and Community Development.

(T) The City of South Pasadena shall monitor compliance with the covenant required by subparagraph (Q). The City of South Pasadena may charge the property owner a fee to recover the cost of this monitoring.

(2) For purposes of this subdivision, “historic home” means either of the following:

(A) A surplus residential property that is listed on, or for which an application has been filed for listing on, at least one of the following by January 1, 2015:

(i) The California Register of Historical Resources, as established pursuant to Article 2 (commencing with Section 5020) of Chapter 1 of Division 5 of the Public Resources Code.

(ii) The National Register of Historic Places, as established pursuant to Chapter 3021 of Title 54 of the United States Code.

(iii) The National Register of Historic Places, as previously established pursuant to the federal National Historic Preservation Act (54 U.S.C. Sec. 300101 et seq.).

(B) A locally designated surplus residential property that meets either of the following requirements:

(i) The property has been identified before January 1, 2021, in the City of South Pasadena's inventory of cultural resources that has been adopted by the city pursuant to Section 2.63 of the Code of the City of South Pasadena, California, 1958.

(ii) The property has been designated before January 1, 2021, by the City of South Pasadena as a historic home.

(c) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and subdivisions (a) and (b) of this section, the surplus residential property shall be offered to the City of South Pasadena, as a housing-related entity, and then to another housing-related entity as follows:

(1) The sales price shall be the price paid by the Department of Transportation for original acquisition. The original acquisition price shall not be adjusted for inflation.

(2) Surplus residential property sold pursuant to this subdivision shall be sold in its existing “as is” condition.

(3) The surplus residential property shall be subject to a covenant recorded against the property to ensure the property's use as affordable housing pursuant to this paragraph.

(A) In the event that the surplus residential property is sold prior to the expiration of the covenant, the covenant shall remain in effect until the time at which it expires according to the provisions of this paragraph.

(B) Any housing-related entity purchaser shall comply with monitoring requirements, as determined by the Department of Transportation or the monitoring entity.

(C) For each surplus residential property purchased under this subdivision, the housing-related entity shall cause the property to be used for either of the following:

(i)(I) Low- or moderate-income rental housing for a term of at least 55 years. The purchase and operation of the property shall remain available and affordable for rental by lower income and moderate-income households, as defined by Sections

50052.5 and 50079.5 of the Health and Safety Code, respectively, for a term no shorter than 55 years.

(II) In the event the housing-related entity is no longer able to provide affordable housing on the property, the housing-related entity shall either sell the property to a successor housing-related entity that will maintain the property and the operations in compliance with the covenant or transfer the title to the city in which the property is located, which shall subsequently transfer the title and operations to a successor housing-related entity that will maintain the property and the operations in compliance with the covenant. The housing-related entity shall provide first right of occupancy to the present tenants. The rental amount shall be in accordance with income certification if the current tenants qualify as low or moderate income. If the current tenant's income exceeds the limits for that level, the rent for that tenant shall be no less than the current rent, or adjusted no higher than current market rates for the ZIP Code in which the surplus residential property is located. The housing-related entity shall cause any additional new units added to the property to be used only for low- or moderate-income rental housing, and the new units shall remain available and affordable for rental by lower income and moderate-income households, as defined by Sections 50052.5 and 50079.5 of the Health and Safety Code, during the covenant period.

(ii) If the surplus residential property is a single-family residence, it may be used for owner-occupied affordable housing for a term of at least 45 years. The housing-related entity shall sell the property to a person or family of low or moderate income for ownership and occupancy as affordable housing, as defined in Section 62250, and specifically as the primary residence of that buyer. The housing-related entity shall dedicate profits realized from the sale during the covenant period, as specified in subdivision (b) of Section 54237.7, to the construction of affordable housing within the City of South Pasadena. The housing-related entity shall provide first right of refusal to present tenants if they are a person or family of low or moderate income. All subsequent sales of the property during the covenant period shall be to a person or family of low or moderate income for ownership and occupancy as affordable housing, as defined in Section 62250. The property owner shall cause any additional new units added to the property to be used only for low- or moderate-income rental housing, and the new units shall remain available and affordable for rental by lower income and moderate-income households, as defined by Sections 50052.5 and 50079.5 of the Health and Safety Code, during the covenant period. The monitoring entity shall ensure that subsequent sales are made in compliance with this paragraph by conducting and certifying the income qualifications of the buyer(s) prior to purchase and sales contracts being consummated and prior to the opening of escrow.

(4) The Department of Transportation may designate in regulations to, or delegate by agreement to, a public agency to monitor the purchasers' compliance with the terms, conditions, and restrictions required by this subdivision.

(A) If the monitoring is not performed by a state agency, the monitoring entity shall prepare and submit to the Legislature reports that describe how the purchasers

complied with this subdivision and how they were monitored for compliance. The first report shall be submitted five years after the first property is sold pursuant to this subdivision, and subsequent reports shall be submitted every five years thereafter until the last covenant expires. A report to be submitted pursuant to this subparagraph shall be submitted in compliance with Section 9795.

(B) The monitoring entity may charge the property owner a fee to recover the cost of this monitoring and reporting.

(d) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and subdivisions (a) to (c), inclusive, of this section, the property shall be offered in accordance with the priorities and procedures specified in subdivision (e) of Section 54237.

(e) Before selling unimproved property within the State Route 710 corridor in the City of South Pasadena pursuant to Section 118 of the Streets and Highways Code, the Department of Transportation shall offer to sell the property at the price paid by the Department of Transportation for original acquisition to the City of South Pasadena, as a housing-related entity, for affordable housing purposes, and then to another housing-related entity for affordable housing purposes, pursuant to the terms and conditions provided in subdivision (c).

(f)(1) The Legislature finds and declares that the state's homelessness crisis has compounded the need for affordable housing described in Section 54235. To help mitigate the need for affordable housing and to speed up sales pursuant to this article, the Legislature further finds and declares that an emergency exists for purposes of Sections 11342.545, 11346.1, and 11349.6.

(2) The Department of Transportation shall file proposed emergency regulations with the Office of Administrative Law for adoption to implement this section not later than six months after this section is enacted.

(3) Notwithstanding Section 11346.1, the emergency regulations adopted pursuant to paragraph (2) shall remain in effect for two years after their effective date or until permanent regulations are adopted, whichever is sooner.

(g) If the Department of Transportation does not commence the sale of its unoccupied surplus residential property in the City of South Pasadena through a solicitation of interest in the first relevant step in the sales process pursuant to subdivision (b) or (c), as applicable, by June 30, 2022, the Department of Transportation shall report by December 31, 2022, to the relevant policy and fiscal committees of the Legislature the reasons for not commencing the sales and its plans for commencing them. The report required by this subdivision shall be submitted in compliance with Section 9795.

(h)(1) As a condition of the sale of property to a housing-related entity pursuant to subdivision (c) or (e), the housing-related entity shall provide an enforceable

commitment to the selling agency that, if a construction project is undertaken on the property, and the entirety of the project is not a public work for which prevailing wages must be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, all construction workers employed on the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(2) If the project is subject to paragraph (1), then for those portions of the project that are not a public work all of the following shall apply:

(A) The housing-related entity shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) Except as provided in subparagraph (E), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(D) Except as provided in subparagraph (E), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee though a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(E) Subparagraphs (C) and (D) shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this paragraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(F) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight

time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

Title 5. Local Agencies
Division 2. Cities, Counties, and Other Agencies
Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies
Chapter 5. Property
Article 8.5. Surplus Residential Property

§ 54239.5. Sale of surplus residential property in City of Pasadena; priorities and procedures

Notwithstanding subdivision (d) of Section 54237, after a surplus residential property located within the City of Pasadena is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237, the surplus residential property shall be offered for sale in accordance with all of the following priorities and procedures:

(a) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237, these properties shall then be offered at fair market value to present tenants who have occupied the property for five years or more and who are in good standing with all rent obligations current and paid in full, with first right of occupancy to the present tenants.

(b) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and subdivision (a) of this section, and if the property is not occupied by tenants, the property shall be offered to the City of Pasadena subject to all of the following:

(1) The sales price shall be the price paid by the Department of Transportation for original acquisition. The original acquisition price shall not be adjusted for inflation.

(2) Surplus residential property sold pursuant to this subdivision shall be sold in its existing “as is” condition.

(3) The City of Pasadena shall, with the proceeds generated from the subsequent sale of unoccupied homes, finance the production or acquisition of affordable housing units. Units produced must have a regulatory agreement requiring an affordable sales price or an affordable rent, as defined in Sections 50052.5 and 50053 of the Health and Safety Code, for a minimum of 55 years for rental and 45 years for owner-occupied affordable housing. Units acquired must have a regulatory agreement requiring an affordable rent, as defined in Section 50053 of the Health and Safety Code, for a minimum of 55 years for rental. Proceeds may be used to finance either or both of the following:

(A) The production of three housing units affordable to persons and families of very low, low and moderate income, as defined in Section 50093 of the Health and Safety Code, for every unoccupied home purchased by the City of Pasadena.

(B) The acquisition of three existing units for use as rental housing affordable to persons and families of very low, low, and moderate income, as defined in Section 50093 of the Health and Safety Code, for every unoccupied home purchased by the City of Pasadena.

(4) Prior to closing escrow on the purchase of the surplus residential property from the Department of Transportation, the City of Pasadena shall demonstrate to the Department of Housing and Community Development the zoned capacity on parcels suitable for housing development to produce at least three affordable units, as defined in paragraph (3), for each housing unit on the surplus residential property being purchased and identify and analyze potential and actual governmental constraints to the maintenance, improvement, or development of housing affordable to persons and families of low income, including housing for people with disabilities, on said parcels to the satisfaction of the Department of Housing and Community Development. The analysis must also demonstrate local efforts to remove constraints that hinder development of the parcels and evaluate their impact on the speed of delivery and depth of affordability of the necessary affordable units prescribed in paragraph (3).

(5) Units may be produced or acquired on a single site, or on multiple sites.

(6) All units acquired or produced shall be within high or highest resource census tracts within the City of Pasadena, as identified by the latest edition of the California Tax Credit Allocation Committee's opportunity maps. To the greatest extent possible, units acquired or produced shall be in geographic proximity to the unoccupied homes that were sold by the City of Pasadena.

(7) The City of Pasadena shall commence construction or complete acquisition of all affordable units numbering at least three times the total number of unoccupied homes acquired by the city by December 31, 2026.

(8) Notwithstanding any other law, funds generated through the sale of unoccupied homes by the City of Pasadena shall be held by the City of Pasadena for the sole purpose of the financing of these units.

(9) The City of Pasadena shall include as an attachment to its annual report required by paragraph (2) of subdivision (a) of Section 65400 all of the following:

(A) Current ownership status of unoccupied homes in the State Route 710 corridor purchased by the City of Pasadena, and an accounting of funds spent by the city on the purchase of these homes and generated through their sale.

(B) The City of Pasadena shall provide documents to the Department of Housing and Community Development that evidence sale. These documents shall include purchase and sale agreements, escrow instructions, and final HUD-1 form closing statements.

(C) Documentation of rezoning actions taken by the City of Pasadena to ensure the continued availability of sufficient capacity for development of sufficient affordable housing to accommodate all units prescribed in paragraph (3).

(D) Documentation of other actions taken by the City of Pasadena to support its compliance with paragraph (3), including the acquisition of homes for use as affordable housing, rehabilitation of acquired homes or apartment units, or new construction of homes or apartment units for the same purpose.

(E) Other information requested by the Department of Housing and Community Development regarding the City of Pasadena's compliance with this paragraph.

(10) At the end of the period defined in paragraph (7), the City of Pasadena shall additionally report all of the following information to the Department of Housing and Community Development:

(A) A summary of all prior reporting.

(B) Supporting documentation that evidences the acquisition or commencement of construction on a sufficient number of units of affordable housing to satisfy paragraphs (3) and (7) in a form agreeable to the Department of Housing and Community Development.

(C) An accounting of total funds spent to acquire unoccupied homes from the Department of Transportation pursuant to this paragraph.

(D) An accounting of funds generated through the sale of these homes.

(E) Aggregate data on low- and moderate-income tenants and owners residing in the newly acquired or constructed units, including, but not limited to, information relating to income eligibility, household size, and other information as required by the Department of Housing and Community Development that is not individually identifiable.

(F) Other information requested by the Department of Housing and Community Development regarding the City of Pasadena's compliance with this paragraph.

(11) Failure to comply with any of paragraphs (1) to (10), inclusive, shall require the City of Pasadena to pay a fine of an amount equal to the funds generated through the sale of unoccupied homes pursuant to this paragraph less the city's acquisition cost. Fines shall be deposited into an account held by the Department of Housing and Community Development under the stipulations of Section 50470 within 30 calendar days of notification of failure to comply, and made accessible for the development of housing for

persons and families of low and moderate income residing exclusively in the City of Pasadena.

(12) Terms of paragraph (11) may be subject to up to two two-year extensions from the deadline specified in paragraph (7), provided the City of Pasadena is able to demonstrate sufficient progress on the development or acquisition of all required affordable units. Sufficient progress may include, but is not limited to, an executed option agreement or exclusive negotiation agreement for purchase of property intended for conversion to affordable units, completed project entitlements or building permits, executed purchase agreements and draft covenants for the acquisition or rehabilitation of market rate units for the purpose of conversion to affordable units, a combination thereof, or other proof of progress at the discretion of the Director of the Department of Housing and Community Development.

(13) Any surplus funds remaining after the completion of the construction of the required affordable units shall be used at the discretion of the City of Pasadena for the production or acquisition of rental or for-sale housing affordable to persons and families of very low, low, or moderate income, as defined in Section 50093 of the Health and Safety Code.

(14) Compliance with any clause in paragraphs (3) to (13), inclusive, shall be determined by the Department of Housing and Community Development and is not subject to appeal.

(15) The Department of Housing and Community Development may review, adopt, amend, and repeal the standards, forms, or definitions to implement paragraph (3) to (14), inclusive. Any standards, forms, or definitions adopted to implement this article shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2.

(16) The surplus residential property subject to this subdivision shall be subject to a covenant recorded against the property to ensure the property's use as pursuant to this subdivision.

(17) Notwithstanding paragraphs (3) to (15), inclusive, if the City of Pasadena does not resell a surplus residential property sold to it by the Department of Transportation within two years of closure of the sale, the property shall be used as affordable housing pursuant to paragraphs (3) and (4) of subdivision (c) of Section 54239.4.

(18) Terms of paragraph (17) may be subject to up to one two-year extension provided the City of Pasadena is able to demonstrate sufficient progress on the sale of the surplus residential properties. Sufficient progress may include proof that the property has been listed for 180 days at a price that does not exceed fair market value based on comparable sales in the City of Pasadena with no offers, unexpected structural damage due to a natural disaster or similar occurrence, or other proof of progress at the discretion of the Director of the Department of Housing and Community Development.

(19) The City of Pasadena shall monitor compliance with the covenant required by paragraph (16). The City of Pasadena may charge the property owner a fee to recover the cost of this monitoring.

(c)(1) After the surplus residential property is offered for sale pursuant to subdivisions (a) to (c), inclusive, of Section 54237 and subdivisions (a) and (b) of this section, the property shall be offered in accordance with the priorities and procedures specified in subdivision (d) of Section 54237 and then in accordance with the priorities and procedures specified in subdivision (e) of Section 54237.

(2) The Department of Transportation may designate in regulations to, or delegate by agreement to, a public agency to monitor the purchasers' compliance with the terms, conditions, and restrictions required by this subdivision and subdivision (d) of Section 54237.

(A) If the monitoring is not performed by a state agency, the monitoring entity shall prepare and submit to the Legislature reports that describe how the purchasers complied with this subdivision and how they were monitored for compliance. The first report shall be submitted five years after the first property is sold pursuant to this subdivision, and subsequent reports shall be submitted every five years thereafter until the last covenant expires. A report to be submitted pursuant to this subparagraph shall be submitted in compliance with Section 9795.

(B) The monitoring entity may charge the property owner a fee to recover the cost of this monitoring and reporting.

(d) Before selling unimproved property within the State Route 710 corridor in the City of Pasadena pursuant to Section 118 of the Streets and Highways Code, the Department of Transportation shall offer to sell the property to a housing-related entity for affordable housing purposes, pursuant to the terms and conditions provided in subdivision (d) of Section 54237, but at the price paid by the Department of Transportation for original acquisition.

(e)(1) The Legislature finds and declares that the state's homelessness crisis has compounded the need for affordable housing described in Section 54235. To help mitigate the need for affordable housing and to speed up sales pursuant to this article, the Legislature further finds and declares that an emergency exists for purposes of Sections 11342.545, 11346.1, and 11349.6.

(2) The Department of Transportation shall file proposed emergency regulations with the Office of Administrative Law for adoption to implement this section not later than six months after this section is enacted.

(3) Notwithstanding Section 11346.1, paragraph (2) of subdivision (f) of Section 54239.4, and subdivision (c) of Section 54237, the emergency regulations adopted pursuant to paragraph (2) and the emergency regulations adopted pursuant

to paragraph (3) of subdivision (f) of Section 54239.4 and subdivision (c) of Section 54237.10 shall remain in effect until September 30, 2024, or until permanent regulations are adopted, whichever is sooner.

(f)(1)(A) As a condition of the sale of property to a housing-related entity pursuant to subdivision (c) or (d), the housing-related entity shall provide an enforceable commitment to the selling agency that, if a construction project is undertaken on the property, and the entirety of the project is not a public work for which prevailing wages must be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, all construction workers employed on the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(B) As a condition of the sale of property to the city pursuant to subdivision (b), the city shall provide an enforceable commitment to the selling agency that all construction workers employed on the following projects will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate:

(i) Any project involving construction of units pursuant to paragraph (3) of subdivision (b), if the entirety of the project is not a public work for which prevailing wages must be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) Any project involving construction on properties subsequently sold to a housing-related entity by the city pursuant to subdivision (b), if the entirety of the project is not a public work for which prevailing wages must be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(2) If the project is subject to paragraph (1), then for those portions of the project that are not a public work all of the following shall apply:

(A) The housing-related entity or city shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) Except as provided in subparagraph (E), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(D) Except as provided in subparagraph (E), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee though a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(E) Subparagraphs (C) and (D) shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this paragraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(F) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

Title 5. Local Agencies
Division 2. Cities, Counties, and Other Agencies
Part 1. Powers and Duties Common to Cities, Counties, and Other Agencies
Chapter 5. Property
Article 10. The Local Government Privatization Act of 1985

§ 54253. Agreements with privatizers; prerequisites

No proposed franchise, license, or service agreement for a privatization project pursuant to this article shall be entered into between a local agency and a privatizer unless and until all of the following occur:

(a) The local agency has selected the privatizer through a competitive procedure which is not based solely on the price offered by the privatizer.

(b) The local agency has evaluated the project's design, capacity, financial feasibility, and cost compared with other conventional financing methods, as well as other alternatives to the project and found that the project's costs will be equal to, or lower than, conventional financing.

(c) The local agency has conducted a noticed public hearing on the proposed franchise, license, or service agreement. The notice for the public hearing shall be published pursuant to Section 6062 and shall contain, at a minimum, all of the following:

(1) A statement describing the proposed privatization project, including its cost and service area.

(2) A statement of the time and place of the public hearing to be held for the purpose of hearing public comments on the proposed franchise, license, or service agreement for the privatization project.

(3) A statement of where and when the proposed franchise, license, or service agreement will be available for public inspection prior to the hearing.

(d) The local agency has adopted the contingent franchise, license, or service agreement for a privatization project by ordinance which states that it is subject to the provisions for referendum applicable to a local agency and to approval by the commission pursuant to Section 10013 of the Public Utilities Code.

(e) The local agency retains ownership over any treated effluent from the privatization project that is not consigned to an outfall sewer but is made available for commercial or agricultural use.

(f) The agreement contains provisions stating it shall be subject to the state's prevailing wage laws.

(g) The local agency has met and conferred with all affected employee organizations under whose jurisdiction the work or service proposed under the franchise, license, or service agreement would normally be performed. The local agency shall make all reasonable efforts to avoid reducing its existing work force or demoting its existing employees as a result of entering into the franchise, license, or service agreement. If any adverse impacts which are raised by either party during the meet and confer process are necessary, the local agency shall adopt by resolution detailed findings explaining the necessity for the adverse impacts.

(h) The local agency finds that the privatizer has the expertise to ensure the continued operation and maintenance of the privatization project. This expertise shall include, but not be limited to, an adequate number of personnel certified in wastewater treatment plant operations pursuant to Chapter 9 (commencing with Section 13625) of Division 7 of the Water Code.

(i) The agreement contains provisions to ensure that the privatization project is operated to meet any applicable federal or state water quality standards or other laws.

Title 6. Districts
Division 6. Climate Resilience Districts

§ 62312. Requirements for district project

(a) The following requirements shall apply to a project that is undertaken or financed by a district:

(1) Construction, alteration, demolition, installation, and repair work on the project shall be deemed a public work for which prevailing wages must be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(2) The district shall obtain an enforceable commitment from the developer or general contractor that the developer or general contractor and all its contractors and subcontractors at every tier will individually use a skilled and trained workforce, in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code, to perform all work on the project that falls within an apprenticeable occupation in the building and construction trades.

(3) Paragraph (2) shall not apply if all contractors and subcontractors at every tier performing the work will be bound by a project labor agreement that requires the use of a skilled and trained workforce and provides for enforcement of that obligation through an arbitration procedure.

(b) For purposes of this section:

(1) “Project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(2) “Skilled and trained workforce” has the same meaning as set forth in subdivision (d) of Section 2601 of the Public Contract Code.

Title 6.7. Infrastructure Finance
Division 1. The Bergeson-Peace Infrastructure and Economic Development Bank Act
Chapter 2. California Infrastructure and Economic Development Bank
Article 2. General Provisions

§ 63036. Coordination with growth management strategies

It is the intent of the Legislature that the activities of the bank be fully coordinated with any future legislative plan involving growth management strategies designed to protect California's land resource, and ensure its preservation and use it in ways which are economically and socially desirable. Further, all public works financed

pursuant to this division, including those projects financed through the use of industrial development bonds under Title 10 (commencing with Section 91500), shall comply with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

Title 6.7. Infrastructure Finance
Division 1. The Bergeson-Peace Infrastructure and Economic Development Bank Act
Chapter 2. California Infrastructure and Economic Development Bank
Article 6.7. Climate Catalyst Revolving Loan Fund Act of 2020

§ 63048.93. Authorization to provide financial assistance; deposit of repayments; adoption of climate catalyst financing plan; areas of consultation; outreach activities

(a) The bank is hereby authorized and empowered to provide financial assistance under the Climate Catalyst Revolving Loan Fund Program to any eligible sponsor or participating party either directly or to a lending or financial institution, in connection with the financing or refinancing of a climate catalyst project, in accordance with an agreement or agreements, between the bank and the sponsor or participating party, including, but not limited to, tribes, either as a sole lender or in participation or syndication with other lenders.

(b) Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 does not apply to any climate catalyst financing plan or any criteria, priorities, and guidelines adopted by the bank in connection with the Climate Catalyst Revolving Loan Fund Program or any other program of the bank. However, any climate catalyst financing plan shall be posted on the bank's internet website in a conspicuous location at least 30 calendar days before a bank board meeting at which the climate catalyst financing plan will be considered for approval.

(c)(1) Repayments of financing made under the Climate Catalyst Revolving Loan Fund Program shall be deposited into the appropriate account created within the Climate Catalyst Revolving Loan Fund.

(2) The bank shall establish a separate account for each category of climate catalyst projects identified by each paragraph of subdivision (f). For purposes of paragraph (3) of subdivision (f), the Clean Energy Transmission Financing Account is hereby created in the Climate Catalyst Revolving Loan Fund.

(d)(1)(A) Beginning in the 2021-22 fiscal year, the bank shall meet and confer with the consulting agencies concerning the specific categories of climate catalyst project corresponding to each agency as provided in subdivision (f). Thereafter, the bank board shall adopt, by majority vote of the bank board, a climate catalyst financing plan. Before the bank board meeting in which the bank board will first consider adoption of the financing plan, each consulting agency shall submit a letter to the bank board

discussing any areas of support and any areas of disagreement with the financing plan under consideration.

(B) Beginning in the 2023-24 fiscal year, adoption of a climate catalyst financing plan by the bank board shall authorize the bank to provide financial assistance and to use all financing authorities provided under this division in its implementation of a climate catalyst financing plan.

(2) Following bank board approval, the climate catalyst financing plan shall be posted on the bank's internet website.

(3) If the bank board has not approved a climate catalyst financing plan, then a climate catalyst financing plan shall not be in effect until approved by the bank board.

(e)(1) A climate catalyst financing plan shall remain in effect until superseded by a revised climate catalyst financing plan. Commencing the first fiscal year following adoption of the initial climate catalyst financing plan, and in each fiscal year thereafter, the bank shall contact each consulting agency to discuss potential revisions to the climate catalyst financing plan last approved by the bank board. Following each consultation, the bank board shall consider adopting, by majority vote, a revised climate catalyst financing plan reflecting any material revisions to the prior climate catalyst financing plan.

(2) A modified climate catalyst financing plan shall only be considered for approval if no consulting agencies propose material revisions to the financing plan then in effect.

(3) If the bank board does not adopt a proposed revised climate catalyst financing plan, the existing climate catalyst financing plan shall remain in effect.

(f) Beginning with the 2021-22 fiscal year, the consulting agencies and corresponding areas of climate catalyst projects they will provide consultation on shall be as follows:

(1) The Natural Resources Agency for climate catalyst projects that relate to sustainable vegetation management, forestry practices, and timber harvesting products. Eligible climate catalyst project categories include, but are not limited to, all of the following:

(A) Clean energy production, except combustion biomass conversion.

(B) Advanced construction materials.

(C) Forestry equipment needed to achieve the state's goals for forest and vegetation management treatments.

(2) The Department of Food and Agriculture for climate catalyst projects that relate to agricultural improvements that enhance the climate or lessen impacts to the climate resulting from in-force agricultural practices. Eligible climate catalyst project categories include, but are not limited to, all of the following:

(A) Onfarm and food processing renewable energy, including both electricity and fuels, and bioenergy, to be used or distributed onsite.

(B) Energy, water, and materials efficiency.

(C) Methane reduction projects, using best practice approaches consistent with state policy goals, excluding dairy digesters and biogas unless used or distributed onsite.

(D) Energy storage or microgrids.

(E) Equipment replacement.

(3)(A) The State Energy Resources Conservation and Development Commission and the Public Utilities Commission for climate catalyst projects that are clean energy transmission projects. If multiple projects seek funding, the consulting agencies shall prioritize, based on state policy, potential projects that meet the conditions in subparagraph (B), and on financial considerations as determined by the bank. Eligible climate catalyst project categories in this paragraph shall comply with the conditions set forth in this paragraph, and include, but are not limited to, both of the following:

(i) Clean energy transmission project infrastructure that is necessary to connect the transmission project into the applicable California balancing authority area.

(ii) Other necessary technical elements of transmission infrastructure, including but not limited to, environmental planning, permitting, and preconstruction costs for a project.

(B) The initial climate catalyst project or projects funded under this paragraph shall support the development of a new transmission line or transmission lines to deliver to the system operated by the Independent System Operator zero-carbon, firm electricity from new resources located in the Salton Sea region.

(C) Eligible projects shall meet all of the following conditions:

(i) Have at least one interconnection point within a California balancing authority area.

(ii) The applicant or its affiliates have previously completed a transmission project in California.

(iii) Will primarily deliver electricity to the Independent System Operator balancing authority area from clean resources located in identified resource areas that do not have adequate deliverability to a California balancing authority area.

(iv) Support new high voltage, defined as 200 kilovolts or higher, transmission projects or upgrades of existing transmission lines and substations to high voltage that are consistent with the state's reliability and greenhouse gas policy objectives.

(v) Priority shall be given to transmission projects that have not already been approved through the Independent System Operator's transmission planning process or projects that have not been recently studied in the Independent System Operator's transmission planning process and found to be unneeded or uneconomical.

(vi) Financial considerations as determined by the bank.

(vii) Consistency with state policy as determined by the consulting agencies.

(D) The bank shall not finance a project unless the entity completing the transmission project has entered into a project labor agreement that, at a minimum, meets the requirements of Section 2500 of the Public Contract Code and includes all of the following:

(i) Provisions requiring payment of prevailing wages, in accordance with Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code, to all construction workers employed in the construction of the project and for enforcement of that obligation through an arbitration procedure.

(ii) Targeted hiring provisions, including a targeted hiring plan, on a craft-by-craft basis to address job access for local, disadvantaged, or underrepresented workers, as defined by a relevant local agency.

(iii) Apprenticeship utilization provisions that commit all parties to increasing the share of work performed by state-registered apprentices above the state-mandated minimum ratio required in Section 1777.5 of the Labor Code.

(iv) Apprenticeship utilization provisions that commit all parties to hiring and retaining a certain percentage of state-registered apprentices that have completed the Multi-Craft Core pre-apprenticeship training curriculum referenced in subdivision (t) of Section 14005 of the Unemployment Insurance Code.

(E) Consultation on a potential transmission project does not constitute approval of that project by the Public Utilities Commission or the State Energy Resources Conservation and Development Commission under their decision making authority, if that authority exists.

(F) Consultation on, or evaluation of, a transmission project by the bank does not indicate the bank's approval. The bank shall consider the credit and financial aspects of the project before determining whether to approve and finance the project.

(4)(A) The State Energy Resources Conservation and Development Commission or the Public Utilities Commission for climate catalyst projects to leverage federal financing funds that relate to projects that avoid, reduce, use, or sequester air pollutants or anthropogenic emissions of greenhouse gases as defined in Section 16513 of Title 42 of the United States Code, as amended.

(B) Projects described in subparagraph (A) shall not be funded until the United States Department of Energy is able to finance projects that do not meet the criteria in Section 16513(a)(2) of Title 42 of the United States Code. This subparagraph shall become inoperative on July 1, 2024.

(5)(A) The Governor's Office of Business and Economic Development, Treasurer's Office, State Energy Resources Conservation and Development Commission, California Environmental Protection Agency, State Air Resources Board, Public Utilities Commission, Natural Resources Agency, Department of Conservation, Department of Resources Recycling and Recovery, and other relevant agencies, as determined by these agencies, for climate catalyst projects to leverage federal funding available under

the United States Environmental Protection Agency's Greenhouse Gas Reduction Fund (Section 7434 of Title 42 of the United States Code) and related implementing statutes and regulations.

(B) Eligible climate catalyst project categories shall comply with the climate and equity goals in the state's climate change scoping plan developed pursuant to Section 38561 of the Health and Safety Code.

(g)(1) The bank may engage in outreach activities to inform disadvantaged participating parties and disadvantaged sponsors of the categories of financial assistance potentially available within the Climate Catalyst Revolving Loan Fund Program. The outreach efforts may include, but are not limited to, all of the following:

(A) Conferring with the consulting agencies.

(B) Conferring with the Governor's Office of Business and Economic Development.

(C) Direct contact with existing bank clients and customers that operate within the boundaries of a disadvantaged community.

(D) Consulting with governmental entities, individuals, and business entities engaged in providing, or assisting the obtaining of, financial assistance for disadvantaged sponsors or participating parties, including, but not limited to, business and industrial development corporations and minority enterprise small business investment companies. The executive director, on behalf of the bank, may enter into service contracts for this purpose. Section 10295 and Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code do not apply to those service contracts.

(2) The criteria, priorities, and guidelines adopted for the Climate Catalyst Revolving Loan Fund Program may include potential options for applying interest rate or fee subsidies for disadvantaged participating parties or disadvantaged sponsors seeking financial assistance from the bank under the Climate Catalyst Revolving Loan Fund Program. The bank may offer reduced application fees to disadvantaged sponsors or participating parties seeking financial assistance under the Climate Catalyst Revolving Loan Fund Program.

(3) The bank may offer technical assistance to disadvantaged sponsors or participating parties potentially seeking financial assistance under the Climate Catalyst Revolving Loan Fund Program. The executive director, on behalf of the bank, may enter into service contracts to provide, or assist with the provision of, the technical assistance. Section 10295 and Article 4 (commencing with Section 10335) of Chapter 2 of Part 2 of Division 2 of the Public Contract Code do not apply to those service contracts.

(h) All financial assistance under the Climate Catalyst Revolving Loan Fund Program approved by the bank board shall be consistent with the climate catalyst financing plan then in effect.

(i)(1) The bank shall prepare, and the bank board shall approve by majority vote of the board, criteria, priorities, and guidelines for the provision of financial assistance under the Climate Catalyst Revolving Loan Fund Program. The bank board's approval of any financial assistance for a climate catalyst project shall take into consideration those criteria, priorities, and guidelines together with the climate catalyst financing plan currently in effect. The criteria, priorities, and guidelines shall include, as factors for determining whether to approve the provision of financial assistance, the ability of the sponsor or participating party potentially receiving financial assistance to satisfy any obligation incurred and the return of capital to the Climate Catalyst Revolving Loan Fund.

(2) The bank board may consider additional factors when determining whether to approve financial assistance for a climate catalyst project, taking into consideration the climate catalyst financing plan.

(3) The bank shall consider applications for financial assistance as they are received, on an ongoing basis, if there are available moneys remaining within the Climate Catalyst Revolving Loan Fund to provide that financial assistance. The bank board's determination of whether to approve applications for financial assistance shall be based on the climate catalyst financing plan in effect at the time the bank received the application.

(j) The bank shall provide financial assistance only for climate catalyst projects that the bank board approved before July 1, 2025.

(k) The bank is hereby authorized and empowered to enter into an agreement with the consulting agencies, or any other state agency as approved by the bank's board, to operate a program to provide financial assistance to any eligible sponsor or participating party either directly or to a lending or financial institution, in connection with the financing or refinancing of an eligible project, in accordance with such agreement or agreements. Information shared among consulting agencies and the bank, or between any consulting agency and the bank, does not constitute the waiver of any Public Records Act exemption applicable to each entity.

Title 6.9. Los Angeles County Affordable Housing Solutions Agency
Part 1. Formation of the Los Angeles County Affordable Housing Solutions Agency and General Powers
Chapter 3. Powers of the Los Angeles County Affordable Housing Solutions Agency

§ 64720.5. Public work projects

(a) Any construction or rehabilitation project receiving funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers authority of which the agency is a member, including, but not limited to, a project with under 40 units, shall constitute a public work for which

prevailing wages shall be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(b) A project with 40 units or greater is eligible to receive funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers authority of which the agency is a member, only if all construction and rehabilitation is subject to the City of Los Angeles Department of Public Works PLA. For purposes of this subdivision and subdivision (c), the number of units means the maximum number of units authorized in an entitlement granted by the land use permitting authority for the development project, regardless of whether construction or rehabilitation proceeds in phases or ownership is divided.

(c) Notwithstanding subdivision (b), if a specific countywide project labor agreement is negotiated with mutual agreement between the Los Angeles/Orange Counties Building and Construction Trades Council and the Southern California Association of Nonprofit Housing and approved by the agency, then a project with 40 units or greater is eligible to receive funding or financing from the agency, a measure proposed by the agency pursuant to subdivision (a) of Section 64720, or a joint powers authority of which the agency is a member, only if all construction and rehabilitation is subject to the specific countywide project labor agreement rather than the Department of Public Works PLA.

(d) For purposes of this section, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(e) For purposes of this section, “Department of Public Works PLA” means the City of Los Angeles Department of Public Works Project Labor Agreement 2020-2030 with Los Angeles/Orange Counties Building and Construction Trades Council, effective August 25, 2021.

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 3. Local Planning
Article 10. Workforce Housing Opportunity Zone

§ 65623. Housing development approval; time; developments not required to prepare environmental impact statement or negative declaration; notice; expiration or extension of approval

(a)(1) Except as provided in paragraph (2), for a period of five years from the adoption of the specific plan pursuant to Section 65621, a local government shall approve a development that satisfies all of the criteria listed in paragraphs (3) to (7), inclusive, of subdivision (a) of Section 65621 in effect at the time the application for the development is deemed complete.

(2) If the local government finds, based upon substantial evidence in the record of the public hearing on the project, that a physical condition of the site of the development that was not known at the time the specific plan was prepared would have a specific,

adverse impact upon the public health or safety, then the local government shall either: (A) approve the project subject to a condition that satisfactorily mitigates or avoids the impact, or (B) deny the project if the cost of complying with the condition renders the project unaffordable for the intended residents of low, moderate, or middle income and approval would cause more than 50 percent of the total units in the zone to be sold or rented to persons and families of above moderate income in violation of paragraph (3) of subdivision (c).

(b) As used in this subdivision, “specific, adverse impact” means a significant, quantifiable, direct, and unavoidable impact, based on objective, identified written public health or safety standards, policies, or conditions as they existed on the date the application was deemed complete.

(c) After the adoption of the zone pursuant to Section 65621, a lead agency is not required to prepare an environmental impact report or negative environmental declaration for a housing development that satisfies all of the following criteria:

(1) The development is located on land within a Workforce Housing Opportunity Zone.

(2) The development is consistent with the plan adopted pursuant to subdivision (a) of Section 65621, including the density ranges established pursuant to paragraph (4) of subdivision (a) of Section 65621. If a development is not consistent with the elements and standards in the plan, then the provisions of this section does not apply and the city or county shall consider the application as it would an application for development that is not within the zone, including the preparation of an environmental impact report or a negative declaration for the housing development.

(3)(A) At least 30 percent of the total units constructed or substantially rehabilitated in the zone will be sold or rented to persons and families of moderate income, as defined by Section 50093 of the Health and Safety Code, or persons and families of middle income, as defined in Section 65008; at least 15 percent of the total units constructed or substantially rehabilitated in the zone will be sold or rented to lower income households, as defined by Section 50079.5 of the Health and Safety Code; and at least 5 percent of the total units constructed or substantially rehabilitated in the zone will be restricted for a term of 55 years for very low income households, as defined by Section 50105 of the Health and Safety Code. No more than 50 percent of the total units constructed or substantially rehabilitated in the zone shall be sold or rented to persons and families of above moderate income.

(B) The developer shall provide sufficient legal commitments to ensure continued availability of units for very low, low-, moderate-, or middle-income households in accordance with the provisions of this subdivision for 55 years for rental units and 45 years for owner-occupied units.

(4) The development has incorporated each of the mitigation measures adopted pursuant to paragraph (3) of subdivision (a) of Section 65621 and deemed applicable by the city, county, or city and county.

(5) The development has incorporated each of the uniformly applied development standards adopted pursuant to paragraph (5) of subdivision (a) of Section 65621 and deemed applicable by the city, county, or city and county.

(6) The development complies with the design review standards adopted pursuant to paragraph (7) of subdivision (a) of Section 65621 and deemed applicable by the city, county, or city and county.

(7) The development has incorporated each of the mitigation measures adopted as part of the environmental impact report for the specific plan and deemed applicable by the city, county, or city and county.

(8) A development that is affordable to persons and families whose income exceeds the income limit for persons and families of moderate income shall include no less than 10 percent of the units for lower income households at affordable housing cost, as defined by Section 50052.5 of the Health and Safety Code, unless the locality has adopted a local ordinance that requires greater than 10 percent of the units, in which case that ordinance applies.

(9) The development proponent has certified that one of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, that all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the project that are not public work all of the following shall apply:

(i) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) Contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice rate.

(iii) Except as provided in clause (v), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section.

(iv) Except as provided in clause (v), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(v) Clauses (iii) and (iv) shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(vi) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude the use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(d)(1) Notice that a local government has received an application for a housing development within a Workforce Housing Opportunity Zone shall be posted on the local government's Internet Web site and mailed or delivered within 10 days of receiving the application to any person who has filed a written request for notice with either the clerk of the governing body or with any other person designated by the governing body to receive these requests.

(2) A local government shall approve a housing development proposed within the zone that is consistent with the plan and satisfies each of the criteria in subdivision (c) within 60 days of the date the application is deemed complete pursuant to the Permit Streamlining Act (Chapter 4.5 (commencing with Section 65920)).

(e) The approval of a development that does not include a majority of the units that will be sold or rented to persons and families of lower income, as defined in Section 50079.5 of the Health and Safety Code, shall expire three years from the date of the approval, if construction has not begun on the housing units in the development. A local

government may grant one extension for an additional three-year period upon a determination that good cause exists for the delay in commencing construction. A local government shall not consider the same or substantially similar project on the same parcel of property if the development expires pursuant to this subdivision.

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 4. Zoning Regulations
Article 2. Adoption of Regulations

§ 65852.24. Middle Class Housing Act of 2022

(a)(1) This section shall be known, and may be cited, as the Middle Class Housing Act of 2022.

(2) The Legislature finds and declares all of the following:

(A) Creating more affordable housing is critical to the achievement of regional housing needs assessment goals, and that housing units developed at higher densities may generate affordability by design for California residents, without the necessity of public subsidies, income eligibility, occupancy restrictions, lottery procedures, or other legal requirements applicable to deed restricted affordable housing to serve very low and low-income residents and special needs residents.

(B) The state has made historic investments in deed-restricted affordable housing. According to the Legislative Analyst's Office, the state budget provided nearly five billion dollars ($5,000,000,000) in the 2021-22 budget year for housing-related programs. The 2022-23 budget further built on that sum by allocating nearly one billion two hundred million dollars ($1,200,000,000) to additional affordable housing programs.

(C) There is continued need for housing development at all income levels, including missing middle housing that will provide a variety of housing options and configurations to allow every Californian to live near where they work.

(D) The Middle Class Housing Act of 2022 will unlock the development of additional housing units for middle-class Californians near job centers, subject to local inclusionary requirements that are set based on local conditions.

(b) A housing development project shall be deemed an allowable use on a parcel that is within a zone where office, retail, or parking are a principally permitted use if it complies with all of the following:

(1) The density for the housing development shall meet or exceed the applicable density deemed appropriate to accommodate housing for lower income households in that jurisdiction as specified in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2.

(2)(A) The housing development shall be subject to local zoning, parking, design, and other ordinances, local code requirements, and procedures applicable to the processing and permitting of a housing development in a zone that allows for the housing with the density described in paragraph (1).

(B) If more than one zoning designation of the local agency allows for housing with the density described in paragraph (1), the zoning standards applicable to a parcel that allows residential use pursuant to this section shall be the zoning standards that apply to the closest parcel that allows residential use at a density that meets the requirements of paragraph (1).

(C) If the existing zoning designation for the parcel, as adopted by the local government, allows residential use at a density greater than that required in paragraph (1), the existing zoning designation shall apply.

(3) The housing development shall comply with any public notice, comment, hearing, or other procedures imposed by the local agency on a housing development in the applicable zoning designation identified in paragraph (2).

(4) The project site is 20 acres or less.

(5) The housing development complies with all other objective local requirements for a parcel, other than those that prohibit residential use, or allow residential use at a lower density than provided in paragraph (1), including, but not limited to, impact fee requirements and inclusionary housing requirements.

(6) The development and the site on which it is located satisfy both of the following:

(A) It is a legal parcel or parcels that meet either of the following:

(i) It is within a city where the city boundaries include some portion of an urban area, as designated by the United States Census Bureau.

(ii) It is in an unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urban area, as designated by the United States Census Bureau.

(B)(i) It is not on a site or adjoined to any site where more than one-third of the square footage on the site is dedicated to industrial use.

(ii) For purposes of this subparagraph, parcels only separated by a street or highway shall be considered to be adjoined.

(iii) For purposes of this subparagraph, “dedicated to industrial use” means either of the following:

(I) The square footage is currently being used as an industrial use.

(II) The most recently permitted use of the square footage is an industrial use.

(III) The site was designated for industrial use in the latest version of a local government's general plan adopted before January 1, 2022.

(7) The housing development is consistent with any applicable and approved sustainable community strategy or alternative plan, as described in Section 65080.

(8) The developer has done both of the following:

(A) Certified to the local agency that either of the following is true:

(i) The entirety of the development is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) The development is not in its entirety a public work for which prevailing wages must be paid under Article 2 (commencing with Section 1720) of Chapter 1 of Part 2 of Division 2 of the Labor Code, but all construction workers employed on construction of the development will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the development is subject to this subparagraph, then for those portions of the development that are not a public work all of the following shall apply:

(I) The developer shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee though a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this clause, “project labor agreement” has the

same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(VII) All contractors and subcontractors shall be registered in accordance with Section 1725.6 of the Labor Code.

(VIII) The development proponent shall provide notice of all contracts for the performance of the work to the Department of Industrial Relations, in accordance with Section 1773.3 of the Labor Code.

(B) Certified to the local agency that a skilled and trained workforce will be used to perform all construction work on the development.

(i) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(ii) If the developer has certified that a skilled and trained workforce will be used to construct all work on development and the application is approved, the following shall apply:

(I) The developer shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the development.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to construct the development.

(III) Except as provided in subclause (IV), the developer shall provide to the local agency, on a monthly basis while the development or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the local government pursuant to this subclause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and shall be open to public inspection. A developer that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce

requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) shall not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(iii) Notwithstanding subclause (II) of clause (ii), a contractor or subcontractor shall not be in violation of the apprenticeship graduation requirements of subdivision (d) of Section 2601 of the Public Contract Code to the extent that all of the following requirements are satisfied:

(I) All contractors and subcontractors performing work on the development are subject to a project labor agreement that includes the local building and construction trades council as a party, that requires compliance with the apprenticeship graduation requirements, and that provides for enforcement of that obligation through an arbitration procedure.

(II) The project labor agreement requires the contractor or subcontractor to request the dispatch of workers for the project through a hiring hall or referral procedure.

(III) The contractor or subcontractor is unable to obtain sufficient workers to meet the apprenticeship graduation percentage requirement within 48 hours of its request, Saturdays, Sundays, and holidays excepted.

(9) Notwithstanding subparagraph (B) of paragraph (8), a contract or subcontract may be awarded without a requirement for the use of a skilled and trained workforce to the extent that all of the following requirements are satisfied:

(A) At least seven days before issuing any invitation to prequalify or bid solicitation for the project, the developer sends a notice of the invitation or solicitation that describes the project to the following entities within the jurisdiction of the proposed project site:

(i) Any bona fide labor organization representing workers in the building and construction trades who may perform work necessary to complete the project.

(ii) Any organization representing contractors that may perform work necessary to complete the project.

(B) The developer seeks bids containing an enforceable commitment that all contractors and subcontractors at every tier will use a skilled and trained workforce to perform work on the project that falls within an apprenticeable occupation in the building and construction trades.

(C) For the purpose of establishing a bidder pool of eligible contractors and subcontractors, the developer establishes a process to prequalify prime contractors and subcontractors that agree to meet skilled and trained workforce requirements.

(D) The bidding process for the project includes, but is not limited to, all of the following requirements:

(i) The prime contractor shall be required to list all subcontractors that will perform work in an amount in excess of one-half of 1 percent of the prime contractor's total bid.

(ii) The developer shall only accept bids from prime contractors that have been prequalified.

(iii) If the developer receives at least two bids from prequalified prime contractors, a skilled and trained workforce must be used by all contractors and subcontractors, except as provided in clause (vi).

(iv) If the developer receives fewer than two bids from prequalified prime contractors, the contract may be rebid and awarded without the skilled and trained workforce requirement applying to the prime contractor's scope of work.

(v) Prime contractors shall request bids from subcontractors on the prequalified list and shall only accept bids and list subcontractors from the prequalified list. If the prime contractor receives bids from at least two subcontractors in each tier listed on the prequalified list, the prime contractor shall require that the contract for that tier or scope of work will require a skilled and trained workforce.

(vi) If the prime contractor fails to receive at least two bids from subcontractors listed on the prequalified list in any tier, the prime contractor may rebid that scope of work. The prime contractor need not require that a skilled and trained workforce be used for that scope of work and may list subcontractors for that scope of work that do not appear on the prequalified list.

(E) The developer shall establish minimum requirements for prequalification of prime contractors and subcontractors that are, to the maximum extent possible, quantifiable and objective. Only criterion, and minimum thresholds for any criterion, that are reasonably necessary to ensure that any bidder awarded a project can successfully complete the proposed scope shall be used by the developer. The developer shall not impose any obstacles to prequalification that go beyond what is commercially reasonable and customary.

(F) The developer shall, within 24 hours of a request by a labor organization that represents workers in the geographic area of the project, provide all of the following information to the labor organization:

(i) The names and Contractors State License Board numbers of the prime contractors and subcontractors that have prequalified.

(ii) The names and Contractors State License Board numbers of the prime contractors that have submitted bids and their respective listed subcontractors.

(iii) The names and Contractors State License Board numbers of the prime contractor that was awarded the work and its listed subcontractors.

(G) An interested party, including a labor organization that represents workers in the geographic area of the project, may bring an action for injunctive relief against a developer or prime contractor that is proceeding with a project in violation of the bidding requirements of this paragraph applicable to developers and prime contractors. The court in such an action may issue injunctive relief to halt work on the project and to require compliance with the requirements of this subdivision. The prevailing plaintiff in such an action shall be entitled to recover its reasonable attorney's fees and costs.

(c)(1) The development proponent shall provide written notice of the pending application to each commercial tenant on the parcel when the application is submitted.

(2) The development proponent shall provide relocation assistance to each eligible commercial tenant located on the site as follows:

(A) For a commercial tenant operating on the site for at least one year but less than five years, the relocation assistance shall be equivalent to six months' rent.

(B) For a commercial tenant operating on the site for at least 5 years but less than 10 years, the relocation assistance shall be equivalent to nine months' rent.

(C) For a commercial tenant operating on the site for at least 10 years but less than 15 years, the relocation assistance shall be equivalent to 12 months' rent.

(D) For a commercial tenant operating on the site for at least 15 years but less than 20 years, the relocation assistance shall be equivalent to 15 months' rent.

(E) For a commercial tenant operating on the site for at least 20 years, the relocation assistance shall be equivalent to 18 months' rent.

(3) The relocation assistance shall be provided to an eligible commercial tenant upon expiration of the lease of that commercial tenant.

(4) For purposes of this subdivision, a commercial tenant is eligible for relocation assistance if the commercial tenant meets all of the following criteria:

(A) The commercial tenant is an independently owned and operated business with its principal office located in the county in which the property on the site that is leased by the commercial tenant is located.

(B) The commercial tenant's lease expired and was not renewed by the property owner.

(C) The commercial tenant's lease expired within the three years following the development proponent's submission of the application for a housing development pursuant to this article.

(D) The commercial tenant employs 20 or fewer employees and has an annual average gross receipt under one million dollars ($1,000,000) for the three taxable year period ending with the taxable year that precedes the expiration of their lease.

(E) The commercial tenant is still in operation on the site at the time of the expiration of its lease.

(5) Notwithstanding paragraph (4), for purposes of this subdivision, a commercial tenant is ineligible for relocation assistance if the commercial tenant meets both of the following criteria:

(A) The commercial tenant entered into a lease on the site after the development proponent's submission of the application for a housing development pursuant to this article.

(B) The commercial tenant had not previously entered into a lease on the site.

(6)(A) The commercial tenant shall utilize the funds provided by the development proponent to relocate the business or for costs of a new business.

(B) Notwithstanding paragraph (2), if the commercial tenant elects not to use the funds provided as required by subparagraph (A), the development proponent shall provide only assistance equal to three months' rent, regardless of the duration of the commercial tenant's lease.

(7) For purposes of this subdivision, monthly rent is equal to one-twelfth of the total amount of rent paid by the commercial tenant in the last 12 months.

(d) A local agency shall require that a rental of any unit created pursuant to this section be for a term longer than 30 days.

(e)(1) A local agency may exempt a parcel from this section if the local agency makes written findings supported by substantial evidence of either of the following:

(A) The local agency concurrently reallocated the lost residential density to other lots so that there is no net loss in residential density in the jurisdiction.

(B) The lost residential density from each exempted parcel can be accommodated on a site or sites allowing residential densities at or above those specified in paragraph (2) of subdivision (b) and in excess of the acreage required to accommodate the local agency's share of housing for lower income households.

(2) A local agency may reallocate the residential density from an exempt parcel pursuant to this subdivision only if all of the following requirements are met:

(A) The exempt parcel or parcels are subject to an ordinance that allows for residential development by right.

(B) The site or sites chosen by the local agency to which the residential density is reallocated meet both of the following requirements:

(i) The site or sites are suitable for residential development at densities specified in paragraph (1) of subdivision (b) of Section 65852.24. For purposes of this clause, “site or sites suitable for residential development” shall have the same meaning as “land suitable for residential development,” as defined in Section 65583.2.

(ii) The site or sites are subject to an ordinance that allows for development by right.

(f)(1) This section does not alter or lessen the applicability of any housing, environmental, or labor law applicable to a housing development authorized by this section, including, but not limited to, the following:

(A) The California Coastal Act of 1976 (Division 20 (commencing with Section 30000) of the Public Resources Code).

(B) The California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(C) The Housing Accountability Act (Section 65589.5).

(D) The Density Bonus Law (Section 65915).

(E) Obligations to affirmatively further fair housing, pursuant to Section 8899.50.

(F) State or local affordable housing laws.

(G) State or local tenant protection laws.

(2) All local demolition ordinances shall apply to a project developed pursuant to this section.

(3) For purposes of the Housing Accountability Act (Section 65589.5), a proposed housing development project that is consistent with the provisions of subdivision (b) shall be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision.

(4) Notwithstanding any other provision of this section, for purposes of the Density Bonus Law (Section 65915), an applicant for a housing development under this section may apply for a density bonus pursuant to Section 65915.

(g) Notwithstanding Section 65913.4, a project subject to this section shall not be eligible for streamlining pursuant to Section 65913.4 if it meets either of the following conditions:

(1) The site has previously been developed pursuant to Section 65913.4 with a project of 10 units or fewer.

(2) The developer of the project or any person acting in concert with the developer has previously proposed a project pursuant to Section 65913.4 of 10 units or fewer on the same or an adjacent site.

(h) A local agency may adopt an ordinance to implement the provisions of this article. An ordinance adopted to implement this section shall not be considered a “project” under Division 13 (commencing with Section 21000) of the Public Resources Code.

(i) Each local agency shall include the number of sites developed and the number of units constructed pursuant to this section in its annual progress report required pursuant to paragraph (2) of subdivision (a) of Section 65400.

(j) The department shall undertake at least two studies of the outcomes of this chapter. One study shall be completed on or before January 1, 2027, and one shall be completed on or before January 1, 2031.

(1) The studies required by this subdivision shall include, but not be limited to, the number of projects built, the number of units built, the jurisdictional and regional location of the housing, the relative wealth and access to resources of the communities in which they are built, the level of affordability, the effect on greenhouse gas emissions, and the creation of construction jobs that pay the prevailing wage.

(2) The department shall publish a report of the findings of a study required by this subdivision, post the report on its internet website, and submit the report to the Legislature pursuant to Section 9795.

(k) For purposes of this section:

(1) “Housing development project” means a project consisting of any of the following:

(A) Residential units only.

(B) Mixed-use developments consisting of residential and nonresidential retail commercial or office uses, and at least 50 percent of the square footage of the new construction associated with the project is designated for residential use. None of the square footage of any such development shall be designated for hotel, motel, bed and breakfast inn, or other transient lodging use, except for a residential hotel.

(2) “Local agency” means a city, including a charter city, county, or a city and county.

(3) “Office or retail commercial zone” means any commercial zone, except for zones where office uses and retail uses are not permitted, or are permitted only as an accessory use.

(4) “Residential hotel” has the same meaning as defined in Section 50519 of the Health and Safety Code.

(*l*) The Legislature finds and declares that ensuring access to affordable housing is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this section applies to all cities, including charter cities.

(m)(1) This section shall become operative on July 1, 2023.

(2) This section shall remain in effect only until January 1, 2033, and as of that date is repealed.

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 4.1. Affordable Housing and High Road Jobs Act of 2022
Article 4. Labor Standards

§ 65912.130. Labor standards for affordable housing developments in commercial zones and mixed-income housing developments along commercial corridors; prevailing wage requirements

A development project approved by a local government pursuant to Article 2 (commencing with Section 65912.110) or Article 3 (commencing with Section 65912.120) shall meet all of the following labor standards:

(a) The development proponent shall require in contracts with construction contractors, and shall certify to the local government, that the standards specified in this section will be met in project construction.

(b) A development that is not in its entirety a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and approved by a local government pursuant to Article 2 (commencing with Section 65912.110) or Article 3 (commencing with Section 65912.120) shall be subject to all of the following:

(1) All construction workers employed in the execution of the development shall be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(2) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work for those portions of the development that are not a public work.

(3) All contractors and subcontractors for those portions of the development that are not a public work shall comply with all of the following:

(A) Pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(B) Maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section. This subparagraph does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same

meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Be registered in accordance with Section 1725.6 of the Labor Code.

(c)(1) The obligation of the contractors and subcontractors to pay prevailing wages pursuant to this section may be enforced by any of the following:

(A) The Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development.

(B) An underpaid worker through an administrative complaint or civil action.

(C) A joint labor-management committee through a civil action under Section 1771.2 of the Labor Code.

(2) If a civil wage and penalty assessment is issued pursuant to this section, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(3) This subdivision does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subdivision, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(d) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing does not apply to those portions of development that are not a public work if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(e) The requirement of this section to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(f) For those portions of the development that are not a public work, the development proponent shall provide notice of all contracts for the performance of the work to the Department of Industrial Relations, in accordance with Section 1773.35 of the Labor Code.

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 4.2. Housing Development Approvals

§ 65913.4. Submission of application for development subject to streamlined, ministerial approval process; notice of intent; satisfaction of objective planning standards; documentation of conflict with objective planning standards; design review or public oversight; parking standards; duration of approval; modification to approved development

[Full text omitted due to length, but see subsection (a)(8) et seq.]

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 11. Housing Sustainability Districts

§ 66201. Establishment of district by ordinance; requirements for area; requirements for ordinance

(a) A city, county, or city and county, upon receipt of preliminary approval by the department pursuant to Section 66202, may establish by ordinance a housing sustainability district in accordance with this chapter. The city, county, or city and county shall adopt the ordinance in accordance with the requirements of Chapter 4 (commencing with Section 65800).

(b) An area proposed to be designated a housing sustainability district pursuant to this chapter shall satisfy all of the following requirements:

(1) The area is an eligible location, including any adjacent area served by existing infrastructure and utilities.

(2) The area is zoned to permit residential use through the ministerial issuance of a permit. Other uses may be permitted by conditional use or other discretionary permit, provided that the use is consistent with residential use.

(3) Density ranges for multifamily housing for which the minimum densities shall not be less than those deemed appropriate to accommodate housing for lower income households as set forth in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2, and a density range for single-family attached or detached housing for which the minimum densities shall not be less than 10 units to the acre. A density range shall provide the minimum dwelling units per acre and the maximum dwelling units per acre.

(4) The development of housing is permitted, consistent with neighborhood building and use patterns and any applicable building codes.

(5) Limitations or moratoriums on residential use do not apply to any of the area, other than any limitation or moratorium imposed by court order.

(6) The area is not subject to any general age or other occupancy restrictions, except that the city, county, or city and county may allow for the development of specific projects exclusively for the elderly or the disabled or for assisted living.

(7) Housing units comply with all applicable federal, state, and local fair housing laws.

(8) The area of the proposed housing sustainability district does not exceed 15 percent of the total land area under the jurisdiction of the city, county, or city and county unless the department approves a larger area in furtherance of the purposes of this chapter.

(9) The total area of all housing sustainability districts within the city, county, or city and county does not exceed 30 percent of the total land area under the jurisdiction of the city, county, or city and county.

(10) The housing sustainability district ordinance provides for the manner of review by an approving authority, as designated by the ordinance, pursuant to Section 66205 and in accordance with the rules and regulations adopted by the department.

(11) Development projects in the area comply with the requirements of Section 66208, regarding the replacement of affordable housing units affected by the development.

(c) The city, county, or city and county may apply uniform development policies or standards that will apply to all projects within the housing sustainability district, including parking ordinances, public access ordinances, grading ordinances, hillside development ordinances, flood plain ordinances, habitat or conservation ordinances, view protection ordinances, and requirements for reducing greenhouse gas emissions.

(d) The city, county, or city and county may provide for mixed-use development within the housing sustainability district.

(e) An amendment or repeal of a housing sustainability district ordinance shall not become effective unless the department provides written approval to the city, county, or city and county. The city, county, or city and county may request approval of a proposed amendment or repeal by submitting a written request to the department. The department shall evaluate the proposed amendment or repeal for the effect of that amendment or repeal on the city's, county's, or city and county's housing element. If the department does not respond to a written request for amendment or repeal of an ordinance within 60 days of receipt of that request, the request shall be deemed approved.

(f) The housing sustainability district ordinance shall do all of the following:

(1) Provide for an approving authority to review permit applications for development within the housing sustainability district in accordance with Section 66205.

(2)(A) Subject to subparagraph (B), require that at least 20 percent of the residential units constructed within the housing sustainability district be affordable to very low, low-, and moderate-income households and subject to a recorded affordability restriction for at least 55 years. A development that is affordable to persons and families whose income exceeds the income limit for persons and families of moderate income shall include no less than 10 percent of the units for lower income households at affordable housing cost, as defined by Section 50052.5 of the Health and Safety Code, unless the city, county, or city and county has adopted a local ordinance that requires that a greater percentage of the units be for lower income households, in which case that ordinance shall apply.

(B) For a city, county, or city and county that includes its entire regional housing needs allocation pursuant to Section 65584 within the housing sustainability district, the percentages of the total units constructed or substantially rehabilitated within the housing sustainability district shall match the percentages in each income category of the city's, county's, or city and county's regional housing need allocation.

(C) This section does not expand or contract the authority of a local government to adopt an ordinance, charter amendment, general plan amendment, specific plan, resolution, or other land use policy or regulation requiring that any housing development contain a fixed percentage of affordable housing units.

(3) Specify that a project is not deemed to be for residential use if it is infeasible for actual use as a single or multifamily residence.

(4) Require that an applicant for a permit for a project within the housing sustainability district do the following, as applicable:

(A) Certify to the approving authority that either of the following is true, as applicable:

(i) That the entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the project is not in its entirety a public work, that all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the approving authority approves the application, then for those portions of the project that are not a public work all of the following shall apply:

(I) The applicant shall include the prevailing wage requirement in all contracts for the performance of the work.

(II) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) do not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subclause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B)(i) For projects for which any of the following conditions apply, certify to the approving authority that a skilled and trained workforce will be used to complete the project if the approving authority approves the project application:

(I) On and after January 1, 2018, until December 31, 2021, the project consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located

within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(II) On and after January 1, 2022, until December 31, 2025, the project consists of 50 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction located in a coastal or bay county with a population of 225,000 or more.

(III) On and after January 1, 2018, until December 31, 2019, the project consists of 75 or more units that are not 100 percent subsidized affordable housing and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(IV) On and after January 1, 2020, until December 31, 2021, the project consists of more than 50 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(V) On and after January 1, 2022, until December 31, 2025, the project consists of more than 25 units and will be located within a jurisdiction with a population of fewer than 550,000 and that is not located in a coastal or bay county.

(ii) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(iii) If the applicant has certified that a skilled and trained workforce will be used to complete the development and the application is approved, the following shall apply:

(I) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(II) Every contractor and subcontractor shall use a skilled and trained workforce to complete the project.

(III) Except as provided in subclause (IV), the applicant shall provide to the approving authority, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the approving authority pursuant to this subclause is a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code is subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce is

subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(IV) Subclause (III) does not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(C) Notwithstanding subparagraphs (A) and (B), a project within a housing sustainability district that is subject to approval by the approving authority is exempt from any requirement to pay prevailing wages or use a skilled and trained workforce if it meets both of the following:

(i) The project includes 10 or fewer units.

(ii) The project is not a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(5) Provide that a project is not eligible for approval from the approving authority if it involved or involves a subdivision that is, or, notwithstanding this chapter, would otherwise be, subject to the Subdivision Map Act (Division 2 (commencing with Section 66410)) or any other applicable law authorizing the subdivision of land, unless either of the following apply:

(A) The project has received or will receive financing or funding by means of a low-income housing tax credit and is subject to the requirement that prevailing wages be paid pursuant to subparagraph (A) of paragraph (4).

(B) The project is subject to the requirement that prevailing wages be paid, and a skilled and trained workforce used, pursuant to paragraph (4).

(6) Provide for relocation assistance for persons and families displaced from their residences due to development within the housing sustainability district.

(g) A housing sustainability district ordinance adopted pursuant to this section shall remain in effect for no more than 10 years, except that the city, county, or city and county may renew the housing sustainability district ordinance, for an additional period not exceeding 10 years, before the date upon which it would otherwise be repealed pursuant to this subdivision.

(h) This section shall not be construed to affect the authority of a city, county, or city and county to amend its zoning regulations pursuant to Chapter 4 (commencing with Section 65800), except to the extent that an amendment affects a housing sustainability district.

(i) The city, county, or city and county shall comply with Chapter 4.3 (commencing with Section 21155.10) of Division 13 of the Public Resources Code.

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 3. Local Planning
Article 9. Transit Priority Project Program

§ 65470. Transit Priority Project Program; legislative intent; participation; requirements; local design guidelines; reimbursement for costs; application of Article

(a)(1) It is the intent of the Legislature to provide a process for cities and counties to create development patterns in the form of transit priority projects that comply with Chapter 4.2 (commencing with Section 21155) of Division 13 of the Public Resources Code, create jobs, reduce vehicle miles traveled, expand the availability of accessible open-space, build the density needed for transit viability, and meet regional housing targets.

(2) It is the intent of the Legislature that, when implemented, a Transit Priority Project Program will help a development project in meeting the standards for expedited review under paragraph (2) of subdivision (a) of Section 65950.

(b)(1) A city or county may participate in the Transit Priority Project Program by adopting an ordinance indicating its intent to participate in the program and by forming an infrastructure financing district pursuant to Article 1 (commencing with Section 53395) of Chapter 2.8 of Part 1 of Title 5.

(2) Nothing in this article shall be construed to add to the definitions of or to the requirements to implement Chapter 4.2 (commencing with Section 21155) of Division 13 of the Public Resources Code.

(c) If a city or county elects to participate in the program by adopting the ordinance described in subdivision (b) and forms an infrastructure financing district, the city or county shall amend, if necessary, the general plan and any related specific plan to authorize participating developers to build at an increased height of a minimum of three stories within the boundaries of the infrastructure financing district created pursuant to subdivision (b).

(d) A Transit Priority Project Program development project shall meet all of the following requirements:

(1) Is located in a designated transit priority project and within one-half of one mile of a transit station, pursuant to Section 21155 of the Public Resources Code.

(2) Is located within a zone in which buildings of three stories or more are authorized.

(3) Meets State Air Resources Board land use guidelines with respect to distance from major emitters.

(4) Provides onsite bicycle parking.

(5) Provides for car sharing if a car sharing program is available in the city or county. The car sharing area may be onsite, or the developer may pay a fee to the city or county to cover the cost of providing for car sharing at an offsite location near the project. The developer shall provide one car share for the first 20 units and one car share for every 50 units thereafter.

(6) Provides unbundled parking.

(7) Provides to all units transit passes for 10 years as part of the rent or condo fees if transit passes are available from local providers.

(8) Provides to tenants recycling for bottles, cans, paper, and plastic containers.

(9) Provides open space onsite, including, but not limited to, accessible roof gardens, or pays a fee into a fund established for local open space. The fee shall not exceed 10 cents ($0.10) per square foot.

(10) Provides 20 percent affordable units in rental or owner occupied housing for low- or moderate-income persons and families, or pays a fee in an amount equivalent to the cost to provide affordable units elsewhere within the city's or county's jurisdiction, as determined by the city or county. The developer shall require, by covenants or restrictions, that the housing units built pursuant to this paragraph shall remain available at affordable housing cost to, and occupied by, persons and families of low- or moderate-income households for the longest feasible time, but for not less than 55 years for rental units and 45 years for owner-occupied units.

(11) Pays prevailing wages to construction workers for residential projects over 100 units pursuant to Sections 1770, 1773, and 1773.1 of the Labor Code.

(12) For purposes of this subdivision, “unbundled parking” means renting a parking space for the residential units separately from the residential units, or pays a fee to the appropriate local transit management fund to cover one-half of the cost to provide a parking space.

(e)(1) A development project that meets the criteria established in subdivision (d) shall comply with any local design guidelines that were adopted prior to the submission of the project application.

(2) The infrastructure financing district formed pursuant to subdivision (b) may reimburse a developer of a project that is consistent with the requirements established in subdivision (d) for any permit costs, or costs associated with the construction of the affordable housing units required pursuant to paragraph (10) of subdivision (d).

(f) This article shall not apply to a city or county that has adopted language in its charter or by ordinance or resolution that does either of the following:

(1) Provides that the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code do not apply to some or all work awarded or funded by the city or county that would otherwise be subject to those requirements.

(2) Prohibits a contractor, subcontractor, or other person or firm engaged in the construction, rehabilitation, alteration, conversion, extension, maintenance, repair, or improvement of public works, from executing or otherwise becoming a party to any prehire, collective bargaining, or similar agreement entered into with one or more labor organizations, employees, or employee representatives that establishes the terms and conditions of employment on a construction project, or the city or county from incorporating such an agreement into the bid specifications or contract for a construction project, or the governing body of the city or county from deciding that the city or county should enter into such an agreement for a particular construction project or projects.

Title 7. Planning and Land Use
Division 1. Planning and Zoning
Chapter 4.2. Housing Development Approvals

§ 65913.16. Affordable Housing on Faith and Higher Education Lands Act of 2023

(a) This section shall be known, and may be cited, as the Affordable Housing on Faith and Higher Education Lands Act of 2023.

(b) For purposes of this section:

(1) “Applicant” means a qualified developer who submits an application for streamlined approval pursuant to this section.

(2) “Development proponent” means a developer that submits a housing development project application to a local government under the streamlined, ministerial review process pursuant to this chapter.

(3) “Health care expenditures” include contributions pursuant to Section 501(c) or (d) or 401(a) of the Internal Revenue Code1 and payments toward “medical care” as defined in Section 213(d)(1) of the Internal Revenue Code.

(4) “Heavy industrial use” means a use that is a source, other than a Title V source, as defined by Section 39053.5 of the Health and Safety Code, that is subject to permitting

by a district, as defined in Section 39025 of the Health and Safety Code, pursuant to Division 26 (commencing with Section 39000) of the Health and Safety Code or the federal Clean Air Act (42 U.S.C. Sec. 7401 et seq.). A use where the only source permitted by a district is an emergency backup generator, and the source is in compliance with permitted emissions and operating limits, is not a heavy industrial use.

(5) “Housing development project” has the same meaning as defined in Section 65589.5.

(6) “Independent institution of higher education” has the same meaning as defined in Section 66010 of the Education Code.

(7) “Light industrial use” means a use that is not subject to permitting by a district, as defined in Section 39025 of the Health and Safety Code.

(8) “Local government” means a city, including a charter city, county, including a charter county, or city and county, including a charter city and county.

(9) “Qualified developer” means any of the following:

(A) A local public entity, as defined in Section 50079 of the Health and Safety Code.

(B)(i) A developer that is a nonprofit corporation, a limited partnership in which a managing general partner is a nonprofit corporation, or a limited liability company in which a managing member is a nonprofit corporation.

(ii) The developer, at the time of submission of an application for development pursuant to this section, owns property or manages housing units located on property that is exempt from taxation pursuant to the welfare exemption established in subdivision (a) of Section 214 of the Revenue and Taxation Code.

(C) A developer that contracts with a nonprofit corporation that has received a welfare exemption under Section 214.15 of the Revenue and Taxation Code for properties intended to be sold to low-income families with financing in the form of zero interest rate loans.

(D) A developer that the religious institution or independent institution of education, as defined in this section, has contracted with before to construct housing or other improvements to real property.

(10) “Religious institution” means an institution owned, controlled, and operated and maintained by a bona fide church, religious denomination, or religious organization composed of multidenominational members of the same well-recognized religion, lawfully operating as a nonprofit religious corporation pursuant to Part 4 (commencing with Section 9110), or as a corporation sole pursuant to Part 6 (commencing with Section 10000), of Division 2 of Title 1 of the Corporations Code.

(11) “Title V industrial use” means a use that is a Title V source, as defined in Section 39053.5 of the Health and Safety Code.

(12) “Use by right” means a development project that satisfies both of the following conditions:

(A) The development project does not require a conditional use permit, planned unit development permit, or other discretionary local government review.

(B) The development project is not a “project” for purposes of Division 13 (commencing with Section 21000) of the Public Resources Code.

(c) Notwithstanding any inconsistent provision of a local government's general plan, specific plan, zoning ordinance, or regulation, upon the request of an applicant, a housing development project shall be a use by right, if all of the following criteria are satisfied:

(1) The development is located on land owned on or before January 1, 2024, by an independent institution of higher education or a religious institution, including ownership through an affiliated or associated nonprofit public benefit corporation organized pursuant to the Nonprofit Corporation Law (Part 2 (commencing with Section 5110) of Division 2 of Title 1 of the Corporations Code).

(2) The development is located on a parcel that satisfies the requirements specified in subparagraphs (A) and (B) of paragraph (2) of subdivision (a) of Section 65913.4.

(3) The development is located on a parcel that satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4.

(4) The development is located on a parcel that satisfies the requirements specified in paragraph (7) of subdivision (a) of Section 65913.4.

(5)(A) The development is not adjoined to any site where more than one-third of the square footage on the site is dedicated to light industrial use. For purposes of this subdivision, parcels separated by only a street or highway shall be considered to be adjoined.

(B) For purposes of subparagraph (A), a property is “dedicated to light industrial use” if all of the following requirements are met:

(i) The square footage is currently being put to a light industrial use.

(ii) The most recently permitted use of the square footage is a light industrial use.

(iii) The latest version of the local government's general plan, adopted before January 1, 2022, designates the property for light industrial use.

(6) The housing units on the development site are not located within 1,200 feet of a site that is either of the following:

(A) A site that is currently a heavy industrial use.

(B) A site where the most recent permitted use was a heavy industrial use.

(7) Except as provided in paragraph (8), the housing units on the development site are not located within 1,600 feet of a site that is either of the following:

(A) A site that is currently a Title V industrial use.

(B) A site where the most recent permitted use was a Title V industrial use.

(8) For a site where multifamily housing is not an existing permitted use, the housing units on the development site are not located within 3,200 feet of a facility that actively extracts or refines oil or natural gas.

(9) One hundred percent of the development project's total units, exclusive of a manager's unit or units, are for lower income households, as defined by Section 50079.5 of the Health and Safety Code, except that up to 20 percent of the total units in the development may be for moderate-income households, as defined in Section 50053 of the Health and Safety Code, and 5 percent of the units may be for staff of the independent institution of higher education or religious institution that owns the land. Units in the development shall be offered at affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, or at affordable rent, as set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee. The rent or sales price for a moderate-income unit shall be affordable and shall not exceed 30 percent of income for a moderate-income household or homebuyer for a unit of similar size and bedroom count in the same ZIP Code in the city, county, or city and county in which the housing development is located. The applicant shall provide the city, county, or city and county with evidence to establish that the units meet the requirements of this paragraph. All units, exclusive of any manager unit or units, shall be subject to a recorded deed restriction as provided in this paragraph for at least the following periods of time:

(A) Fifty-five years for units that are rented unless a local ordinance or the terms of a federal, state, or local grant, tax credit, or other project financing requires, as a condition of the development of residential units, that the development include a certain percentage of units that are affordable to, and occupied by, low-income, lower income, very low income, or extremely low income households for a term that exceeds 55 years for rental housing units.

(B) Forty-five years for units that are owner-occupied, or the first purchaser of each unit participates in an equity sharing agreement as described in subparagraph (C) of paragraph (2) of subdivision (c) of Section 65915.

(10) The development project complies with all objective development standards of the city or county that are not in conflict with this section.

(11) If the housing development project requires the demolition of existing residential dwelling units, or is located on a site where residential dwelling units have been demolished within the last five years, the applicant shall comply with subdivision (d) of Section 66300.

(12) The applicant certifies to the local government that either of the following is true for the housing development project, as applicable:

(A) The entirety of the development project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) A development that contains more than 10 units and is not in its entirety a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and approved by a local government pursuant to Article 2 (commencing with Section 65912.110) of, or Article 3 (commencing with Section 65912.120) of, Chapter 4.1 shall be subject to all of the following:

(i) All construction workers employed in the execution of the development shall be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs provided by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(ii) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work for those portions of the development that are not a public work.

(iii) All contractors and subcontractors for those portions of the development that are not a public work shall comply with both of the following:

(I) Pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in the programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(II) Maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section. This subclause does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subclause, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(13)(A) The development proponent completes a Phase I environmental assessment, as defined in Section 25319.1 of the Health and Safety Code, and a Phase II environmental assessment, as defined in subdivision (*o*) of Section 25403 of the Health and Safety Code, if warranted.

(B) If a recognized environmental condition is found, the development proponent shall undertake a preliminary endangerment assessment, as defined in Section 25319.5 of the Health and Safety Code, prepared by an environmental assessor to determine the

existence of any release of a hazardous substance on the site and to determine the potential for exposure of future occupants to significant health hazards from any nearby property or activity.

(i) If a release of hazardous substance is found to exist on the site, the release shall be removed, or any significant effect of the release shall be mitigated to a level of insignificance in compliance with state and federal requirements.

(ii) If a potential for exposure to significant hazards from surrounding properties or activities is found to exist, the effects of the potential exposure shall be mitigated to a level of insignificance in compliance with current state and federal requirements.

(14) If the development is within 500 feet of a freeway, regularly occupied areas of the building shall provide air filtration media for outside and return air that provide a minimum efficiency reporting value (MERV) of 13.

(15) For a vacant site, the site does not contain tribal cultural resources, as defined in Section 21074 of the Public Resources Code, that could be affected by the development that were found pursuant to a consultation as described in Section 21080.3.1 of the Public Resources Code, and the effects of which cannot be mitigated pursuant to the process described in Section 21080.3.2 of the Public Resources Code.

(d)(1) The obligation of the contractors and subcontractors to pay prevailing wages pursuant to this section may be enforced by any of the following:

(A) The Labor Commissioner, through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, that may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development.

(B) An underpaid worker through an administrative complaint or civil action.

(C) A joint labor-management committee through a civil action pursuant to Section 1771.2 of the Labor Code.

(2) If a civil wage and penalty assessment is issued pursuant to this section, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(3) This subdivision does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subdivision, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(e) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight

time or overtime wages found to be prevailing does not apply to those portions of a development that are not a public work if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(f) The requirement of this section to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(g) In addition to the requirements of Section 65912.130, a development of 50 or more housing units approved by a local government pursuant to Article 2 (commencing with Section 65912.110) of, or Article 3 (commencing with Section 65912.120) of, Chapter 4.1 shall meet all of the following labor standards:

(1) The development proponent shall require in contracts with construction contractors and shall certify to the local government that each contractor of any tier who will employ construction craft employees or will let subcontracts for at least 1,000 hours shall satisfy the requirements in paragraphs (2) and (3). A construction contractor is deemed in compliance with paragraphs (2) and (3) if it is signatory to a valid collective bargaining agreement that requires use of registered apprentices and expenditures on health care for employees and dependents.

(2) A contractor with construction craft employees shall either participate in an apprenticeship program approved by the Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code or request the dispatch of apprentices from a state-approved apprenticeship program under the terms and conditions set forth in Section 1777.5 of the Labor Code. A contractor without construction craft employees shall show a contractual obligation that its subcontractors comply with this subdivision.

(3) Each contractor with construction craft employees shall make health care expenditures for each employee in an amount per hour worked on the development equivalent to at least the hourly pro rata cost of a Covered California Platinum-level plan for two adults 40 years of age and two dependents 0 to 14 years of age for the Covered California rating area in which the development is located. A contractor without construction craft employees shall show a contractual obligation that its subcontractors comply with this paragraph. Qualifying expenditures shall be credited toward compliance with prevailing wage payment requirements set forth in Section 65912.130.

(4)(A) The development proponent shall provide to the local government, on a monthly basis while its construction contracts on the development are being performed, a report demonstrating compliance with paragraphs (2) and (3). The report shall be considered public records under the California Public Records Act (Division 10 (commending with Section 7920.000) of Title 1) and shall be open to public inspection.

(B) A development proponent that fails to provide the monthly report shall be subject to a civil penalty for each month for which the report has not been provided, in the amount of 10 percent of the dollar value of construction work performed by that contractor on the development in the month in question, up to a maximum of ten thousand dollars ($10,000). Any contractor or subcontractor that fails to comply with paragraph (2) or (3)

shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of paragraph (2) or (3).

(C) Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the procedures for issuance of civil wage and penalty assessments specified in Section 1741 of the Labor Code, and may be reviewed pursuant to Section 1742 of the Labor Code. Penalties shall be deposited in the State Public Works Enforcement Fund established pursuant to Section 1771.3 of the Labor Code.

(5) Each construction contractor shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code. Each construction contractor shall submit payroll records directly to the Labor Commissioner at least monthly in a format prescribed by the Labor Commissioner in accordance with subparagraph (A) of paragraph (3) of subdivision (a) of Section 1771.4 of the Labor Code. The records shall include a statement of fringe benefits. Upon request by a joint labor-management cooperation committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a), the records shall be provided pursuant to subdivision (e) of Section 1776 of the Labor Code.

(6) All construction contractors shall report any change in apprenticeship program participation or health care expenditures to the local government within 10 business days, and shall reflect those changes on the monthly report. The reports shall be considered public records pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000 of Title 1)) and shall be open to public inspection.

(7) A joint labor-management cooperation committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall have standing to sue a construction contractor for failure to make health care expenditures pursuant to paragraph (3) in accordance with Section 218.7 or 218.8 of the Labor Code.

(h) Notwithstanding any other provision of this section, a development project that is eligible for approval as a use by right pursuant to this section may include the following ancillary uses, provided that those uses are limited to the ground floor of the development:

(1) In a single-family residential zone, ancillary uses shall be limited to childcare centers and facilities operated by community-based organizations for the provision of recreational, social, or educational services for use by the residents of the development and members of the local community in which the development is located.

(2) In all other zones, the development may include commercial uses that are permitted without a conditional use permit or planned unit development permit.

(i) Notwithstanding any other provision of this section, a development project that is eligible for approval as a use by right pursuant to this section includes any religious institutional use, or any use that was previously existing and legally permitted by the city or county on the site, if all of the following criteria are met:

(1) The total square footage of nonresidential space on the site does not exceed the amount previously existing or permitted in a conditional use permit.

(2) The total parking requirement for nonresidential space on the site does not exceed the lesser of the amount existing or of the amount required by a conditional use permit.

(3) The new uses abide by the same operational conditions as contained in the previous conditional use permit.

(j) A housing development project that qualifies as a use by right pursuant to subdivision (b) shall be allowed the following density, as applicable:

(1)(A) If the development project is located in a zone that allows residential uses, including in single-family residential zones, the development project shall be allowed a density of the applicable density deemed appropriate to accommodate housing for lower income households identified in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2 and a height of one story above the maximum height otherwise applicable to the parcel.

(B) If the local government allows for greater residential density on that parcel, or greater residential density or building heights on an adjoining parcel, than permitted in subparagraph (A), the greater density or building height shall apply.

(C) A housing development project that is located in a zone that allows residential uses, including in single-family residential zones, shall be eligible for a density bonus, incentives, or concessions, or waivers or reductions of development standards and parking ratios, pursuant to Section 65915.

(2)(A) If the development project is located in a zone that does not allow residential uses, the development project shall be allowed a density of 40 units per acre and a height of one story above the maximum height otherwise applicable to the parcel.

(B) If the local government allows for greater residential density or building heights on that parcel, or an adjoining parcel, than permitted in subparagraph (A), the greater density or building height shall apply. A development project shall not use an incentive, waiver, or concession to increase the height of the development to greater than the height authorized under this subparagraph.

(C) Except as provided in subparagraph (B), a housing development project that is located in a zone that does not allow residential uses shall be eligible for a density bonus, incentives, or concessions, or waivers or reductions of development standards and parking ratios, pursuant to Section 65915.

(k)(1) Except as provided in paragraph (2), the proposed development shall provide off-street parking of up to one space per unit, unless a state law or local ordinance provides for a lower standard of parking, in which case the law or ordinance shall apply.

(2) A local government shall not impose a parking requirement if either of the following is true:

(A) The parcel is located within one-half mile walking distance of public transit, either a high-quality transit corridor or a major transit stop as defined in subdivision (b) of Section 21155 of the Public Resources Code.

(B) There is a car share vehicle located within one block of the parcel.

(*l*)(1) If the local government determines that the proposed development is in conflict with any of the objective planning standards specified in this section, it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, within the following timeframes:

(A) Within 60 days of submittal of the development proposal to the local government if the development contains 150 or fewer housing units.

(B) Within 90 days of submittal of the development proposal to the local government if the development contains more than 150 housing units.

(2) If the local government fails to provide the required documentation pursuant to paragraph (1), the development shall be deemed to satisfy the required objective planning standards.

(3) For purposes of this section, a development is consistent with the objective planning standards if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(4) The determination of whether a proposed project submitted pursuant to this section is or is not in conflict with the objective planning standards is not a “project” as defined in Section 21065 of the Public Resources Code.

(5) Design review of the development may be conducted by the local government's planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review shall be objective and be strictly focused on assessing compliance with criteria required for streamlined, ministerial review of projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submittal of the development to the local government and shall be broadly applicable to developments within the jurisdiction. That design review shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(A) Within 90 days of submittal of the development proposal to the local government pursuant to this section if the development contains 150 or fewer housing units.

(B) Within 180 days of submittal of the development proposal to the local government pursuant to this section if the development contains more than 150 housing units.

(6) The local government shall ensure that the project satisfies the requirements specified in subdivision (d) of Section 66300, regardless of whether the development is within or not within an affected city or within or not within an affected county.

(7) If the development is consistent with all objective subdivision standards in the local subdivision ordinance, an application for a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(8) A local government's approval of a development pursuant to this section shall, notwithstanding any other law, be subject to the expiration timeframes specified in subdivision (f) of Section 65913.4.

(9) Any proposed modifications to a development project approved pursuant to this section shall be undertaken pursuant to subdivision (g) of Section 65913.4.

(10) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project solely or partially on the basis that the project is eligible to receive streamlined, ministerial review pursuant to this section.

(11) A local government shall issue a subsequent permit required for a development approved under this section pursuant to paragraph (2) of subdivision (h) of Section 65913.4.

(12) A public improvement that is necessary to implement a development that is approved pursuant to this section shall be undertaken pursuant to paragraph (3) of subdivision (h) of Section 65913.4.

(m) This section shall not prevent a development from also qualifying as a housing development project entitled to the protections of Section 65589.5.

(n) The Legislature finds and declares that ensuring residential development at greater density on land owned by independent institutions of higher education and religious institutions is a matter of statewide concern and is not a municipal affair as that term is used in Section 5 of Article XI of the California Constitution. Therefore, this section applies to all cities, including charter cities.

(*o*) The provisions of paragraph (3) of subdivision (g) concerning health care expenditures are distinct and severable from the remaining provisions of this section. However, all other provisions of subdivision (g) are material and integral parts of this section and are not severable. If any provision of subdivision (g), exclusive of those included in paragraph (3), is held invalid, the entire section shall be invalid and shall not be given effect.

(p) This section shall remain in effect only until January 1, 2036, and as of that date is repealed.

Title 8. The Organization and Government of Courts
Chapter 5.7. Superior Court Facilities
Article 7.1. Superior Court Design-Build Projects

§ 70398.3. Procurement process; scope and estimated cost; request for qualifications (RFQ); prequalified or short-listed design-build entities; request for proposals; selection methods

The procurement process for the design-build process shall progress as follows:

(a)(1) The Judicial Council shall prepare a set of documents setting forth the scope and estimated price of the project. The documents may include, but need not be limited to, the size, type, and desired design character of the project, performance specifications covering the quality of materials, equipment, workmanship, preliminary plans or building layouts, or any other information deemed necessary to adequately describe the Judicial Council's needs. The performance specifications and plans shall be prepared by a design professional who is duly licensed and registered in California.

(2) The documents shall not include a design-build-operate contract for any project. The documents may include operations during a training or transition period but shall not include long-term operations for any project.

(b) The Judicial Council shall prepare and issue a request for qualifications (RFQ) in order to prequalify or short-list the design-build entities whose proposals will be evaluated for final selection. The RFQ shall include, but need not be limited to, the following elements:

(1) Identification of the basic scope and needs of the project or contract, the expected cost range, the methodology that will be used by the Judicial Council to evaluate proposals, the procedure for final selection of the design-build entity, and any other information deemed necessary by the Judicial Council to inform interested parties of the contracting opportunity.

(2) Significant factors that the Judicial Council reasonably expects to consider in evaluating qualifications, including technical design and construction expertise, and all other nonprice-related factors.

(3) A standard template request for statements of qualifications, prepared by the Judicial Council. In preparing the standard template, the Judicial Council may consult with the construction industry, the building trades and surety industry, and other agencies with authorization to deliver projects using the design-build methodology. The template shall require all of the following information:

(A) If the design-build entity is a privately held corporation, limited liability company, partnership, or joint venture, a listing of all of the shareholders, partners, or members

known at the time the statement of qualifications is submitted who will perform work on the project.

(B) Evidence that the members of the design-build team have completed, or demonstrated the experience, competency, capability, and capacity to complete, projects of similar size, scope, or complexity; that proposed key personnel have sufficient experience and training to competently manage and complete the design and construction of the project; and a financial statement that ensures that the design-build entity has the capacity to complete the project.

(C) The licenses, registrations, and credentials required to design and construct the project, including, but not limited to, information on the revocation or suspension of a license, credential, or registration.

(D) Evidence that establishes that the design-build entity has the capacity to obtain all required payment and performance bonding, liability insurance, and errors and omissions insurance.

(E) Information concerning workers' compensation experience history and a worker safety program.

(F) If the proposed design-build entity is a corporation, limited liability company, partnership, joint venture, or other legal entity, a copy of the organization documents or agreement committing to form the organization.

(G) An acceptable safety record. A proposer's safety record shall be deemed acceptable if its experience modification rate for the most recent three-year period is an average of 1.00 or less, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category or, if the proposer is a party to an alternative dispute resolution system, as provided in Section 3201.5 of the Labor Code.

(H) A declaration certifying that applying members of the design-build entity have not had a surety company finish work on a project within the preceding five years.

(I) A declaration providing detail concerning all of the following:

(i) A construction or design claim or litigation totaling more than five hundred thousand dollars ($500,000) or 5 percent of the annual value of work performed, whichever is less, settled against a member of the design-build entity in the preceding five years.

(ii) Serious violations of the California Occupational Safety and Health Act of 1973 (Part 1 (commencing with Section 6300) of Division 5 of the Labor Code) settled against a member of the design-build entity. Notwithstanding subparagraph (G), the Judicial

Council may find a proposer's safety record unacceptable based on serious violations of the California Occupational Safety and Health Act of 1973.

(iii) Violations of federal or state law, including, but not limited to, those laws governing the payment of wages, benefits, or personal income tax withholding, or the Federal Insurance Contributions Act (FICA) withholding requirements, state disability insurance withholding, or unemployment insurance payment requirements, settled against a member of the design-build entity in the preceding five years. For purposes of this subclause, only violations by a design-build entity member as an employer are applicable, unless it is shown that the design-build entity member, in the capacity of an employer, had knowledge of the subcontractor's violations or failed to comply with the conditions set forth in subdivision (b) of Section 1775 of the Labor Code.

(iv) Information required by Section 10162 of the Public Contract Code.

(v) Violation of the Contractors' State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code), excluding alleged violations or complaints.

(vi) Conviction of a member of the design-build entity for submitting a false or fraudulent claim to a public agency in the preceding five years.

(vii) Provision of a declaration that the design-build entity will comply with all laws applicable to the project, including, but not limited to, the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(4)(A) A declaration required under paragraph (3) shall state that reasonable diligence has been used in its preparation and that it is true and complete to the best of the signer's knowledge. The information required under this subdivision shall be certified as true by the design-build entity and its general partners or joint venture members. A person or entity who certifies as true a material matter that the person or entity knows to be false is guilty of a misdemeanor and shall be punished by not more than one year in a county jail, by a fine of not more than five thousand dollars ($5,000), or by both the fine and imprisonment.

(B) Information required under this subdivision that is not otherwise subject to disclosure under Section 68106.2 and Rule 10.500 of the California Rules of Court shall not be open to public inspection.

(c)(1) A design-build entity shall not be prequalified or shortlisted unless the entity provides an enforceable commitment to the Judicial Council that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades, in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(2) This subdivision shall not apply if any of the following requirements are met:

(A) The Judicial Council has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the Judicial Council prior to January 1, 2022.

(C) The entity has entered into a project labor agreement that will bind the entity and all its subcontractors at every tier performing the project or contract to use a skilled and trained workforce.

(3) For purposes of this subdivision, “project labor agreement” has the same meaning as in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(d) Based on the documents prepared as described in subdivision (a), the Judicial Council shall prepare a request for proposals that invites prequalified or short-listed entities to submit competitive sealed proposals in the manner prescribed by the Judicial Council. The request for proposals shall include, but need not be limited to, all of the following elements:

(1) Identification of the basic scope and needs of the project or contract, the estimated cost of the project, the methodology that will be used by the Judicial Council to evaluate proposals, whether the contract will be awarded on the basis of low bid or best value, and any other information deemed necessary by the Judicial Council to inform interested parties of the contracting opportunity.

(2) Significant factors that the Judicial Council reasonably expects to consider in evaluating proposals, including, but not limited to, cost or price and all nonprice-related factors.

(3) The relative importance or weight assigned to each of the factors identified in the request for proposals.

(4) When a best value selection method is used, the Judicial Council may reserve the right to request proposal revisions and hold discussions and negotiations with responsive proposers. The Judicial Council shall specify this reservation in the request for proposals and shall publish separately or incorporate into the request for proposals applicable procedures to be observed by the Judicial Council to ensure that any discussions or negotiations are conducted in good faith.

(e) For projects using low bid as the final selection method, the competitive bidding process shall result in lump-sum bids by the prequalified or short-listed design-build

entities, and awards shall be made to the design-build entity that is the lowest responsible bidder.

(f) For projects using best value as a selection method, the design-build competition shall progress as follows:

(1) Competitive proposals shall be evaluated by using only the criteria and selection procedures specifically identified in the request for proposals. The following minimum factors, however, shall be weighted as deemed appropriate by the Judicial Council:

(A) Price, unless a stipulated sum is specified.

(B) Technical design and construction expertise.

(C) Life-cycle costs over 15 or more years.

(2) The Judicial Council may hold discussions or negotiations with responsive proposers using the process articulated in paragraph (4) of subdivision (c).

(3) When the evaluation is complete, the responsive proposers shall be ranked based on a determination of value provided. The Judicial Council is not required to rank more than three proposers.

(4) The contract shall be awarded to the responsible design-build entity whose proposal is determined by the Judicial Council to have offered the best value to the public.

(5) Notwithstanding any other provision of this code, upon issuance of a contract award, the Judicial Council shall publicly announce its award, identifying the design-build entity to which the award is made, along with a statement regarding the basis of the award.

(6) The statement regarding the Judicial Council's contract award described in paragraph (5) and the contract file shall provide sufficient information to satisfy an external audit.

Title 10. California Industrial Development Financing Act
Chapter 1. California Industrial Development Financing
Article 2. Industrial Development Authorities

§ 91533. Project agreements

Authorities shall undertake projects by entry into project agreements in substance not inconsistent with the following:

(a) The company shall comply with (or cause to be complied with) all legal requirements relating to the project and the operation, repair, and maintenance of the facilities, including (1) obtaining any rezonings or variances, building, development, and other

permits and approvals, and licenses and other entitlements for use, without regard to any exemption for public projects and (2) securing the issuance of any certificates of need, convenience, and necessity or other certificates or franchises; and shall provide satisfactory evidence of compliance.

(b) The company shall comply with all conditions imposed by the public agency in its approval of the project pursuant to subdivision (f) of Section 91530.

(c) The company shall provide, or cause to be provided by others, all amounts required for the project and all property relating to the project that are not to be provided as or by expenditure of bond proceeds, and in the case of any amounts and property that the company proposes to cause to be provided by others, as by contract, grant, subsidy, loan, or other form of assistance, shall provide satisfactory evidence that those amounts and property will be provided when required.

(d) Expenditure of bond proceeds shall be supervised to assure proper application to the project.

(e) The company shall at its own expense insure, repair, and maintain the facilities, pay taxes with respect to its interests in the property relating to the project as Part 1 (commencing with Section 101) of Division 1 of the Revenue and Taxation Code requires, and pay assessments and other public charges secured by liens, upon those interests as constitute the tax base for property taxation on the same basis as other property, or shall cause the same to be provided by others to the satisfaction of the authority.

(f) The amounts payable pursuant to the project agreements to or for the benefit of an authority shall in the aggregate not be less than amounts sufficient (1) to pay any bonds that shall be issued by the authority to pay the cost of the project, (2) to maintain any required reserves, (3) to make payments as may be required into any sinking fund or other similar fund, and (4) to pay those administration expenses that relate to the administration of the project agreements, the indenture, and the bonds.

(g) The term shall extend at least until the date on which all those bonds and all other obligations incurred by an authority in connection with a project shall have been paid in full or adequate funds for that payment shall have been otherwise provided.

(h) The additional provisions as in the determination of the board are necessary or appropriate to effectuate the purposes of this article, including provisions for the following:

(1) For payments pursuant to the project agreements that include amounts for administration expenses in addition to the amounts that the agreement is required to obligate the company or others to pay.

(2) For payment before a facility exists or becomes functional, or after a facility has ceased to exist or be functional to any extent and from any cause.

(3) For payment whether or not the company is in possession or is entitled to be in possession of the facilities or for payment in the event of sale or other transfer of ownership of or the encumbering of the facilities.

(4) Relating to the carrying out and completion of the project, including the allocation of responsibility between the authority and the company regarding the payment of administrative expenses and costs of issuance, the acquisition of property, the making of other purchases, the contracting for construction of the facilities, with or without competitive bidding, and the payment therefor and the designation of particular deposits or investments otherwise authorized for the deposit, investment, and reinvestment of revenues.

(5) That some or all of the obligations of a company shall be unconditional and shall be binding and enforceable in all circumstances whatsoever notwithstanding any other law.

(6) Relating to the use, maintenance, repair, insurance, and replacement of property relating to the project, such as the authority and the company deem necessary for the protection of themselves or others, including, but not limited to, liability insurance, and indemnification in the event of default.

(7) Defining events of default and providing remedies therefore, which may include an acceleration of future payments thereunder.

(i) The company shall provide for the payment of relocation assistance as provided by Chapter 16 (commencing with Section 7260) of Division 7 of Title 1, and shall reimburse the authority or the public agency, as the case may be, for relocation assistance services, and notwithstanding any other provision of this title, the authority shall determine that those services are provided and that relocation assistance payments are made.

(j) Notwithstanding any other provision of this title, projects undertaken and carried out pursuant to this title shall be consistent with the requirements of the general plan as contained in Article 5 (commencing with Section 65300) of Chapter 3 of Division 1 of Title 7 at the time of entry into the project agreement, or in the event inconsistent at that time, then at the time of delivery of any bonds.

(k) The company may, pursuant to project agreements, provide or cause to be provided other security, such as, but not limited to, an agreement of guaranty, either of itself or another person, or other consideration directly to the bondholders, their agent or the trustee under an indenture, and neither the company nor any such other person shall be precluded by the project agreements from having other contractual relationships with those bondholders or that agent or trustee.

(*l*) Authorities shall require, whether or not authorities, companies, or others are the contract-awarding bodies, that on any construction, improvement, reconstruction, or rehabilitation financed in whole or in part by means of bonds issued pursuant to this title, the resolution of intention for which is adopted on or after January 1, 1983, all workers employed in that work, exclusive of maintenance work, shall be paid not less

than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work. Those rates shall be determined by the Director of Industrial Relations in accordance with the standards set forth in Section 1773 of the Labor Code. The director's determination shall be final, and Sections 1773.1, 1773.5, 1774, and 1776 (excepting subdivision (f) of Section 1776) of the Labor Code shall apply.

HEALTH & SAFETY CODE

Division 24. Community Development and Housing
Part 1. Community Redevelopment Law
Chapter 4. Redevelopment Procedures and Activities
Article 10. Demolition, Clearance, Project Improvements, and Site Preparation

§ 33423. Specification of prevailing wage rates

Before awarding any contract for such work to be done in a project, the agency shall ascertain the general prevailing rate of per diem wages in the locality in which the work is to be performed, for each craft or type of workman needed to execute the contract or work, and shall specify in the call for bids for the contract and in the contract such rate and the general prevailing rate for regular holiday and overtime work in the locality, for each craft or type of workman needed to execute the contract.

§ 33424. Payment of specified prevailing wage rate

The contractor to whom the contract is awarded and any subcontractor under him shall pay not less than the specified prevailing rate of wages to all workmen employed in the execution of the contract.

§ 33425. Penalty for noncompliance with prevailing wage

As a penalty to the agency which awarded the contract, the contractor shall forfeit ten dollars ($10) for each calendar day or portion thereof for each workman paid less than the stipulated prevailing rates for any public work done under the contract by him or by any subcontractor under him. A stipulation to this effect shall be included in the contract.

Division 31. Housing and Home Finance
Part 2. Department of Housing and Community Development
Chapter 6.7. Multifamily Housing Program

§ 50675.1.4. Applicability of California Environmental Quality Act to projects funded pursuant to Section 50675.1.3; exclusion requirements; notice of exemption

[Repealed effective July 1, 2024.]

Division 31. Housing and Home Finance
Part 2. Department of Housing and Community Development
Chapter 6.7. Multifamily Housing Programs

§ 50675.4. Loan eligibility; prevailing wage required for low-income housing

(a) To be eligible to receive a loan, a proposed project shall involve one or more of the following activities:

(1) The development and construction of a new transitional or rental housing development.

(2) The rehabilitation, or acquisition and rehabilitation, of a transitional or rental housing development.

(3) The conversion of a nonresidential structure to a transitional or rental housing development.

(b) In the case of rehabilitation projects, to be eligible to receive a loan, the loan shall be necessary to avoid increases in monthly debt service that have either of the following effects:

(1) Result in rent increases causing permanent displacement of persons of lower income residing in the development prior to rehabilitation.

(2) Make it economically infeasible to accept subsidies available to provide affordable rents to persons of lower income, if the sponsor agrees to accept the subsidies.

(c) To be eligible to receive a loan, the sponsor shall agree to both of the following:

(1) To set and maintain affordable rent levels for assisted units.

(2) To the payment of prevailing wage rates with respect to construction assisted through the program. In implementing this paragraph, it is the intent of the Legislature that this requirement apply to construction work that is dependent on the commitment of program funds in order for construction to proceed. Notwithstanding any other provision of law, the department's enforcement responsibilities shall be limited to the imposition of this requirement through the lending documents. The department shall require, as a condition of loan closing, a signed certificate that prevailing wages have been, or will be, paid in conformance with the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of the Labor Code and that labor records shall be made available to any

enforcement agency upon request. The requirements of this paragraph shall not apply to projects for which program funds are used exclusively to achieve lower rents and to pay associated administrative costs.

Division 31. Housing and Home Finance
Part 2. Department of Housing and Community Development
Chapter 8.2. Excess Site Local Government Matching Grants Program

§ 50704.83. Report from developer; department recordkeeping and posting of information; powers of department

(a)(1) A selected developer that receives a grant pursuant to this chapter shall submit a report, in a form and manner prescribed by the department, by December 31 of the year following the receipt of those funds, and annually thereafter, that contains the following information:

(A) The status of the proposed expenditures and uses of the local government contribution and the grant moneys as listed in the application for funding.

(B) The corresponding impact on the affordable housing development on excess state-owned property, categorized based on the eligible uses specified in subdivision (c) of Section 50704.82.

(2) The department may request additional information, as needed, to meet other applicable reporting or audit requirements.

(b) The department shall maintain records of the following and provide that information publicly on its internet website:

(1) The name of each applicant for grant moneys and the status of that entity's application.

(2) The number of applications for grant moneys received by the department.

(3) The information described in subdivision (a) for each recipient of grant moneys.

(c) The department may monitor expenditures and activities of an applicant and grantee, as the department deems necessary, to ensure compliance with program requirements.

(d) The department may, as it deems appropriate or necessary, request the repayment of funds from an applicant or grantee, or pursue any other remedies available to it by law, for failure to comply with program requirements.

(e) The department may implement the program through the issuance of forms, guidelines, and one or more notices of funding availability, as the department deems necessary, to exercise the powers and perform the duties conferred on it by this chapter. Any forms, guidelines, and notices of funding availability adopted pursuant to

this section are hereby exempted from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

(f) The department's decision to approve or deny an application or request for grant moneys pursuant to the program, and its determination of the amount of funding to be provided, shall be final.

(g) For development projects on property leased pursuant to this section, any requests for qualifications or requests for proposals issued shall identify the project as a public work for which prevailing wages shall be paid for purposes of Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

Division 31. Housing and Home Finance
Part 2. Department of Housing and Community Development
Chapter 9. Rental Housing Construction Program
Article 2. Rental Construction Incentive Program

§ 50746. Contracts; recording or referencing in recorded document; contents

Each contract pursuant to Section 50745 shall be recorded or referenced in a recorded document in the office of the county recorder of the county in which the rental housing development is located, and shall be indexed by the recorder in the grantor index to the name of the sponsor and in the grantee index to the name of the State of California. The contract shall contain at least the following provisions:

(a) The amount and terms of payments to be provided under this article, including specific items to be covered by such payments.

(b) A description of the way in which the payments will be used to provide affordable rents to eligible households occupying assisted units within the rental housing development.

(c) Projected rent levels for all units, and the number of units to be occupied by eligible households.

(d) Requirements for payment of prevailing wage rates on construction.

(e) A requirement for a periodic report to be made at least annually by the agency or local finance entity which shall include, at a minimum, information on the fiscal condition of the rental housing development, the maintenance of such development, and the number of units occupied by eligible households.

(f) A provision for department approval prior to the execution of the terms of the regulatory agreement to be entered into between the sponsor and the agency or local finance entity pursuant to Section 50749.

(g) A provision that failure to operate the rental housing development in accordance with the regulatory agreement shall be deemed a violation of the regulatory agreement or

deed of trust, as the case may be. In the alternative or in addition, the contract may contain a lien on the rental housing development for the purpose of securing performance of the agreement. Such lien shall include a legal description of the assisted real property which is subject to the lien and shall specify the duration of the lien upon the assisted real property.

(h) Standards which govern selection of tenants by housing sponsors to ensure occupancy by eligible households consistent with the requirements of Sections 50736 and 50739 and the terms of occupancy agreements to be used in rental housing developments.

(i) Provisions sufficient to ensure that dwelling units in the rental housing development available to and occupied by eligible households in accordance with Section 50736 and in accordance with the written agreement required by Section 50739 remain available to such households for a period of not less than 30 years or the duration of the long-term financing, whichever is greater.

(j) Provisions which specify the timing and manner in which payments are made by the department so as to ensure the economic feasibility of the rental housing development and to protect the interests of the state.

(k) A provision making the covenants and conditions of the contract binding upon successors in interest of the sponsor.

(*l*) When the sponsor is not a nonprofit housing sponsor or a local public entity, a provision limiting distribution of the sponsor's earnings to an annual amount no greater than 6 percent of the sponsor's actual investment (excluding unaccrued liabilities of the sponsor) in the rental housing development. The department may allow an earnings distribution of no greater than 10 percent on a nonelderly rental housing development if the department finds it necessary to do so to fulfill the requirements of Section 50736. With respect to such nonelderly rental housing developments, the department may adopt regulations consistent with this section governing the conditions under which an earnings distribution over 6 percent but not to exceed 10 percent may be allowed.

(m) A provision which specifies the conditions under which the department and agency may enforce the regulatory agreement with respect to a rental housing development financed by the agency.

(n) Provisions necessary for the administration, disbursement, and protection of annuity fund payments including provisions specifying the conditions under which the department may recover or reallocate all or any part of such payments for the benefit of eligible households in existing or additional assisted units.

(*o*) Provisions (1) governing the recovery and reallocation by the department of rent revenues derived by the sponsor from the assisted units and which are not necessary to defray costs of operation attributable to such units and (2) specifying the return on the sponsor's investment pursuant to subdivision (b). Such rent revenue shall be handled by

the department in the same manner as annuity payments recovered pursuant to subdivision (n).

(p) Authorization for the agency or local finance entity to fix and alter rents pursuant to the provisions of subdivision (c) of Section 50749.

(q) Any other provisions necessary to carry out the purposes and to exercise the powers granted by this chapter.

§ 50749. Regulatory agreement between sponsor and agency or local finance entity; recording or referencing in recorded document; contents; duration; enforcement

Any rental housing development assisted pursuant to this article shall be governed by a regulatory agreement between the sponsor and the agency or local finance entity. Such regulatory agreements shall be recorded or referenced in a recorded document in the office of the county recorder for the county in which the rental housing development is located. The regulatory agreements shall contain at least all of the following:

(a) Restrictions on occupancy of dwelling units within the rental housing development, as necessary to meet the requirements of Sections 50736 and 50739.

(b) A requirement that prevailing wage rates be paid with respect to construction of the rental housing development, and that all contractors and subcontractors use affirmative action in hiring.

(c) The authorization for the agency or local finance entity to fix and alter, from time to time, a schedule of rents such as may be necessary to provide residents of the rental housing development with affordable rents, to the extent consistent with the maintenance of the financial integrity of the rental housing development.

With respect to rental housing developments financed by the agency, no housing sponsor may increase rents except in accordance with the provisions of Section 51200. With respect to units under the supervision of a local finance entity, no housing sponsor shall increase the rent without the prior permission of such entity which shall be given only if the sponsor affirmatively demonstrates that such increase is required to defray necessary operating costs or to avoid jeopardizing the fiscal integrity of the rental housing development. Prior to the time any rent increase is effective, the housing sponsor shall notify every affected tenant, in writing, of informal meetings with the housing sponsor to review the proposed rent increase. Each tenant, upon request, shall be provided the information submitted to the local housing finance entity pursuant to this subdivision. Notwithstanding Section 51200 with respect to rental housing developments assisted under this article, if the agency or local finance entity does not act upon a request for a rent increase within 60 days from documented receipt of the request, such increase shall be deemed approved. Thirty days' notice of any rent increase shall be given in writing.

(d) Provisions implementing standards governing selection of tenants by sponsors to ensure initial and continued occupancy by eligible households consistent with the requirements of Sections 50736 and 50739.

(e) Provisions implementing the terms of occupancy agreements.

(f) Provisions necessary for the administration and protection of annuity trust funds established pursuant to Section 50748 and for recovery and reallocation of annuity fund payments and rent revenues pursuant to subdivisions (n) and (*o*) of Section 50746.

(g) Any other provisions necessary to carry out the purposes and to exercise the powers granted by this chapter. The regulatory agreement shall remain in effect so long as any financing for the rental housing development provided by the agency or local finance entity remains outstanding, but in any event not less than 30 years. The regulatory agreement shall be enforceable as specified in subdivision (m) of Section 50746 by the department, the agency or local finance entity or by any intended beneficiary of housing assisted under this chapter as against the sponsor or any successor in interest of the sponsor.

Division 31. Housing and Home Finance
Part 2. Department of Housing and Community Development
Chapter 9. Rental Housing Construction Program
Article 4. Contracts for Development and Construction by Local Housing Authorities

§ 50766. Contents; contract containing lien; recording or referencing in recorded document

Each contract pursuant to Section 50765 shall contain at least the following provisions:

(a) The timing, amount, and terms of payments to be provided under this article, including specific items to be covered by such payments.

(b) A description of the way in which the payments will be used to provide affordable rents to eligible households occupying dwelling units within the rental housing development.

(c) A description of the rental housing development, projected rent levels for all units and the number of units to be occupied by eligible households.

(d) Restrictions on occupancy of dwelling units within the rental housing development, as necessary to meet the requirements of Sections 50736 and 50739.

(e) A requirement that prevailing wage rates be paid with respect to construction of the rental housing development, and that all contractors and subcontractors use affirmative action in hiring.

(f) A requirement for periodic reports by the housing authority, which shall at a minimum include information on the fiscal condition of the rental housing development, the

maintenance of such development, and the number of units occupied by eligible households.

(g) Provisions sufficient to ensure that assisted units shall be available to or occupied by eligible households for a period of not less than 30 years.

(h) A provision which specifies the conditions under which the department and any intended beneficiary may enforce the contract.

(i) A provision that failure to operate the assisted units in accordance with the regulatory agreement shall be deemed a violation of the regulatory agreement or deed of trust, as the case may be. In the alternative, or in addition, the contract may contain a lien on the rental housing development for the purpose of securing performance of the contract. Such lien shall include a legal description of the assisted real property which is subject to the lien and shall specify the duration of the lien on the assisted property.

(j) Provisions necessary for the administration, disbursement, and protection of annuity fund payments including provisions specifying the conditions under which the department may recover or reallocate all or any part of such payments for the benefit of eligible households in additional or existing assisted units.

(k) Provisions governing the recovery and reallocation by the department of rent revenues derived by the sponsor from the assisted units, which are not necessary to defray the costs of operation attributable to such units. Such revenues shall be handled by the department in the same manner as annuity payments recovered pursuant to subdivision (j).

(*l*) Authorization for the local housing authority to fix and alter rents pursuant to the provisions of subdivision (a) of Section 50767.

(m) Any other provisions necessary to carry out the purposes and exercise the powers granted by this chapter.

Any contract pursuant to Section 50765 containing a lien shall be recorded or referenced in a document recorded in the county in which the real property subject to the lien is located and shall be indexed by the recorder in the grantor index to the name of the local housing authority and in the grantee index to the name of the State of California.

Division 31. Housing and Home Finance
Part 2. Department of Housing and Community Development
Chapter 18. Downtown Rebound Program

§ 50898.2. Use of funds; prevailing wage required for downtown rebound projects

(a) Funds awarded pursuant to Item 2240-107-0001 of Section 2.00 of the Budget Act of 2000 for the purposes of the Downtown Rebound Program established pursuant to this

chapter shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Title 2 of the Government Code.

(b) The department may use up to 5 percent of the amounts appropriated for this program for administration.

(c) With respect to the appropriation in Item 2240-107-0001 of Section 2.00 of the Budget Act of 2000 for the Downtown Rebound Program established pursuant to this chapter, the following provisions shall apply:

(1) Seventy-six percent of that appropriation shall be used by the department for the purpose of making loans to project sponsors for the adaptive reuse of vacant or underused commercial or industrial structures into residential rental housing units for initial rental to households having an income not exceeding 150 percent of the area median income. Each project shall be located within an elementary school attendance boundary where 50 percent or more of the students are eligible for free meals under the federal school lunch program, as determined by the local school district at the time of application to the Downtown Rebound Program. Each project shall also be subject to the following restrictions:

(A) Loans for units not subject to subparagraph (D) shall be at 5 percent simple interest. Loans for units subject to subparagraph (D) shall be at 3 percent simple interest. All principal and interest shall be due and payable in 20 years.

(B) Assistance for units not subject to subparagraph (D) shall not exceed thirty-five thousand dollars ($35,000) per unit. Assistance for units subject to subparagraph (D) shall not exceed fifty-five thousand dollars ($55,000) per unit.

(C) The amount of the loan, in combination with all debt recorded in a senior position to the loan, shall not exceed 90 percent of the appraised after-rehabilitation value of the security for the loan.

(D) Twenty percent of the units in the project shall be reserved for households having an income equal to 50 percent or less of the area median income, or 40 percent of the units shall be reserved for households having an income equal to 60 percent or less of the area median income. The department shall ensure the continued affordability of all units designated by the sponsor to fulfill these requirements for a period of 20 years. However, notwithstanding subparagraph (A), if assistance is provided for these units through any program funded through Chapter 6.7 (commencing with Section 50675) of Part 2, the units shall be subject to the use restrictions, limitations, and provisions contained in that chapter. These units shall be reasonably distributed within each building contained in the project, with no less than 10 percent of the units in each building fulfilling the requirements of this subdivision.

(E) The sponsor shall agree to the payment of prevailing wage rates with respect to construction assisted through the program. In implementing this subparagraph, it is the intent of the Legislature that this requirement apply to construction work that is dependent on the commitment of program funds in order for construction to

proceed. Notwithstanding any other provision of law, the department's enforcement responsibilities shall be limited to the imposition of this requirement through the lending documents. The department shall require, as a condition of loan closing, a signed certificate that prevailing wages have been, or will be, paid in conformance with the requirements of Chapter 1 (commencing with Section 1720) of Part 7 of the Labor Code and that labor records shall be made available to any enforcement agency upon request.

(2) Two million four hundred thousand dollars ($2,400,000) of that appropriation shall be used by the department for planning grants as specified in subdivision (b) of Section 50898.1.

(3) The balance of that appropriation shall be available for uses authorized by subdivision (a) of Section 50898.1.

Division 31. Housing and Home Finance
Part 3. California Housing Finance Agency
Chapter 2. Purposes and General Provisions

§ 50953. Construction of division and part; law governing

No provision of this division shall be construed as a restriction or limitation upon any powers which the agency or any local public entity might otherwise have under any laws of this state, and this part is cumulative with respect to these powers. This division shall be deemed to provide a complete, additional, and alternative method for doing the things authorized thereby, and shall be regarded as supplemental and additional to powers conferred by other laws. The issuance of bonds and refunding bonds under this part need not comply with the requirements of any other law applicable to the issuance of bonds, and in the construction or acquisition of a housing development or a residential structure pursuant to this division, the agency need not comply with the requirements of any other law applicable to construction or acquisition of public works, except as specifically provided in this division. The agency shall adopt regulations for review of construction contracts for the construction or rehabilitation of housing developments and residential structures financed under this division and shall require that on construction of this housing which is financed by a construction loan from the agency, other than mutual self-help housing developments, all workers employed in the construction, exclusive of maintenance work, shall be paid not less than the general prevailing rate or per diem wages for work of a similar character in the locality in which the construction is performed, and not less than the prevailing rate of per diem wages for holiday and overtime work. The agency shall determine or require determination of the general prevailing rate of per diem wages in accordance with the standards set forth in Section 1773 of the Labor Code. Apprentices shall be employed in the construction of housing developments in accordance with the regulations of the agency, which shall impose the same requirements as contained in Section 1777.5 of the Labor Code, except as to differences necessitated by the methods of awarding construction contracts for housing developments financed under this division.

Division 31. Housing and Home Finance
Part 16. Veterans and Affordable Housing Bond Act of 2018
Chapter 2. Affordable Housing Bond Act Trust Fund of 2018 and Program

§ 54009. Preference given to specified projects

Programs funded with bond proceeds shall, when allocating financial support, give preference to projects that are “public works” for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and other projects on which all construction workers will be paid at least the general prevailing rate of per diem wages as determined by the Director of Industrial Relations.

Division 106. Personal Health Care (Including Maternal, Child, and Adolescent)
Part 5. Hereditary Diseases/Congenital Defects
Chapter 3. California Stem Cell Research and Cures Bond Act
Article 1. California Stem Cell Research and Cures Act

§ 125290.65. Scientific and Medical Facilities Working Group

(a) Membership

The Scientific and Medical Research Facilities Working Group shall have 11 members as follows:

(1) Six members of the Scientific and Medical Research Funding Working Group.

(2) Four real estate specialists. To be eligible to serve on the Scientific and Medical Research Facilities Working Group, a real estate specialist shall be a resident of California, shall be prohibited from receiving compensation from any construction or development entity providing specialized services for medical research facilities, and shall not provide real estate facilities brokerage services for any applicant for, or any funding by the Scientific and Medical Research Facilities Working Group and shall not receive compensation from any recipient of institute funding grants.

(3) The Chairperson of the ICOC.

(b) Functions

The Scientific and Medical Research Facilities Working Group shall perform the following functions:

(1) Make recommendations to the ICOC on interim and final criteria, requirements, and standards for applications for, and the awarding of, grants and loans for buildings, building leases, and capital equipment; those standards and requirements shall include, among others:

(A) Facility milestones and timetables for achieving such milestones.

(B) Priority for applications that provide for facilities that will be available for research no more than two years after the grant award.

(C) The requirement that all funded facilities and equipment be located solely within California.

(D) The requirement that grantees comply with reimbursable building cost standards, competitive building leasing standards, capital equipment cost standards, and reimbursement standards and terms recommended by the Scientific and Medical Facilities Funding Working Group, and adopted by the ICOC.

(E) The requirement that grantees shall pay all workers employed on construction or modification of the facility funded by facilities grants or loans of the institute, the general prevailing rate of per diem wages for work of a similar character in the locality in which work on the facility is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(F) The requirement that grantees be not-for-profit entities.

(G) The requirement that awards be made on a competitive basis, with the following minimum requirements:

(i) That the grantee secure matching funds from sources other than the institute equal to at least 20 percent of the award. Applications of equivalent merit, as determined by the Scientific and Medical Research Funding Working Group, considering research opportunities to be conducted in the proposed research facility, shall receive priority to the extent that they provide higher matching fund amounts. The Scientific and Medical Research Facilities Working Group may recommend waiving the matching fund requirement in extraordinary cases of high merit or urgency.

(ii) That capital equipment costs and capital equipment loans be allocated when equipment costs can be recovered in part by the grantee from other users of the equipment.

(2) Make recommendations to the ICOC on oversight procedures to ensure grantees' compliance with the terms of an award.

§ 125290.70.5. Appropriation and Allocation of Funding

(a) Moneys in the California Stem Cell Research and Cures Fund shall be allocated as follows:

(1)(A) No less than 95.5 percent of the proceeds of the bonds authorized pursuant to Section 125291.110, net of bond proceeds allocated to purposes described in paragraphs (4) and (5) of subdivision (a) of Section 125291.100, shall be used for grants and grant oversight as provided in this chapter.

(B) Not less than 98 percent of the proceeds of bonds used for grants shall be used for research, therapy development, and therapy delivery grants, with no more than the following amounts, as stipulated below, to be committed during the first 10 years following the effective date of the initiative adding this subparagraph, with each year's funding commitments to be advanced over a period of one to seven years, except that any such funds that are not committed may be carried over to one or more following years. The maximum amount of research funding to be allocated annually is as follows: year 1, 11 percent; year 2, 11 percent; years 3 through 10, 9 percent; and year 11 and each year thereafter, 6 percent cumulatively. To accomplish the goals of Section 125290.75, up to 2 percent of the amount available for grants may be used for research consulting in support of access to, and the affordability of, treatments and cures arising from institute-funded research and therapy development and delivery, as determined by the governing board of the institute based on the recommendations of the Treatments and Cures Accessibility and Affordability Working Group and the president.

(C) Not more than 3 percent of the proceeds of bonds authorized by Section 125291.110 may be used by the institute for research and research facilities implementation costs, including the development, administration, and oversight of the grant-making process.

(2)(A) Not more than 3.5 percent of the proceeds of the bonds authorized pursuant to Section 125291.110 shall be used for the costs of general administration of the institute.

(B) Not more than 1 percent of the proceeds of the bonds authorized pursuant to Section 125291.110 may be used by the institute to pay for the costs of up to 15 full-time employees over 10 to 15 or more years, including, but not limited to, administrative support, facilities costs, salary, benefits, travel reimbursement, and meeting costs, to support the work of the institute to develop policies and programs to help Californians obtain access to human clinical trials, therapies, mitigating treatments, and cures arising from institute-funded research and to promote the accessibility and affordability of human clinical trials, treatments, and cures for Californians.

(3) In any single year, any new research funding to any single grantee for any program year is limited to no more than 1 percent of the total bonds authorized pursuant to Section 125291.110. This limitation shall be considered separately for each new proposal without aggregating any prior year approvals that may fund research activities. This requirement shall be determinative, unless 65 percent of a quorum of the ICOC approves a higher limit for that grantee.

(4) Up to 1.5 percent of the proceeds of the bonds authorized pursuant to Section 125291.110, net of costs described in paragraphs (2), (4), and (5) of subdivision (a) of Section 125291.100, shall be allocated for grants to build, equip, or fund operations of Community Care Centers of Excellence and up to one-half of 1 percent shall be allocated to build or equip shared labs, which are intended to be operational in the first five years following the effective date of the initiative adding this section. Funding received by a grantee from an institute award for construction shall be subject to prevailing wage laws.

(5) The institute shall limit indirect costs to no more than 25 percent of a research award, excluding amounts included in a facilities award, except that the indirect cost limitation may be increased by that amount by which the grantee provides matching funds in excess of 20 percent of the grant amount.

(b) The institute's funding schedule is designed to create a positive tax revenue stream for the State of California during the first five calendar years following the voters' approval of the initiative adding this section, without drawing funds from the state General Fund for principal and interest payments for those first five calendar years.

(c) The institute shall allocate at least one billion five hundred million dollars ($1,500,000,000) of the proceeds of the bonds authorized pursuant to Section 125291.110 to make grants for research, therapy development, and therapy delivery involving diseases and conditions of the brain and central nervous system, including, but not limited to, Alzheimer's disease, Parkinson's disease, stroke, dementia, epilepsy, schizophrenia, depression, traumatic brain injury, brain cancer, and autism, and for grant oversight and general administration costs associated with these grants and loans, subject to the limits in subparagraph (C) of paragraph (1) and subparagraph (A) of paragraph (2) of subdivision (a).

(d) The allocation of the proceeds of bonds authorized pursuant to Section 125291.30 shall continue to be governed by Section 125290.70.

LABOR CODE

Division 2. Employment Regulation and Supervision
Part 7. Public Works and Public Agencies
Chapter 1. Public Works Article 1. Scope and Operation
§§ 1720 – 1743

§ 1720. “Public works” and “paid for in whole or in part out of public funds” defined; exemptions from chapter; ordinances requiring payment of prevailing wages

(a) As used in this chapter, “public works” means all of the following:

(1) Construction, alteration, demolition, installation, or repair work done under contract and paid for in whole or in part out of public funds, except work done directly by a public utility company pursuant to order of the Public Utilities Commission or other public authority. For purposes of this paragraph, “construction” includes work performed during the design, site assessment, feasibility study, and other preconstruction phases of construction, including, but not limited to, inspection and land surveying work, regardless of whether any further construction work is conducted, and work performed during the postconstruction phases of construction, including, but not limited to, all cleanup work at the jobsite. For purposes of this paragraph, “installation” includes, but is

not limited to, the assembly and disassembly of freestanding and affixed modular office systems.

(2) Work done for irrigation, utility, reclamation, and improvement districts, and other districts of this type. “Public works” does not include the operation of the irrigation or drainage system of an irrigation or reclamation district, except as used in Section 1778 relating to retaining wages.

(3) Street, sewer, or other improvement work done under the direction and supervision or by the authority of an officer or public body of the state, or of a political subdivision or district thereof, whether the political subdivision or district operates under a freeholder's charter or not.

(4) The laying of carpet done under a building lease-maintenance contract and paid for out of public funds.

(5) The laying of carpet in a public building done under contract and paid for in whole or in part out of public funds.

(6) Public transportation demonstration projects authorized pursuant to Section 143 of the Streets and Highways Code.

(7) (A) Infrastructure project grants from the California Advanced Services Fund pursuant to Section 281 of the Public Utilities Code.
(B) For purposes of this paragraph, the Public Utilities Commission is not the awarding body or the body awarding the contract, as defined in Section 1722.

(8) Tree removal work done in the execution of a project under paragraph (1).

(b) For purposes of this section, “paid for in whole or in part out of public funds” means all of the following:
(1) The payment of money or the equivalent of money by the state or political subdivision directly to or on behalf of the public works contractor, subcontractor, or developer.

(2) Performance of construction work by the state or political subdivision in execution of the project.

(3) Transfer by the state or political subdivision of an asset of value for less than fair market price.

(4) Fees, costs, rents, insurance or bond premiums, loans, interest rates, or other obligations that would normally be required in the execution of the contract, that are paid, reduced, charged at less than fair market value, waived, or forgiven by the state or political subdivision.

(5) Money loaned by the state or political subdivision that is to be repaid on a contingent basis.

(6) Credits that are applied by the state or political subdivision against repayment obligations to the state or political subdivision.

(c) Notwithstanding subdivision (b), all of the following apply:

(1) Private residential projects built on private property are not subject to this chapter unless the projects are built pursuant to an agreement with a state agency, a redevelopment agency, a successor agency to a redevelopment agency when acting in that capacity, or a local public housing authority.

(2) If the state or a political subdivision requires a private developer to perform construction, alteration, demolition, installation, or repair work on a public work of improvement as a condition of regulatory approval of an otherwise private development project, and the state or political subdivision contributes no more money, or the equivalent of money, to the overall project than is required to perform this public improvement work, and the state or political subdivision maintains no proprietary interest in the overall project, then only the public improvement work shall thereby become subject to this chapter.

(3) (A)If the state or a political subdivision reimburses a private developer for costs that would normally be borne by the public, or provides directly or indirectly a public subsidy to a private development project that is de minimis in the context of the project, an otherwise private development project shall not thereby become subject to this chapter.

(B)(i) For purposes of subparagraph (A), a public subsidy is de minimis if it is both less than six hundred thousand dollars ($600,000) and less than 2 percent of the total project cost.

(ii) Notwithstanding clause (i), for purposes of subparagraph (A), a public subsidy for a project that consists entirely of single-family dwellings is de minimis if it is less than 2 percent of the total project cost.

(iii) This subparagraph shall not apply to a project that was advertised for bid, or a contract that was awarded, before July 1, 2021.

(4) The construction or rehabilitation of affordable housing units for low- or moderate-income persons pursuant to paragraph (5) or (7) of subdivision (e) of Section 33334.2 of the Health and Safety Code that are paid for solely with moneys from the Low and Moderate Income Housing Fund established pursuant to Section 33334.3 of the Health and Safety Code or that are paid for by a combination of private funds and funds

available pursuant to Section 33334.2 or 33334.3 of the Health and Safety Code do not constitute a project that is paid for in whole or in part out of public funds.

(5) Unless otherwise required by a public funding program, the construction or rehabilitation of privately owned residential projects is not subject to this chapter if one or more of the following conditions are met:

(A) The project is a self-help housing project in which no fewer than 500 hours of construction work associated with the homes are to be performed by the home buyers.

(B) The project consists of rehabilitation or expansion work associated with a facility operated on a not-for-profit basis as temporary or transitional housing for homeless persons with a total project cost of less than twenty-five thousand dollars ($25,000).Assistance is provided to a household as either mortgage assistance, downpayment assistance, or for the rehabilitation of a single-family home.

(C) The project consists of new construction, expansion, or rehabilitation work associated with a facility developed by a nonprofit organization to be operated on a not-for-profit basis to provide emergency or transitional shelter and ancillary services and assistance to homeless adults and children. The nonprofit organization operating the project shall provide, at no profit, not less than 50 percent of the total project cost from nonpublic sources, excluding real property that is transferred or leased. Total project cost includes the value of donated labor, materials, and architectural and engineering services.

(D) The public participation in the project that would otherwise meet the criteria of subdivision (b) is public funding in the form of below-market interest rate loans for a project in which occupancy of at least 40 percent of the units is restricted for at least 20 years, by deed or regulatory agreement, to individuals or families earning no more than 80 percent of the area median income.

(d) Notwithstanding any provision of this section to the contrary, the following projects are not, solely by reason of this section, subject to this chapter:

(1) Qualified residential rental projects, as defined by Section 142(d) of the Internal Revenue Code, financed in whole or in part through the issuance of bonds that receive allocation of a portion of the state ceiling pursuant to Chapter 11.8 (commencing with Section 8869.80) of Division 1 of Title 2 of the Government Code on or before December 31, 2003.

(2) Single-family residential projects financed in whole or in part through the issuance of qualified mortgage revenue bonds or qualified veterans' mortgage bonds, as defined by Section 143 of the Internal Revenue Code, or with mortgage credit certificates under a Qualified Mortgage Credit Certificate Program, as defined by Section 25 of the Internal Revenue Code, that receive allocation of a portion of the state ceiling pursuant

to Chapter 11.8 (commencing with Section 8869.80) of Division 1 of Title 2 of the Government Code on or before December 31, 2003.

(3) Low-income housing projects that are allocated federal or state low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code, Chapter 3.6 (commencing with Section 50199.4) of Part 1 of Division 31 of the Health and Safety Code, or Section 12206, 17058, or 23610.5 of the Revenue and Taxation Code, on or before December 31, 2003.

(e) Notwithstanding paragraph (1) of subdivision (a), construction, alteration, demolition, installation, or repair work on the electric transmission system located in California constitutes a public works project for the purposes of this chapter.

(f) If a statute, other than this section, or a regulation, other than a regulation adopted pursuant to this section, or an ordinance or a contract applies this chapter to a project, the exclusions set forth in subdivision (d) do not apply to that project.

(g) For purposes of this section, references to the Internal Revenue Code mean the Internal Revenue Code of 1986, as amended, and include the corresponding predecessor sections of the Internal Revenue Code of 1954, as amended.

(h) The amendments made to this section by either Chapter 938 of the Statutes of 2001 or the act adding this subdivision shall not be construed to preempt local ordinances requiring the payment of prevailing wages on housing projects.

§ 1720.2. Public Works; Private Contracts; Conditions

For the limited purposes of Article 2 (commencing with Section 1770) of this chapter, “public works” also means any construction work done under private contract when all of the following conditions exist:

(a) The construction contract is between private persons.

(b) The property subject to the construction contract is privately owned, but upon completion of the construction work, more than 50 percent of the assignable square feet of the property is leased to the state or a political subdivision for its use.

(c) Either of the following conditions exist:

(1) The lease agreement between the lessor and the state or political subdivision, as lessee, was entered into prior to the construction contract.

(2) The construction work is performed according to plans, specifications, or criteria furnished by the state or political subdivision, and the lease agreement between the

lessor and the state or political subdivision, as lessee, is entered into during, or upon completion of, the construction work.

§ 1720.3. Public Works; Hauling Refuse From Public Works Site

(a) For the limited purposes of Article 2 (commencing with Section 1770), with respect to contracts involving any state agency, including the California State University and the University of California, or any political subdivision of the state, “public works” also means both of the following:

(1) The hauling of refuse from a public works site to an outside disposal location.

(2) The on hauling of materials used for paving, grading, and fill onto a public works site, if the individual driver's work is integrated into the flow process of construction.

(b) For purposes of this section, the “hauling of refuse” includes, but is not limited to, hauling soil, sand, gravel, rocks, concrete, asphalt, excavation materials, and construction debris. The “hauling of refuse” shall not include the hauling of recyclable metals such as copper, steel, and aluminum that have been separated from other materials at the jobsite prior to transportation and that are to be sold at fair market value to a bona fide purchaser.

§ 1720.4. Work Performed By “Volunteers,” “Volunteer Coordinators,” Or Conservation Corps Members; Exemption From Chapter

This chapter shall not apply to any of the following work:

(a) Any work performed by a volunteer. For purposes of this section, “volunteer” means an individual who performs work for civic, charitable, or humanitarian reasons for a public agency or corporation qualified under Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization, without promise, expectation, or receipt of any compensation for work performed.

(1) An individual shall be considered a volunteer only when their services are offered freely and without pressure and coercion, direct or implied, from an employer.

(2) An individual may receive reasonable meals, lodging, transportation, and incidental expenses or nominal nonmonetary awards without losing volunteer status if, in the entire context of the situation, those benefits and payments are not a substitute form of compensation for work performed.

(3) An individual shall not be considered a volunteer if the person is otherwise employed for compensation at any time (A) in the construction, alteration, demolition, installation, repair, or maintenance work on the same project, or (B) by a contractor, other than a corporation qualified under Section 501(c)(3) of the Internal Revenue

Code as a tax-exempt organization, that receives payment to perform construction, alteration, demolition, installation, repair, or maintenance work on the same project.

(b) Any work performed by a volunteer coordinator. For purposes of this section, "volunteer coordinator" means an individual paid by a corporation qualified under Section 501(c)(3) of the Internal Revenue Code as a tax-exempt organization, to oversee or supervise volunteers. An individual may be considered a volunteer coordinator even if the individual performs some nonsupervisory work on a project alongside the volunteers, so long as the individual's primary responsibility on the project is to oversee or supervise the volunteers rather than to perform nonsupervisory work.

(c) Any work performed by the California Conservation Corps or by Community Conservation Corps certified by the California Conservation Corps pursuant to Section 14507.5 of the Public Resources Code.

(d) This section shall remain in effect only until January 1, 2031, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2031, deletes or extends that date.

§ 1720.5. Graffiti Abatement Work; City Of Los Angeles; Applicability Of Prevailing Wages [repealed by stats.2019, c. 497 (a.b.991), § 183, operative jan. 1, 2024]

§ 1720.6. Public Work; Private Contracts; Energy Efficiency Improvements; Conditions

For the limited purposes of Article 2 (commencing with Section 1770) of this chapter, "public work" also means any construction, alteration, demolition, installation, or repair work done under private contract when the following conditions exist:

(a) The work is performed in connection with the construction or maintenance of renewable energy generating capacity or energy efficiency improvements.

(b) The work is performed on the property of the state or a political subdivision of the state.

(c) Either of the following conditions exists:

(1) More than 50 percent of the energy generated is purchased or will be purchased by the state or a political subdivision of the state.

(2) The energy efficiency improvements are primarily intended to reduce energy costs that would otherwise be incurred by the state or a political subdivision of the state.

§ 1720.7. Public Works; Hospital Projects

For the limited purposes of Article 2 (commencing with Section 1770) of this chapter, "public works" also means any construction, alteration, demolition, installation, or repair work done under private contract on a project for a general acute care hospital, except on a project for a rural general acute care hospital with a maximum of 76 beds, when the project is paid for, in whole or in part, with the proceeds of conduit revenue bonds, as defined in Section 5870 of the Government Code, issued on or after January 1, 2016, by a public agency. For purposes of this section, "general acute care hospital" and "rural general acute care hospital" have the same meaning as each term is defined in subdivision (a) of Section 1250 of the Health and Safety Code.

§ 1720.8. "Public works" and "charter school" defined

For the limited purposes of Article 2 (commencing with Section 1770) of this chapter, "public works" also means any construction, alteration, demolition, installation, or repair work done under private contract on a project for a charter school, when the project is paid for, in whole or in part, with the proceeds of conduit revenue bonds, as defined in Section 5870 of the Government Code, issued on or after January 1, 2021, by a public agency. For purposes of this section, "charter school" has the same meaning as the term is defined in Section 17173 of the Education Code, but does not include a charter school with an average daily attendance not exceeding 80 pupils.

§ 1720.9. Ready-Mixed Concrete For Public Works Contracts Awarded On Or After July 1, 2016; Prevailing Wage Rate; Written Subcontract Agreements; Submission Of Certified Copies Of Payroll Records

(a) For the limited purposes of Article 2 (commencing with Section 1770), "public works" also means the hauling and delivery of ready-mixed concrete to carry out a public works contract, with respect to contracts involving any state agency, including the California State University and the University of California, or any political subdivision of the state.

(b) For purposes of this section, "ready-mixed concrete" means concrete that is manufactured in a factory or a batching plant, according to a set recipe, and then delivered in a liquefied state by mixer truck for immediate incorporation into a project.

(c) For purposes of this section, the "hauling and delivery of ready-mixed concrete to carry out a public works contract" means the job duties for a ready mixer driver that are used by the director in determining wage rates pursuant to Section 1773, and includes receiving the concrete at the factory or batching plant and the return trip to the factory or batching plant.

(d) For purposes of this section, the applicable prevailing wage rate shall be the current prevailing wage, as determined by the director, for the geographic area in which the factory or batching plant is located.
(e) The entity hauling or delivering ready-mixed concrete to carry out a public works contract shall enter into a written subcontract agreement with the party that engaged the entity to supply the ready-mixed concrete. The written agreement shall require compliance with the requirements of this chapter. The entity hauling or delivering ready-mixed concrete shall be considered a subcontractor solely for the purposes of this chapter. Nothing in this section shall cause any entity to be treated as a contractor or subcontractor for any purpose other than the application of this chapter.

(f) The entity hauling or delivering ready-mixed concrete to carry out a public works contract shall submit a certified copy of the payroll records required by subdivision (a) of Section 1776 to the party that engaged the entity and to the general contractor within five working days after the employee has been paid, accompanied by a written time record that shall be certified by each driver for the performance of job duties in subdivision (c).

(g) This section shall not apply to public works contracts that are advertised for bid or awarded prior to July 1, 2016.

§ 1721. "Political Subdivision" Defined

"Political subdivision" includes any county, city, district, public housing authority, or public agency of the state, and assessment or improvement districts.

§ 1722. "Awarding Body" And "Body Awarding The Contract" Defined

"Awarding body" or "body awarding the contract" means department, board, authority, officer or agent awarding a contract for public work.

§ 1722.1. "Contractor" And "Subcontractor" Defined

For the purposes of this chapter, "contractor" and "subcontractor" include a contractor, subcontractor, licensee, officer, agent, or representative thereof, acting in that capacity, when working on public works pursuant to this article and Article 2 (commencing with Section 1770).

§ 1723. "Worker" Defined

"Worker" includes laborer, worker, or mechanic.

§ 1724. “Locality In Which Public Work Is Performed” Defined

“Locality in which public work is performed” means the county in which the public work is done in cases in which the contract is awarded by the State, and means the limits of the political subdivision on whose behalf the contract is awarded in other cases.

§ 1725.5. Registration Of Contractors; Mandatory Registration; Qualifications And Application; Fees; Exempt Contractors [This Section Operative Only Until July 1, 2026]

A contractor shall be registered pursuant to this section to be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any public work contract that is subject to the requirements of this chapter. For the purposes of this section, “contractor” includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1)(A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars ($400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The director may establish and adjust annual registration and renewal fees by publishing the fees on the department's internet website. The initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) Beginning June 1, 2019, a contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable application or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with this section, within the preceding 12 months or since the effective date of the requirements set forth in subdivision (e), whichever is earlier, and has not been awarded a contract for, or has not engaged in the performance of, work on projects or developments without being lawfully registered in accordance with Section 1725.6 within the preceding 12 months. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars ($2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from bidding on or engaging in the performance of any contract for public work until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) If, after a body awarding a contract accepts the contractor's bid or awards the contract, the work covered by the bid or contract is determined to be a public work to which Section 1771 applies, either as the result of a determination by the director

pursuant to Section 1773.5 or a court decision, the requirements of this section shall not apply, subject to the following requirements:

(1) The body that awarded the contract failed, in the bid specification or in the contract documents, to identify as a public work that portion of the work that the determination or decision subsequently classifies as a public work.

(2) Within 20 days following service of notice on the awarding body of a determination by the Director of Industrial Relations pursuant to Section 1773.5 or a decision by a court that the contract was for public work as defined in this chapter, the contractor and any subcontractors are registered under this section or are replaced by a contractor or subcontractors who are registered under this section.

(3) The requirements of this section shall apply prospectively only to any subsequent bid, bid proposal, contract, or work performed after the awarding body is served with notice of the determination or decision referred to in paragraph (2).

(e) The requirements of this section shall apply to any bid proposal submitted on or after March 1, 2015, to any contract for public work, as defined in this chapter, executed on or after April 1, 2015, and to any work performed under a contract for public work on or after January 1, 2018, regardless of when the contract for public work was executed.

(f) This section does not apply to work performed on a public works project of twenty-five thousand dollars ($25,000) or less when the project is for construction, alteration, demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars ($15,000) or less when the project is for maintenance work.

(g) A contractor that has paid the registration or renewal fee and is registered under Section 1725.6 shall not pay the registration or renewal fee required under paragraph (1) of subdivision (a) to register as a contractor under this section.

(h) This section shall remain in effect only until July 1, 2026, and as of that date is repealed.

§ 1725.6. Registration Of Contractors For Specified Projects; Mandatory Registration; Qualifications And Application; Fees; Exempt Contractors [This Section Operative Only Until July 1, 2026]

A contractor shall be registered pursuant to this section to be qualified to be awarded contracts for, or engage in the performance of, any work on projects or developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, 65913.4, or 65913.16 of the Government Code or any work on projects or developments where a statute or regulation requires registration pursuant to this section. For the purposes of this section, “contractor” includes a subcontractor as defined by Section 1722.1.

(a) To qualify for registration under this section, a contractor shall do all of the following:

(1)(A) Register with the Department of Industrial Relations in the manner prescribed by the department and pay an initial nonrefundable application fee of four hundred dollars ($400) to qualify for registration under this section and an annual renewal fee on or before July 1 of each year thereafter. The director may establish and adjust annual registration and renewal fees by publishing the fees on the department's internet website. The initial registration and renewal fees may be adjusted no more than annually by the director to support the costs specified in Section 1771.3.

(B) A contractor may register or renew according to this subdivision in annual increments up to three years from the date of registration. Contractors who wish to do so will be required to prepay the applicable nonrefundable registration or renewal fees to qualify for the number of years for which they wish to preregister.

(2) Provide evidence, disclosures, or releases as are necessary to establish all of the following:

(A) Workers' compensation coverage that meets the requirements of Division 4 (commencing with Section 3200) and includes sufficient coverage for any worker whom the contractor employs to perform work that is subject to prevailing wage and skilled and trained workforce requirements other than a contractor who is separately registered under this section. Coverage may be evidenced by a current and valid certificate of workers' compensation insurance or certification of self-insurance required under Section 7125 of the Business and Professions Code.

(B) If applicable, the contractor is licensed in accordance with Chapter 9 (commencing with Section 7000) of the Business and Professions Code.

(C) The contractor does not have any delinquent liability to an employee or the state for any assessment of back wages or related damages, interest, fines, or penalties pursuant to any final judgment, order, or determination by a court or any federal, state, or local administrative agency, including a confirmed arbitration award. However, for purposes of this paragraph, the contractor shall not be disqualified for any judgment, order, or determination that is under appeal, provided that the contractor has secured the payment of any amount eventually found due through a bond or other appropriate means.

(D) The contractor is not currently debarred under Section 1777.1 or under any other federal or state law providing for the debarment of contractors from public works.

(E) The contractor has not been awarded contracts for, or engaged in the performance of, work on projects or developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, 65913.4, or 65913.16 of the Government Code or where a statute or regulation requires registration pursuant to this section without being lawfully

registered in accordance with this section, within the preceding 12 months, and also has not bid on a public works contract, been listed in a bid proposal, or engaged in the performance of a contract for public works without being lawfully registered in accordance with Section 1725.5, within the preceding 12 months. If a contractor is found to be in violation of the requirements of this paragraph, the period of disqualification shall be waived if both of the following are true:

(i) The contractor has not previously been found to be in violation of the requirements of this paragraph within the preceding 12 months.

(ii) The contractor pays an additional nonrefundable penalty registration fee of two thousand dollars ($2,000).

(b) Fees received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(c) A contractor who fails to pay the renewal fee required under paragraph (1) of subdivision (a) on or before the expiration of any prior period of registration shall be prohibited from engaging in the performance of any work on projects or developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, 65913.4, or 6513.16 of the Government Code or any work on projects or developments where a statute or regulation requires registration pursuant to this section until once again registered pursuant to this section. If the failure to pay the renewal fee was inadvertent, the contractor may renew its registration retroactively by paying an additional nonrefundable penalty renewal fee equal to the amount of the renewal fee within 90 days of the due date of the renewal fee.

(d) A contractor that has paid the registration or renewal fee and registered under Section 1725.5 shall not pay the registration or renewal fee required under paragraph (1) of subdivision (a) to register as a contractor under this section.

(e) Pending the issuance of new rules and regulations to implement this section, Sections 16410 to 16418, inclusive, of Title 8 of the California Code of Regulations shall apply.

(f) This section shall remain in effect only until July 1, 2026, and as of that date is repealed.

§ 1726. Cognizance Of Violations In Execution Of Contracts; Reports; Withholding Procedures; Actions To Recover Wages; Costs And Attorney’s Fees

(a) The body awarding the contract for public work shall take cognizance of violations of this chapter committed in the course of the execution of the contract, and shall promptly report any suspected violations to the Labor Commissioner.

(b) If the awarding body determines as a result of its own investigation that there has been a violation of this chapter and withholds contract payments, the procedures in Section 1771.6 shall be followed.

(c) A contractor may bring an action in a court of competent jurisdiction to recover from an awarding body the difference between the wages actually paid to an employee and the wages that were required to be paid to an employee under this chapter, any penalties required to be paid under this chapter, and costs and attorney's fees related to this action, if either of the following is true:

(1) The awarding body previously affirmatively represented to the contractor in writing, in the call for bids, or otherwise, that the work to be covered by the bid or contract was not a “public work,” as defined in this chapter.

(2) The awarding body received actual written notice from the Department of Industrial Relations that the work to be covered by the bid or contract is a “public work,” as defined in this chapter, and failed to disclose that information to the contractor before the bid opening or awarding of the contract.

§ 1727. Withholding To Satisfy Wage And Penalty Assessments

(a) Before making payments to the contractor of money due under a contract for public work, the awarding body shall withhold and retain therefrom all amounts required to satisfy any civil wage and penalty assessment issued by the Labor Commissioner under this chapter. The amounts required to satisfy a civil wage and penalty assessment shall not be disbursed by the awarding body until receipt of a final order that is no longer subject to judicial review.

(b) If the awarding body has not retained sufficient money under the contract to satisfy a civil wage and penalty assessment based on a subcontractor's violations, the contractor shall, upon the request of the Labor Commissioner, withhold sufficient money due the subcontractor under the contract to satisfy the assessment and transfer the money to the awarding body. These amounts shall not be disbursed by the awarding body until receipt of a final order that is no longer subject to judicial review.

§ 1728. Acceptance Of Cash In Lieu Of Withholding

In cases of contracts with assessment or improvement districts where full payment is made in the form of a single warrant, or other evidence of full payment, after completion and acceptance of the work, the awarding body shall accept from the contractor in cash a sum equal to, and in lieu of, any amount required to be withheld, retained, or forfeited under the provisions of this section, and said awarding body shall then release the final warrant or payment in full.

§ 1729. Withholding Of Amounts From Subcontractors

It shall be lawful for any contractor to withhold from any subcontractor under him sufficient sums to cover any penalties withheld from him by the awarding body on account of the subcontractor's failure to comply with the terms of this chapter, and if payment has already been made to the subcontractor the contractor may recover from him the amount of the penalty or forfeiture in a suit at law.

§ 1730. List Of Sections Relating To Prevailing Rate Of Per Diem Wage Requirements For Public Work Project Employees; Internet Posting; Updating

The Director of Industrial Relations shall post a list of every California code section and the language of those sections that relate to the prevailing rate of per diem wage requirements for workers employed on a public work project on the Internet Web site of the Department of Industrial Relations on or before June 1, 2013, and shall update that list each February 1 thereafter.

§ 1734. Disposition Of Fines And Penalties Collected By Court

Any court collecting any fines or penalties under the criminal provisions of this chapter or any of the labor laws pertaining to public works shall as soon as practicable after the receipt thereof deposit same with the county treasurer of the county in which such court is situated. Amounts so deposited shall be paid at least once a month by warrant of the county auditor drawn upon requisition of the judge or clerk of said court, to the State Treasurer for deposit in the General Fund.

§ 1735. Discrimination In Employment

A contractor shall not discriminate in the employment of persons upon public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as otherwise provided in Section 12940 of the Government Code. Every contractor for public works who violates this section is subject to all the penalties imposed for a violation of this chapter.

§ 1736. Investigations; Confidentiality Of Names Of Employees Reporting Violations Of This Chapter

During any investigation conducted under this part, the Division of Labor Standards Enforcement shall keep confidential the name of any employee who reports a violation of this chapter and any other information that may identify the employee.

§ 1740. Public Contracts; Modification To Comply With Federal Wage Schedules Without Republication

Notwithstanding any other provision of this chapter or any other law of this State, except limitations imposed by the Constitution, the legislative body of a political subdivision which has received or is to receive a loan or grant of funds from the Federal Government or a federal department or agency for public works of that political subdivision, may provide in its call for bids in connection with such public works that all bid specifications and contracts and other procedures in connection with bids or contracts shall be subject to modification to comply with revisions in federal minimum wage schedules without the necessity of republication or duplication of other formal statutory requirements.

§ 1741. Determination Of Violations; Civil Wage And Penalty Assessments; Service Interest On Due And Unpaid Wages; List Of Violators

(a) If the Labor Commissioner or his or her designee determines after an investigation that there has been a violation of this chapter, the Labor Commissioner shall with reasonable promptness issue a civil wage and penalty assessment to the contractor or subcontractor, or both. The assessment shall be in writing, shall describe the nature of the violation and the amount of wages, penalties, and forfeitures due, and shall include the basis for the assessment. The assessment shall be served not later than 18 months after the filing of a valid notice of completion in the office of the county recorder in each county in which the public work or some part thereof was performed, or not later than 18 months after acceptance of the public work, whichever occurs last. Service of the assessment shall be completed pursuant to Section 1013 of the Code of Civil Procedure by first-class and certified mail to the contractor, subcontractor, and awarding body. The assessment shall advise the contractor and subcontractor of the procedure for obtaining review of the assessment. The Labor Commissioner shall, to the extent practicable, ascertain the identity of any bonding company issuing a bond that secures the payment of wages covered by the assessment and any surety on a bond, and shall serve a copy of the assessment by certified mail to the bonding company or surety at the same time service is made to the contractor, subcontractor, and awarding body. However, no bonding company or surety shall be relieved of its responsibilities because it failed to receive notice from the Labor Commissioner.

(b) Interest shall accrue on all due and unpaid wages at the rate described in subdivision (b) of Section 3289 of the Civil Code. The interest shall accrue from the date that the wages were due and payable, as provided in Part 7 (commencing with Section 1720) of Division 2, until the wages are paid.

(c)(1) The Labor Commissioner shall maintain a public list of the names of each contractor and subcontractor who has been found to have committed a willful violation of Section 1775 or to whom a final order, which is no longer subject to judicial review, has been issued.

(2) The list shall include the date of each assessment, the amount of wages and penalties assessed, and the amount collected.

(3) The list shall be updated at least quarterly, and the contractor's or subcontractor's name shall remain on that list until the assessment is satisfied, or for a period of three years beginning from the date of the issuance of the assessment, whichever is later.

§ 1741.1. Tolling Of Period For Service Of Assessments; Duration Of Tolling Period; Notice

(a) The period for service of assessments shall be tolled for the period of time required by the Director of Industrial Relations to determine whether a project is a public work, including a determination on administrative appeal, if applicable, pursuant to subdivisions (b) and (c) of Section 1773.5. The period for service of assessments shall also be tolled for the period of time that a contractor or subcontractor fails to provide in a timely manner certified payroll records pursuant to a request from the Labor Commissioner or a joint labor-management committee under Section 1776, or an approved labor compliance program under Section 1771.5 or 1771.7.

(b) (1) The body awarding the contract for a public work shall furnish, within 10 days after receipt of a written request from the Labor Commissioner, a copy of the valid notice of completion for the public work filed in the office of the county recorder, or a document evidencing the awarding body's acceptance of the public work on a particular date, whichever occurs later, by first-class mail addressed to the office of the Labor Commissioner that is listed on the written request. If, at the time of receipt of the Labor Commissioner's written request, a valid notice of completion has not been filed by the awarding body in the office of the county recorder and there is no document evidencing the awarding body's acceptance of the public work on a particular date, the awarding body shall so notify the office of the Labor Commissioner that is listed on the written request. Thereafter, the awarding body shall furnish copies of the applicable document within 10 days after filing a valid notice of completion with the county recorder's office, or within 10 days of the awarding body's acceptance of the public work on a particular date.

(2) If the awarding body fails to timely furnish the Labor Commissioner with the documents identified in paragraph (1), the period for service of assessments under Section 1741 shall be tolled until the Labor Commissioner's actual receipt of the valid notice of completion for the public work or a document evidencing the awarding body's acceptance of the public work on a particular date.

(c) The tolling provisions in this section shall also apply to the period of time for commencing an action brought by a joint labor-management committee pursuant to Section 1771.2.

§ 1742. Review Of Wage And Penalty Assessments; Hearing Procedure

(a) An affected contractor or subcontractor may obtain review of a civil wage and penalty assessment under this chapter by transmitting a written request to the office of the Labor Commissioner that appears on the assessment within 60 days after service of the assessment. If no hearing is requested within 60 days after service of the assessment, the assessment shall become final.

(b) Upon receipt of a timely request, a hearing shall be commenced within 90 days before the director, who shall appoint an impartial hearing officer possessing the qualifications of an administrative law judge pursuant to subdivision (b) of Section 11502 of the Government Code. The appointed hearing officer shall be an employee of the department, but shall not be an employee of the Division of Labor Standards Enforcement. The contractor or subcontractor shall be provided an opportunity to review evidence to be utilized by the Labor Commissioner at the hearing within 20 days of the receipt of the written request for a hearing. Any evidence obtained by the Labor Commissioner subsequent to the 20-day cutoff shall be promptly disclosed to the contractor or subcontractor.

The contractor or subcontractor shall have the burden of proving that the basis for the civil wage and penalty assessment is incorrect. The assessment shall be sufficiently detailed to provide fair notice to the contractor or subcontractor of the issues at the hearing.

Within 45 days of the conclusion of the hearing, the director shall issue a written decision affirming, modifying, or dismissing the assessment. The decision of the director shall consist of a notice of findings, findings, and an order. This decision shall be served on all parties and the awarding body pursuant to Section 1013 of the Code of Civil Procedure by first-class mail at the last known address of the party on file with the Labor Commissioner. Within 15 days of the issuance of the decision, the director may reconsider or modify the decision to correct an error, except that a clerical error may be corrected at any time. The director shall adopt regulations setting forth procedures for hearings under this subdivision.

(c) An affected contractor or subcontractor may obtain review of the decision of the director by filing a petition for a writ of mandate to the appropriate superior court pursuant to Section 1094.5 of the Code of Civil Procedure within 45 days after service of the decision. If no petition for writ of mandate is filed within 45 days after service of the decision, the order shall become final. If it is claimed in a petition for writ of mandate that the findings are not supported by the evidence, abuse of discretion is established if the court determines that the findings are not supported by substantial evidence in the light of the whole record.

(d) A certified copy of a final order may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the affected contractor or

subcontractor has property or has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the state against the person assessed in the amount shown on the certified order.

(e) A judgment entered pursuant to this section shall bear the same rate of interest and shall have the same effect as other judgments and shall be given the same preference allowed by law on other judgments rendered for claims for taxes. The clerk shall not charge for the service performed by him or her pursuant to this section.

(f) An awarding body that has withheld funds in response to a civil wage and penalty assessment under this chapter shall, upon receipt of a certified copy of a final order that is no longer subject to judicial review, promptly transmit the withheld funds, up to the amount of the certified order, to the Labor Commissioner.

(g) This section shall provide the exclusive method for review of a civil wage and penalty assessment by the Labor Commissioner under this chapter or the decision of an awarding body to withhold contract payments pursuant to Section 1771.5.

§ 1742.1. Liability Of Contractor, Subcontractor, Or Surety; Settlements

(a) After 60 days following the service of a civil wage and penalty assessment under Section 1741 or a notice of withholding under subdivision (a) of Section 1771.6, the affected contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment or notice shall be liable for liquidated damages in an amount equal to the wages, or portion thereof, that still remain unpaid. If the assessment or notice subsequently is overturned or modified after administrative or judicial review, liquidated damages shall be payable only on the wages found to be due and unpaid. Any liquidated damages shall be distributed to the employee along with the unpaid wages. Section 203.5 shall not apply to claims for prevailing wages under this chapter.

(b) Notwithstanding subdivision (a), there shall be no liability for liquidated damages if the full amount of the assessment or notice, including penalties, has been deposited with the Department of Industrial Relations, within 60 days following service of the assessment or notice, for the department to hold in escrow pending administrative and judicial review. The department shall release the funds in escrow, plus any interest earned, to the persons and entities that are found to be entitled to those funds, within 30 days following either of the specified events occurring:

(1) The conclusion of all administrative and judicial review.

(2) The department receives written notice from the Labor Commissioner or his or her designee of a settlement or other final disposition of an assessment issued pursuant to Section 1741 or from the authorized representative of the awarding body of a settlement or other final disposition of a notice issued pursuant to Section 1771.6.

(c) The Labor Commissioner shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of a civil wage and penalty assessment under Section 1741, afford the contractor or subcontractor the opportunity to meet with the Labor Commissioner or his or her designee to attempt to settle a dispute regarding the assessment without the need for formal proceedings. The awarding body shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of a notice of withholding under subdivision (a) of Section 1771.6, afford the contractor or subcontractor the opportunity to meet with the designee of the awarding body to attempt to settle a dispute regarding the notice without the need for formal proceedings. The settlement meeting may be held in person or by telephone and shall take place before the expiration of the 60-day period for seeking administrative review. No evidence of anything said or any admission made for the purpose of, in the course of, or pursuant to, the settlement meeting is admissible or subject to discovery in any administrative or civil proceeding. No writing prepared for the purpose of, in the course of, or pursuant to, the settlement meeting, other than a final settlement agreement, is admissible or subject to discovery in any administrative or civil proceeding. The assessment or notice shall advise the contractor or subcontractor of the opportunity to request a settlement meeting.

§ 1743. Joint And Several Liability; Order Of Collection; Application Of Amounts Collected; Payment Of Workers; Bonding Company Liability

(a) The contractor and subcontractor shall be jointly and severally liable for all amounts due pursuant to a final order under this chapter or a judgment thereon. The Labor Commissioner shall first exhaust all reasonable remedies to collect the amount due from the subcontractor before pursuing the claim against the contractor.

(b) From the amount collected, the wage claim shall be satisfied prior to the amount being applied to penalties. If insufficient money is recovered to pay each worker in full, the money shall be prorated among all workers.
(c) Wages for workers who cannot be located shall be placed in the Industrial Relations Unpaid Wage Fund and held in trust for the workers pursuant to Section 96.7. Penalties shall be paid into the General Fund.

(d) A final order under this chapter or a judgment thereon shall be binding, with respect to the amount found to be due, on a bonding company issuing a bond that secures the payment of wages and a surety on a bond. The limitations period of any action on a payment bond shall be tolled pending a final order that is no longer subject to judicial review.

Division 2. Employment Regulation and Supervision
Part 7. Public Works and Public Agencies
Chapter 1. Public Works Article 1.5. Right of Action
§ 1750

§ 1750. Second Lowest Bidder Or Legal Entity With Contract With Second Lowest Bidder; Damage Due To Acceptance Of Successful Bidder Who Violated Provisions Of Workers' Compensation Or Unemployment Insurance Code; Rebuttable Presumption; Costs And Fees

(a) (1) The second lowest bidder, and any person, firm, association, trust, partnership, labor organization, corporation, or other legal entity which has, prior to the letting of the bids on the public works project in question, entered into a contract with the second lowest bidder, that suffers damage as a proximate result of a competitive bid for a public works project, as defined in subdivision (b), not being accepted due to the successful bidder's violation, as evidenced by the conviction of the successful bidder therefor, of any provision of Division 4 (commencing with Section 3200) or of the Unemployment Insurance Code, may bring an action for damages in the appropriate state court against the violating person or legal entity.

(2) There shall be a rebuttable presumption that a successful bidder who has been convicted of a violation of any provision of Division 4 (commencing with Section 3200) of this code or of the Unemployment Insurance Code, or of both, was awarded the bid because that successful bidder was able to lower the bid due to this violation or these violations occurring on the contract for public work awarded by the public agency.

(b) For purposes of this article:

(1) “Public works project” means the construction, repair, remodeling, alteration, conversion, modernization, improvement, rehabilitation, replacement, or renovation of a public building or structure.

(2) “Second lowest bidder” means the second lowest qualified bidder deemed responsive by the public agency awarding the contract for public work.

(3) The “second lowest bidder” and the “successful bidder” may include any person, firm, association, corporation, or other legal entity.
(c) In an action brought pursuant to this section, the court may award costs and reasonable attorney's fees, in an amount to be determined in the court's discretion, to the prevailing party.

(d) For purposes of an action brought pursuant to this section, employee status shall be determined pursuant to Division 4 (commencing with Section 3200) with respect to alleged violations of that division, pursuant to the Unemployment Insurance with

respect to alleged violations of that code, and pursuant to Section 2750.5 with respect to alleged violations of either Division 4 (commencing with Section 3200) or of the Unemployment Insurance Code.

(e) The right of action established pursuant to this article shall not be construed to diminish rights of action established pursuant to Section 19102 of, and Article 1.8 (commencing with Section 20104.70) of Chapter 1 of Part 3 of Division 2 of, the Public Contract Code.

(f) A second lowest bidder who has been convicted of a violation of any provision of Division 4 (commencing with Section 3200) of the Labor Code or of the Unemployment Insurance Code, or both, within one year prior to filing the bid for public work, and who has failed to take affirmative steps to correct that violation or those violations, is prohibited from taking any action authorized by this section.

Division 2. Employment Regulation and Supervision
Part 7. Public Works and Public Agencies
Chapter 1. Public Works Article 2. Wages
§§ 1770 – 1780

§ 1770. Determination of General Prevailing Rate

The Director of the Department of Industrial Relations shall determine the general prevailing rate of per diem wages in accordance with the standards set forth in Section 1773, and the director's determination in the matter shall be final except as provided in Section 1773.4. Nothing in this article, however, shall prohibit the payment of more than the general prevailing rate of wages to any worker employed on public work. This chapter does not permit any overtime work in violation of Article 3.

§ 1771. Payment of General Prevailing Rate

Except for public works projects of one thousand dollars ($1,000) or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in this chapter, shall be paid to all workers employed on public works. This section is applicable only to work performed under contract, and is not applicable to work carried out by a public agency with its own forces. This section is applicable to contracts let for maintenance work.

§ 1771.1. Registration as contractor or subcontractor required prior to bid submission; exceptions; violations; penalties; annual update of electronic database

(a) A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or

engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 or 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the time the contract is awarded.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and public works contracts, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform public work pursuant to Section 1725.5.

(c) An inadvertent error in listing a subcontractor who is not registered pursuant to Section 1725.5 in a bid proposal shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive, provided that any of the following apply:

(1) The subcontractor is registered prior to the bid opening.

(2) Within 24 hours after the bid opening, the subcontractor is registered and has paid the penalty registration fee specified in subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(3) The subcontractor is replaced by another registered subcontractor pursuant to Section 4107 of the Public Contract Code.

(d) Failure by a subcontractor to be registered to perform public work as required by subdivision (a) shall be grounds under Section 4107 of the Public Contract Code for the contractor, with the consent of the awarding authority, to substitute a subcontractor who is registered to perform public work pursuant to Section 1725.5 in place of the unregistered subcontractor.

(e) The department shall maintain on its internet website a list of contractors who are currently registered to perform public work pursuant to Section 1725.5.

(f) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for public work shall not be unlawful, void, or voidable solely due to the failure of the awarding body, contractor, or any subcontractor to comply with the requirements of Section 1725.5 or this section.
(g) If the Labor Commissioner or their designee determines that a contractor or subcontractor engaged in the performance of any public work contract without having been registered in accordance with this section, the contractor or subcontractor shall forfeit, as a civil penalty to the state, one hundred dollars ($100) for each day of work performed in violation of the registration requirement, not to exceed an aggregate penalty of eight thousand dollars ($8,000) in addition to any penalty registration fee

assessed pursuant to clause (ii) of subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.5.

(h)(1) In addition to, or in lieu of, any other penalty or sanction authorized pursuant to this chapter, a higher tiered public works contractor or subcontractor who is found to have entered into a subcontract with an unregistered lower tier subcontractor to perform any public work in violation of the requirements of Section 1725.5 or this section shall be subject to forfeiture, as a civil penalty to the state, of one hundred dollars ($100) for each day the unregistered lower tier subcontractor performs work in violation of the registration requirement, not to exceed an aggregate penalty of ten thousand dollars ($10,000).

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter.

(3) A higher tiered public works contractor or subcontractor shall not be liable for penalties assessed pursuant to paragraph (1) if the lower tier subcontractor's performance is in violation of the requirements of Section 1725.5 due to the revocation of a previously approved registration.

(4) A subcontractor shall not be liable for any penalties assessed against a higher tiered public works contractor or subcontractor pursuant to paragraph (1). A higher tiered public works contractor or subcontractor may not require a lower tiered subcontractor to indemnify or otherwise be liable for any penalties pursuant to paragraph (1).

(i) The Labor Commissioner or their designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties pursuant to subdivision (g) and paragraph (1) of subdivision (h). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.

(j)(1) Where a contractor or subcontractor engages in the performance of any public work contract without having been registered in violation of the requirements of Section 1725.5 or this section, the Labor Commissioner shall issue and serve a stop order prohibiting the use of the unregistered contractor or the unregistered subcontractor on all public works until the unregistered contractor or unregistered subcontractor is registered. The stop order shall not apply to work by registered contractors or subcontractors on the public work.

(2) A stop order may be personally served upon the contractor or subcontractor by either of the following methods:

(A) Manual delivery of the order to the contractor or subcontractor personally.

(B) Leaving signed copies of the order with the person who is apparently in charge at the site of the public work and by thereafter mailing copies of the order by first-class mail, postage prepaid to the contractor or subcontractor at one of the following:

(i) The address of the contractor or subcontractor on file with either the Secretary of State or the Contractors State License Board.

(ii) If the contractor or subcontractor has no address on file with the Secretary of State or the Contractors State License Board, the address of the site of the public work.

(3) The stop order shall be effective immediately upon service and shall be subject to appeal by the party contracting with the unregistered contractor or subcontractor, by the unregistered contractor or subcontractor, or both. The appeal, hearing, and any further review of the hearing decision shall be governed by the procedures, time limits, and other requirements specified in subdivision (a) of Section 238.1.

(4) Any employee of an unregistered contractor or subcontractor who is affected by a work stoppage ordered by the commissioner pursuant to this subdivision shall be paid at their regular hourly prevailing wage rate by that employer for any hours the employee would have worked but for the work stoppage, not to exceed 10 days.

(k) Failure of a contractor or subcontractor, owner, director, officer, or managing agent of the contractor or subcontractor to observe a stop order issued and served upon them pursuant to subdivision (j) is guilty of a misdemeanor punishable by imprisonment in county jail not exceeding 60 days or by a fine not exceeding ten thousand dollars ($10,000), or both.

(*l*) This section shall apply to any bid proposal submitted on or after March 1, 2015, and any contract for public work entered into on or after April 1, 2015. This section shall also apply to the performance of any public work, as defined in this chapter, on or after January 1, 2018, regardless of when the contract for public work was entered.

(m) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(n) This section shall not apply to work performed on a public works project of twenty-five thousand dollars ($25,000) or less when the project is for construction, alteration,

demolition, installation, or repair work or to work performed on a public works project of fifteen thousand dollars ($15,000) or less when the project is for maintenance work.

(o) Awarding authorities shall annually submit to the Department of Industrial Relations' electronic project registration database a list of contractors that are ineligible to bid on or be awarded a public works contract, or to perform work as a subcontractor on a public works project, pursuant to local debarment or suspension processes. The electronic database list shall contain the name of the contractor, the Contractors State License Board license number of the contractor, the specific jurisdiction where the debarment or suspension applies, and the effective period of debarment or suspension of the contractor. The electronic database list shall be updated at least annually. The department shall make the lists provided by awarding authorities available to the public through its project registration database, but shall have no responsibility for verifying or ensuring the accuracy of the information provided by awarding authorities, and shall have no liability in any respect with regard to such lists.

§ 1771.15. Registration as contractor or subcontractor required prior to bid submission for specified projects; exceptions; violations; penalties

(a) A contractor or subcontractor shall not be qualified to be awarded contracts for, or engage in the performance of, any work on projects or developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code, unless currently registered and qualified to perform work pursuant to Section 1725.6.

(b) Notice of the requirement described in subdivision (a) shall be included in all bid invitations and contracts for any work on projects or developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code, and a bid shall not be accepted nor any contract or subcontract entered into without proof of the contractor or subcontractor's current registration to perform work pursuant to Section 1725.6.

(c) The department shall maintain on its internet website a list of contractors who are currently registered to perform work pursuant to Section 1725.6.

(d) A contract entered into with any contractor or subcontractor in violation of subdivision (a) shall be subject to cancellation, provided that a contract for work on projects or developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code shall not be unlawful, void, or voidable solely due to the failure of the developer, development proponent, contractor, or any subcontractor to comply with the requirements of Section 1725.6 or this section.

(e) If the Labor Commissioner or their designee determines that a contractor or subcontractor engaged in the performance of any a contract for work on projects or

developments subject to the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code without having been registered in accordance with this section, the contractor or subcontractor shall forfeit, as a civil penalty to the state, one hundred dollars ($100) for each day of work performed in violation of the registration requirement, not to exceed an aggregate penalty of eight thousand dollars ($8,000) in addition to any penalty registration fee assessed pursuant to clause (ii) of subparagraph (E) of paragraph (2) of subdivision (a) of Section 1725.6.

(f)(1) In addition to, or in lieu of, any other penalty or sanction authorized pursuant to this chapter, a higher tiered contractor or subcontractor who is found to have entered into a subcontract with an unregistered lower tier subcontractor to perform any work in violation of the requirements of Section 1725.6 or this section shall be subject to forfeiture, as a civil penalty to the state, of one hundred dollars ($100) for each day the unregistered lower tier subcontractor performs work in violation of the registration requirement, not to exceed an aggregate penalty of ten thousand dollars ($10,000).

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter and of the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code.

(3) A higher tiered contractor or subcontractor shall not be liable for penalties assessed pursuant to paragraph (1) if the lower tier subcontractor's performance is in violation of the requirements of Section 1725.6 due to the revocation of a previously approved registration.

(4) A subcontractor shall not be liable for any penalties assessed against a higher tiered contractor or subcontractor pursuant to paragraph (1). A higher tiered contractor or subcontractor may not require a lower tiered subcontractor to indemnify or otherwise be liable for any penalties pursuant to paragraph (1).

(g) The Labor Commissioner or their designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties pursuant to subdivision (e) and paragraph (1) of subdivision (f). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.

(h)(1) Where a contractor or subcontractor engages in the performance of any contract for work on projects or developments subject to the requirements of Section

65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code without having been registered in violation of the requirements of Section 1725.6 or this section, the Labor Commissioner shall issue and serve a stop order prohibiting the use of the unregistered contractor or the unregistered subcontractor on the project or development until the unregistered contractor or unregistered subcontractor is registered. The stop order shall not apply to work by registered contractors or subcontractors on the project or development.

(2) A stop order may be personally served upon the contractor or subcontractor by either of the following methods:

(A) Manual delivery of the order to the contractor or subcontractor personally.

(B) Leaving signed copies of the order with the person who is apparently in charge at the site of the project or development and by thereafter mailing copies of the order by first class mail, postage prepaid to the contractor or subcontractor at one of the following:

(i) The address of the contractor or subcontractor on file with either the Secretary of State or the Contractors State License Board.

(ii) If the contractor or subcontractor has no address on file with the Secretary of State or the Contractors State License Board, the address of the site of the project or development.

(3) The stop order shall be effective immediately upon service and shall be subject to appeal by the party contracting with the unregistered contractor or subcontractor, by the unregistered contractor or subcontractor, or both. The appeal, hearing, and any further review of the hearing decision shall be governed by the procedures, time limits, and other requirements specified in subdivision (a) of Section 238.1.

(4) Any employee of an unregistered contractor or subcontractor who is affected by a work stoppage ordered by the commissioner pursuant to this subdivision shall be paid at their regular hourly prevailing wage rate by that employer for any hours the employee would have worked but for the work stoppage, not to exceed 10 days.

(i) Failure of a contractor or subcontractor, owner, director, officer, or managing agent of the contractor or subcontractor to observe a stop order issued and served upon them pursuant to this subdivision is guilty of a misdemeanor punishable by imprisonment in county jail not exceeding 60 days, by a fine not exceeding ten thousand dollars ($10,000), or both.

(j) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

§ 1771.2. Action by joint labor-management committee against employer that fails to pay prevailing wage to its employees; award of restitution, liquidated damages, civil penalties, injunctive relief, and attorney fees and costs; other remedies

(a) A joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) may bring an action in any court of competent jurisdiction against an employer that fails to pay the prevailing wage to its employees, as required by this article, or that fails to provide payroll records as required by Section 1776. This action shall be commenced not later than 18 months after the filing of a valid notice of completion in the office of the county recorder in each county in which the public work or some part thereof was performed, or not later than 18 months after acceptance of the public work, whichever occurs last.

(b)(1) In an action brought pursuant to this section, the court shall award restitution to an employee for unpaid wages, plus interest, under Section 3289 of the Civil Code from the date that the wages became due and payable, and liquidated damages equal to the amount of unpaid wages owed, and may impose civil penalties, only against an employer that failed to pay the prevailing wage to its employees, in accordance with Section 1775, injunctive relief, or any other appropriate form of equitable relief. The court shall follow the same standards and have the same discretion in setting the amount of penalties as are provided by subdivision (a) of Section 1775. The court shall award a prevailing joint labor-management committee its reasonable attorney's fees and costs incurred in maintaining the action, including expert witness fees.

(2) An action pursuant to this section shall not be based on the employer's misclassification of the craft of a worker in its certified payroll records.

(3) Liquidated damages shall be awarded only if the complaint alleges with specificity the wages due and unpaid to the individual workers, including how that amount was calculated, and the defendant fails to pay the wages, deposit that amount with the court to be held in escrow, or provide proof to the court of an adequate surety bond to cover the wages, within 60 days of service of the complaint. Liquidated damages shall be awarded only on the wages found to be due and unpaid. Additionally, if the defendant demonstrates to the satisfaction of the court that the defendant had substantial grounds for contesting that a portion of the allegedly unpaid wages were owed, the court may exercise its discretion to waive the payment of the liquidated damages with respect to that portion of the unpaid wages.

(4) This subdivision does not limit any other available remedies for a violation of this chapter.

§ 1771.3. State Public Works Enforcement Fund; deposit and distribution of funds; short-term loans to the fund

(a) The State Public Works Enforcement Fund is hereby created as a special fund in the State Treasury to be available upon appropriation of the Legislature. All registration fees collected pursuant to Sections 1725.5 and 1725.6 and any other moneys as are designated by statute or order shall be deposited in the fund for the purposes specified in subdivision (b).

(b) Moneys in the State Public Works Enforcement Fund shall be used only for the following purposes:

(1) The reasonable costs of administering the registration of contractors and subcontractors to perform public work pursuant to Section 1725.5 and the reasonable costs of administering the registration of contractors and subcontractors to perform work on projects or developments subject to prevailing wage or skilled and trained workforce requirements pursuant to Section 1725.6.

(2) The costs and obligations associated with the administration and enforcement of the requirements of this chapter by the Department of Industrial Relations.

(3) The monitoring and enforcement of any requirement of this code by the Labor Commissioner on a public works project or in connection with the performance of public work as defined pursuant to this chapter, or in connection with the performance of work on projects or developments subject to prevailing wage or skilled and trained workforce requirements.

(c) The annual contractor registration renewal fee specified in subdivision (a) of Section 1725.5 and subdivision (a) of Section 1725.6, and any adjusted application or renewal fee, shall be set in amounts that are sufficient to support appropriations approved by the Legislature for the State Public Works Enforcement Fund, the statewide general administrative costs assessed to the State Public Works Enforcement Fund, and a prudent reserve amount of no less than 10 percent and no more than 20 percent of authorized expenditure levels. Any year-end fund balance in excess of the prudent reserve shall be applied as a credit when determining any fee adjustments for the subsequent fiscal year.

(d) To provide adequate cashflow for the purposes specified in subdivision (b), the Director of Finance, with the concurrence of the Secretary of the Labor and Workforce Development Agency, may approve a short-term loan each fiscal year from the Labor Enforcement and Compliance Fund to the State Public Works Enforcement Fund.
(1) The maximum amount of the annual loan allowable may be up to, but shall not exceed 50 percent of the appropriation authority of the State Public Works Enforcement Fund in the same year in which the loan was made.

(2) For the purposes of this section, a “short-term loan” is a transfer that is made subject to both of the following conditions:

(A) Any amount loaned is to be repaid in full during the same fiscal year in which the loan was made, except that repayment may be delayed until a date not more than 30 days after the date of enactment of the annual Budget Act for the subsequent fiscal year.

(B) Loans shall be repaid whenever the funds are needed to meet cash expenditure needs in the loaning fund or account.

§ 1771.4. Additional requirements when bidding and awarding public works contracts

(a) All of the following are applicable to all public works projects that are otherwise subject to the requirements of this chapter:

(1) The call for bids and contract documents shall specify that the project is subject to compliance monitoring and enforcement by the Department of Industrial Relations.

(2) The awarding body shall post or require the prime contractor to post job site notices, as prescribed by regulation.

(3)(A) Each contractor and subcontractor shall furnish the records specified in Section 1776 directly to the Labor Commissioner, in the following manner:

(i) At least monthly or more frequently if specified in the contract with the awarding body. For purposes of this clause, “monthly” means that a submission of records shall be made at least once every 30 days while work is being performed on the project and within 30 days after the final day of work performed on the project.

(ii) In an electronic format, in the manner prescribed by the Labor Commissioner, on the department's internet website.

(B) A contractor or subcontractor who fails to furnish records pursuant to subparagraph (A), relating to its employees, shall be subject to a penalty by the Labor Commissioner of one hundred dollars ($100) per each day in which the party was in violation of subparagraph (A), not to exceed a total penalty of five thousand dollars ($5,000) per project. Penalties received pursuant to this paragraph shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(C) The Labor Commissioner shall not levy a penalty pursuant to subparagraph (B) until a contractor or subcontractor fails to furnish the records pursuant to subparagraph (A) 14 days after the requirement set forth in clause (i) of subparagraph (A).

(D) Penalties pursuant to subparagraph (B) may only accrue to the actual contractor or subcontractor who failed to furnish the records pursuant to subparagraph (A).

(4) If the contractor or subcontractor is not registered pursuant to Section 1725.5 and is performing work on a project for which registration is not required because of subdivision (f) of Section 1725.5, the unregistered contractor or subcontractor is not required to furnish the records specified in Section 1776 directly to the Labor Commissioner but shall retain the records specified in Section 1776 for at least three years after completion of the work.

(5) The department shall undertake those activities it deems necessary to monitor and enforce compliance with prevailing wage requirements.

(b) The Labor Commissioner may exempt a public works project from compliance with all or part of the requirements of subdivision (a) if either of the following occurs:

(1) The awarding body has enforced an approved labor compliance program, as defined in Section 1771.5, on all public works projects under its authority, except those deemed exempt pursuant to subdivision (a) of Section 1771.5, continuously since December 31, 2011.

(2) The awarding body has entered into a collective bargaining agreement that binds all contractors performing work on the project and that includes a mechanism for resolving disputes about the payment of wages.

(c) The requirements of paragraph (1) of subdivision (a) shall only apply to contracts for public works projects awarded on or after January 1, 2015.

(d) The requirements of paragraph (3) of subdivision (a) shall apply to all contracts for public work, whether new or ongoing, on or after January 1, 2016.

(e)(1) No later than July 1, 2024, the department shall develop and implement an online database of electronic certified payroll records submitted pursuant to this section.

(2) The online database created pursuant to paragraph (1) shall only be accessible to multiemployer Taft-Hartley trust funds (29 U.S.C. Sec. 186(c)) and joint labor-management committees established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a).
(3) Electronic certified payroll records included in the online database created pursuant to paragraph (1) shall only contain nonredacted information pursuant to subdivision (e) of Section 1776 that may be provided to multiemployer Taft-Hartley trust funds (29

U.S.C. Sec. 186(c)) and joint labor-management committees established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) under applicable law.

§ 1771.5. Election of awarding body to initiate labor compliance program in lieu of certain per diem wage requirements; labor compliance program requirements; revocation

(a) Notwithstanding Section 1771, an awarding body may choose not to require the payment of the general prevailing rate of per diem wages or the general prevailing rate of per diem wages for holiday and overtime work for any public works project of twenty-five thousand dollars ($25,000) or less when the project is for construction work, or for any public works project of fifteen thousand dollars ($15,000) or less when the project is for alteration, demolition, repair, or maintenance work, if the awarding body has elected to initiate and has been approved by the Director of Industrial Relations to enforce a labor compliance program pursuant to subdivision (b) for every public works project under the authority of the awarding body.

(b) For purposes of this section, a labor compliance program shall include, but not be limited to, the following requirements:

(1) All bid invitations and public works contracts shall contain appropriate language concerning the requirements of this chapter.

(2) A prejob conference shall be conducted with the contractor and subcontractors to discuss federal and state labor law requirements applicable to the contract.
(3) Project contractors and subcontractors shall maintain and furnish, at a designated time, a certified copy of each weekly payroll containing a statement of compliance signed under penalty of perjury.

(4) The awarding body shall review, and, if appropriate, audit payroll records to verify compliance with this chapter.

(5) The awarding body shall withhold contract payments when payroll records are delinquent or inadequate.

(6) The awarding body shall withhold contract payments equal to the amount of underpayment and applicable penalties when, after investigation, it is established that underpayment has occurred.

(7) The awarding body shall comply with any other prevailing wage monitoring and enforcement activities that are required to be conducted by labor compliance programs by the Department of Industrial Relations.

(c) For purposes of this chapter, “labor compliance program” means a labor compliance program that is approved, as specified in state regulations, by the Director of Industrial Relations.

(d) For purposes of this chapter, the Director of Industrial Relations may revoke the approval of a labor compliance program in the manner specified in state regulations.

§ 1771.6. Deposits of penalties

(a) Any awarding body that enforces this chapter in accordance with Section 1726 or 1771.5 shall provide notice of the withholding of contract payments to the contractor and subcontractor, if applicable. The notice shall be in writing and shall describe the nature of the violation and the amount of wages, penalties, and forfeitures withheld. Service of the notice shall be completed pursuant to Section 1013 of the Code of Civil Procedure by first-class and certified mail to the contractor and subcontractor, if applicable. The notice shall advise the contractor and subcontractor, if applicable, of the procedure for obtaining review of the withholding of contract payments. The awarding body shall also serve a copy of the notice by certified mail to any bonding company issuing a bond that secures the payment of wages covered by the notice and to any surety on a bond, if their identities are known to the awarding body.

(b) The withholding of contract payments in accordance with Section 1726 or 1771.5 shall be reviewable under Section 1742 in the same manner as if the notice of the withholding was a civil penalty order of the Labor Commissioner under this chapter. If review is requested, the Labor Commissioner may intervene to represent the awarding body.

(c) Pending a final order, or the expiration of the time period for seeking review of the notice of the withholding, the awarding body shall not disburse any contract payments withheld.

(d) From the amount recovered, the wage claim shall be satisfied prior to the amount being applied to penalties. If insufficient money is recovered to pay each worker in full, the money shall be prorated among all workers.

(e) Wages for workers who cannot be located shall be placed in the Industrial Relations Unpaid Wage Fund and held in trust for the workers pursuant to Section 96.7. Penalties shall be paid into the General Fund of the awarding body that has enforced this chapter pursuant to Section 1771.5.

§ 1771.7. Labor compliance program mandatory for school construction

(a)(1) For contracts specified in subdivision (f), an awarding body that chooses to use funds derived from either the Kindergarten-University Public Education Facilities Bond

Act of 20021 or the Kindergarten-University Public Education Facilities Bond Act of 20042 for a public works project, shall initiate and enforce, or contract with a third party to initiate and enforce, a labor compliance program, as described in subdivision (b) of Section 1771.5, with respect to that public works project.

(2) If an awarding body described in paragraph (1) chooses to contract with a third party to initiate and enforce a labor compliance program for a project described in paragraph (1), that third party shall not review the payroll records of its own employees or the employees of its subcontractors, and the awarding body or an independent third party shall review these payroll records for purposes of the labor compliance program.

(b) This section applies to public works that commence on or after April 1, 2003. For purposes of this subdivision, work performed during the design and preconstruction phases of construction, including, but not limited to, inspection and land surveying work, does not constitute the commencement of a public work.

(c)(1) For purposes of this section, if any campus of the California State University chooses to use the funds described in subdivision (a), then the “awarding body” is the Chancellor of the California State University. For purposes of this subdivision, if the chancellor is required by subdivision (a) to initiate and enforce, or to contract with a third party to initiate and enforce, a labor compliance program, then in addition to the requirements described in subdivision (b) of Section 1771.5, the Chancellor of the California State University shall review the payroll records on at least a monthly basis to ensure the awarding body's compliance with the labor compliance program.

(2) For purposes of this subdivision, if an awarding body described in subdivision (a) is the University of California or any campus of that university, and that awarding body is required by subdivision (a) to initiate and enforce, or to contract with a third party to initiate and enforce, a labor compliance program, then in addition to the requirements described in subdivision (b) of Section 1771.5, the payroll records shall be reviewed on at least a monthly basis to ensure the awarding body's compliance with the labor compliance program.

(d)(1) An awarding body described in subdivision (a) shall make a written finding that the awarding body has initiated and enforced, or has contracted with a third party to initiate and enforce, the labor compliance program described in subdivision (a).

(2)(A) If an awarding body described in subdivision (a) is a school district, the governing body of that district shall transmit to the State Allocation Board, in the manner determined by that board, a copy of the finding described in paragraph (1).

(B) The State Allocation Board shall not release the funds described in subdivision (a) to an awarding body that is a school district until the State Allocation Board has received the written finding described in paragraph (1).

(C) If the State Allocation Board conducts a postaward audit procedure with respect to an award of the funds described in subdivision (a) to an awarding body that is a school district, the State Allocation Board shall verify, in the manner determined by that board, that the school district has complied with the requirements of this subdivision.

(3) If an awarding body described in subdivision (a) is a community college district, the Chancellor of the California State University, or the office of the President of the University of California or any campus of the University of California, that awarding body shall transmit, in the manner determined by the Director of Industrial Relations, a copy of the finding described in paragraph (1) to the director of that department, or the director of any successor agency that is responsible for the oversight of employee wage and employee work hours laws.

(e) Because the reasonable costs directly related to monitoring and enforcing compliance with the prevailing wage requirements are necessary oversight activities, integral to the cost of construction of the public works projects, notwithstanding Section 17070.63 of the Education Code, the grant amounts as described in Chapter 12.5 (commencing with Section 17070.10) of Part 10 of Division 1 of Title 1 of the Education Code for the costs of a new construction or modernization project shall include the state's share of the reasonable and directly related costs of the labor compliance program used to monitor and enforce compliance with prevailing wage requirements.

(f) This section shall only apply to contracts awarded prior to January 1, 2012.

§ 1772. Contractor’s employees

Workers employed by contractors or subcontractors in the execution of any contract for public work are deemed to be employed upon public work.

§ 1773. Determination of prevailing rates

The body awarding any contract for public work, or otherwise undertaking any public work, shall obtain the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the locality in which the public work is to be performed for each craft, classification, or type of worker needed to execute the contract from the Director of Industrial Relations. The holidays upon which those rates shall be paid need not be specified by the awarding body, but shall be all holidays recognized in the applicable collective bargaining agreement. If the prevailing rate is not based on a collectively bargained rate, the holidays upon which the prevailing rate shall be paid shall be as provided in Section 6700 of the Government Code.

In determining the rates, the Director of Industrial Relations shall ascertain and consider the applicable wage rates established by collective bargaining agreements and the rates that may have been predetermined for federal public works, within the locality and in the nearest labor market area. Where the rates do not constitute the rates actually

prevailing in the locality, the director shall obtain and consider further data from the labor organizations and employers or employer associations concerned, including the recognized collective bargaining representatives for the particular craft, classification, or type of work involved. The rate fixed for each craft, classification, or type of work shall be not less than the prevailing rate paid in the craft, classification, or type of work.

If the director determines that the rate of prevailing wage for any craft, classification, or type of worker is the rate established by a collective bargaining agreement, the director may adopt that rate by reference as provided for in the collective bargaining agreement and that determination shall be effective for the life of the agreement or until the director determines that another rate should be adopted.

§ 1773.1 Scope and determination of per diem wages

(a) Per diem wages, as the term is used in this chapter or in any other statute applicable to public works, includes employer payments for the following:

(1) Health and welfare.

(2) Pension.

(3) Vacation.

(4) Travel.

(5) Subsistence.

(6) Apprenticeship or other training programs authorized by Section 3093, to the extent that the cost of training is reasonably related to the amount of the contributions.

(7) Worker protection and assistance programs or committees established under the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a), to the extent that the activities of the programs or committees are directed to the monitoring and enforcement of laws related to public works.

(8) Industry advancement and collective bargaining agreements administrative fees, provided that these payments are made pursuant to a collective bargaining agreement to which the employer is obligated.

(9) Other purposes similar to those specified in paragraphs (1) to (5), inclusive; or other purposes similar to those specified in paragraphs (6) to (8), inclusive, if the payments are made pursuant to a collective bargaining agreement to which the employer is obligated.

(b) Employer payments include all of the following:

(1) The rate of contribution irrevocably made by the employer to a trustee or third person pursuant to a plan, fund, or program.

(2) The rate of actual costs to the employer reasonably anticipated in providing benefits to workers pursuant to an enforceable commitment to carry out a financially responsible plan or program communicated in writing to the workers affected.

(3) Payments to the California Apprenticeship Council pursuant to Section 1777.5.

(c) Employer payments are a credit against the obligation to pay the general prevailing rate of per diem wages. However, credit shall not be granted for benefits required to be provided by other state or federal law, for payments made to monitor and enforce laws related to public works if those payments are not made to a program or committee established under the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a), or for payments for industry advancement and collective bargaining agreement administrative fees if those payments are not made pursuant to a collective bargaining agreement to which the employer is obligated. Credits for employer payments also shall not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing. However, an increased employer payment contribution that results in a lower hourly straight time or overtime wage shall not be considered a violation of the applicable prevailing wage determination if all of the following conditions are met:

(1) The increased employer payment is made pursuant to criteria set forth in a collective bargaining agreement.

(2) The basic hourly rate and increased employer payment are no less than the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work in the director's general prevailing wage determination.

(3) The employer payment contribution is irrevocable unless made in error.

(d) An employer may take credit for an employer payment specified in subdivision (b), even if contributions are not made, or costs are not paid, during the same pay period for which credit is taken, if the employer regularly makes the contributions, or regularly pays the costs, for the plan, fund, or program on no less than a quarterly basis.

(e) The credit for employer payments shall be computed on an annualized basis when the employer seeks credit for employer payments that are higher for public works projects than for private construction performed by the same employer, unless one or more of the following occur:

(1) The employer has an enforceable obligation to make the higher rate of payments on future private construction performed by the employer.

(2) The higher rate of payments is required by a project labor agreement.

(3) The payments are made to the California Apprenticeship Council pursuant to Section 1777.5.

(4) The director determines that annualization would not serve the purposes of this chapter.

(f)(1) For the purpose of determining those per diem wages for contracts, the representative of any craft, classification, or type of worker needed to execute contracts shall file with the Department of Industrial Relations fully executed copies of the collective bargaining agreements for the particular craft, classification, or type of work involved. The collective bargaining agreements shall be filed after their execution and thereafter may be taken into consideration pursuant to Section 1773 whenever they are filed 30 days prior to the call for bids. If the collective bargaining agreement has not been formalized, a typescript of the final draft may be filed temporarily, accompanied by a statement under penalty of perjury as to its effective date.

(2) When a copy of the collective bargaining agreement has previously been filed, fully executed copies of all modifications and extensions of the agreement that affect per diem wages or holidays shall be filed.

(3) The failure to comply with filing requirements of this subdivision shall not be grounds for setting aside a prevailing wage determination if the information taken into consideration is correct.

§ 1773.2 Wage rate specification

The body awarding any contract for public work, or otherwise undertaking any public work, shall specify in the call for bids for the contract, and in the bid specifications and in the contract itself, what the general rate of per diem wages is for each craft, classification, or type of worker needed to execute the contract. In lieu of specifying the rate of wages in the call for bids, and in the bid specifications and in the contract itself, the awarding body may, in the call for bids, bid specifications, and contract, include a statement that copies of the prevailing rate of per diem wages are on file at its principal office, which shall be made available to any interested party on request. The awarding body shall also cause a copy of the determination of the director of the prevailing rate of per diem wages to be posted at each job site.

§ 1773.3 Awarding of contracts

(a)(1) An awarding body shall provide notice to the Department of Industrial Relations of any public works contract subject to the requirements of this chapter, within 30 days of

the award, but in no event later than the first day in which a contractor has workers employed upon the public work.

(2) Notwithstanding paragraph (1) and subject to the discretion of the Labor Commissioner, an awarding body shall provide notice to the Department of Industrial Relations of any public works contract awarded pursuant to Section 10122, 20113, 20654, or 22050 of the Public Contract Code that is subject to the requirements of this chapter within 30 days after the award of the contract, but in no event later than the last day in which a contractor has workers employed upon the public work.

(3) The notice shall be transmitted electronically in a format specified by the department and shall include the name and registration number issued by the Department of Industrial Relations pursuant to Section 1725.5 of the contractor, the name and registration number issued by the Department of Industrial Relations pursuant to Section 1725.5 of any subcontractor listed on the successful bid, the bid and contract award dates, the contract amount, the estimated start and completion dates, jobsite location, and any additional information the department specifies that aids in the administration and enforcement of this chapter.

(b) In lieu of responding to any specific request for contract award information, the department may make the information provided by awarding bodies pursuant to this section available for public review on its Internet Web site.

(c)(1) An awarding body that fails to provide the notice required by subdivision (a) or that enters into a contract with or permits an unregistered contractor or subcontractor to engage in the performance of any public work in violation of the requirements of Section 1771.1, shall, in addition to any other sanction or penalty authorized by law, be subject to a civil penalty of one hundred dollars ($100) for each day in violation of either requirement, not to exceed an aggregate penalty of ten thousand dollars ($10,000) for each project.

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter.

(d) An awarding body shall withhold final payment due to the contractor until at least 30 days after all of the required information in paragraph (2) of subdivision (a) has been submitted, including, but not limited to, providing a complete list of all subcontractors. If an awarding body makes a final payment to a contractor after that time and an unregistered contractor or subcontractor is found to have worked on the project, the awarding body shall be subject to a civil penalty assessed by the Labor Commissioner of one hundred dollars ($100) for each full calendar day of noncompliance, for a period of up to 100 days, for each unregistered contractor or subcontractor.

(e) The Labor Commissioner may issue a citation for civil penalties to the awarding body pursuant to subdivisions (c) and (d). The citation shall be served pursuant to Section 1013 of the Code of Civil Procedure by first-class and certified mail.

(f) The procedure for the processing and appeal of a citation or civil penalty issued by the Labor Commissioner pursuant to this section shall be the same as that prescribed in Section 1023. For these purposes, “person” as used in Section 1023 shall include an awarding body.

(g) Whenever the Labor Commissioner determines that an awarding body has willfully violated the requirements of this section or chapter with respect to two or more public works contracts or projects in any 12-month period, the awarding body shall be ineligible to receive state funding or financial assistance for any construction project undertaken by or on behalf of the awarding body for one year, as defined by subdivision (d) of Section 1782. The debarment procedures adopted by the Labor Commissioner pursuant to Section 1777.1 shall apply to any determination made under this subdivision.

(h) A contractor or subcontractor shall not be liable for any penalties assessed against an awarding body pursuant to this section. An awarding body may not require a contractor or subcontractor to indemnify or otherwise be liable for any penalties assessed against an awarding body pursuant to this section.

(i) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

(j) This section shall apply only if the public works contract is for a project of greater than twenty-five thousand dollars ($25,000) when the project is for construction, alteration, demolition, installation, or repair work or if the public works contract is for a project of greater than fifteen thousand dollars ($15,000) when the project is for maintenance work.

§ 1773.35 Notice of contract to perform work to the Department of Industrial Relations

(a)(1) A development proponent shall provide notice to the Department of Industrial Relations of any contract to perform work subject to the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code, within 30 days of the award, but in no event later than the first day in which a contractor has workers employed upon the project or development.

(2) The notice shall be transmitted electronically in a format specified by the department and shall include the name and registration number issued by the Department of

Industrial Relations pursuant to Section 1725.6 of the contractor, the name and registration number issued by the Department of Industrial Relations pursuant to Section 1725.6 of any subcontractor listed on the contract, the bid and contract award dates, the estimated start and completion dates, jobsite location, and any additional information the department specifies that aids in the administration and enforcement of the requirements in Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code.

(b) In lieu of responding to any specific request for contract award information, the department may make the information provided by development proponents pursuant to this section available for public review on its internet website.

(c)(1) A developer or development proponent that fails to provide the notice required by subdivision (a) or that enters into a contract with or permits an unregistered contractor or subcontractor to engage in the performance of perform work subject to the requirements of Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code in violation of the requirements of Section 1725.6, shall, in addition to any other sanction or penalty authorized by law, be subject to a civil penalty of one hundred dollars ($100) for each day in violation of either requirement, not to exceed an aggregate penalty of ten thousand dollars ($10,000) for each project or development.

(2) The Labor Commissioner shall use the same standards specified in subparagraph (A) of paragraph (2) of subdivision (a) of Section 1775 when determining the severity of the violation and what penalty to assess, and may waive the penalty for a first time violation that was unintentional and did not hinder the Labor Commissioner's ability to monitor and enforce compliance with the requirements of this chapter or Section 65852.24, 65912.130, 65912.131, or 65913.4 of the Government Code.

(d) A developer or development proponent shall withhold final payment due to the contractor until at least 30 days after all of the required information in paragraph (2) of subdivision (a) has been submitted, including, but not limited to, providing a complete list of all subcontractors. If a developer or development proponent makes a final payment to a contractor after that time and an unregistered contractor or subcontractor is found to have worked on the project, the developer or development proponent shall be subject to a civil penalty assessed by the Labor Commissioner of one hundred dollars ($100) for each full calendar day of noncompliance, for a period of up to 100 days, for each unregistered contractor or subcontractor.

(e) The Labor Commissioner may issue a citation for civil penalties to the developer or development proponent pursuant to subdivisions (c) and (d). The citation shall be served pursuant to Section 1013 of the Code of Civil Procedure by first-class and certified mail.

(f) The procedure for the processing and appeal of a citation or civil penalty issued by the Labor Commissioner pursuant to this section shall be the same as that prescribed in

Section 1023. For these purposes, “person” as used in Section 1023 shall include a developer or development proponent.

(g) A contractor or subcontractor shall not be liable for any penalties assessed against a developer or development proponent pursuant to this section. A developer or development proponent may not require a contractor or subcontractor to indemnify or otherwise be liable for any penalties assessed against a developer or development proponent pursuant to this section.

(h) Penalties received pursuant to this section shall be deposited in the State Public Works Enforcement Fund established by Section 1771.3 and shall be used only for the purposes specified in that section.

§ 1773.4. Prevailing wage review

Any prospective bidder or his representative, any representative of any craft, classification or type of workman involved, or the awarding body may, within 20 days after commencement of advertising of the call for bids by the awarding body, file with the Director of Industrial Relations a verified petition to review the determination of any such rate or rates upon the ground that they have not been determined in accordance with the provision of Section 1773 of this code. Within two days thereafter, a copy of such petition shall be filed with the awarding body. The petition shall set forth the facts upon which it is based.

The Director of Industrial Relations or his authorized representative shall, upon notice to the petitioner, the awarding body and such other persons as he deems proper, including the recognized collective bargaining representatives for the particular crafts, classifications or types of work involved, institute an investigation or hold a hearing.

Within 20 days after the filing of such petition, or within such longer period as agreed upon by the director, the awarding body, and all the interested parties, he shall make a determination and transmit the same in writing to the awarding body and to the interested parties.

Such determination shall be final and shall be the determination of the awarding body. Upon receipt by it of the notice of the filing of such petition the body awarding the contract or authorizing the public work shall extend the closing date for the submission of bids or the starting of work until five days after the determination of the general prevailing rates of per diem wages pursuant to this section.

Upon the filing of any such petition, notice thereof shall be set forth in the next and all subsequent publications by the awarding body of the call for bids. No other notice need be given to bidders by the awarding body by publication or otherwise. The determination of the director shall be included in the contract.

§ 1773.5. Rules and Regulations; Determination of Project as Public Work; Administrative Appeal

(a) The Director of Industrial Relations may establish rules and regulations for the purpose of carrying out this chapter, including, but not limited to, the responsibilities and duties of awarding bodies under this chapter.

(b) When a request is made to the director for a determination of whether a specific project or type of work awarded or undertaken by a political subdivision is a public work, he or she shall make that determination within 60 days receipt of the last notice of support or opposition from any interested party relating to that project or type of work that was not unreasonably delayed, as determined by the director. If the director deems that the complexity of the request requires additional time to make that determination, the director may have up to an additional 60 days if he or she certifies in writing to the requestor, and any interested party, the reasons for the extension. If the requestor is not a political subdivision, the requester shall, within 15 days of the request, serve a copy of the request upon the political subdivision, in which event the political subdivision shall, within 30 days of its receipt, advise the director of its position regarding the request. For projects or types of work that are otherwise private development projects receiving public funds, as specified in subdivision (b) of Section 1720, the director shall determine whether a specific project or type of work is a public work within 120 days of receipt of the last notice of support or opposition relating to that project or type of work from any interested party that was not unreasonably delayed, as determined by the director.

(c) If an administrative appeal of the director's determination is made, it shall be made within 30 days of the date of the determination. The director shall issue a determination on the administrative appeal within 120 days after receipt of the last notice of support or opposition relating to that appeal from any interested party that was not unreasonably delayed, as determined by the director. The director may have up to an additional 60 days if he or she certifies in writing to the party requesting the appeal the reason for the extension.

The director shall have quasi-legislative authority to determine coverage of projects or types of work under the prevailing wage laws of this chapter. A final determination on any administrative appeal is subject to judicial review pursuant to Section 1085 of the Code of Civil Procedure. These determinations, and any determinations relating to the general prevailing rate of per diem wages and the general prevailing rate for holiday, shift rate, and overtime work, shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

§ 1773.6. Determination of Change in Prevailing Wages During Quarter; Availability to Awarding Body

If during any quarterly period the Director of Industrial Relations shall determine that there has been a change in any prevailing rate of per diem wages in any locality he or she shall make such change available to the awarding body and his or her determination shall be final. Such determination by the Director of Industrial Relations shall not be effective as to any contract for which the notice to bidders has been published.

§ 1773.7. Exemption of Special Funds of State Agencies from Charges for Services

The provisions of Section 11250 of the Government Code shall not be applicable to Sections 1773, 1773.4, and 1773.6.

§ 1773.8. Employer Payment Contribution Resulting in Lower Taxable Wage

An increased employer payment contribution that results in a lower taxable wage shall not be considered a violation of the applicable prevailing wage determination so long as all of the following conditions are met:

(a) The increased employer payment is made pursuant to criteria set forth in a collective bargaining agreement.

(b) The increased employer payment and hourly straight time and overtime wage combined are no less than the general prevailing rate of per diem wages.

(c) The employer payment contribution is irrevocable unless made in error.

§ 1773.9. General Prevailing Rate of Per Diem Wages; Method of Determining; Rates Established by Collective Bargaining Agreements

(a) The Director of Industrial Relations shall use the methodology set forth in subdivision (b) to determine the general prevailing rate of per diem wages in the locality in which the public work is to be performed.

(b) The general prevailing rate of per diem wages includes all of the following:

(1) The basic hourly wage rate being paid to a majority of workers engaged in the particular craft, classification, or type of work within the locality and in the nearest labor market area, if a majority of the workers is paid at a single rate. If no single rate is being paid to a majority of the workers, then the single rate being paid to the greatest number of workers, or modal rate, is prevailing. If a modal rate cannot be determined, then the director shall establish an alternative rate, consistent with the methodology for

determining the modal rate, by considering the appropriate collective bargaining agreements, federal rates, rates in the nearest labor market area, or other data such as wage survey data.

(2) Other employer payments included in per diem wages pursuant to Section 1773.1 and as included as part of the total hourly wage rate from which the basic hourly wage rate was derived. In the event the total hourly wage rate does not include any employer payments, the director shall establish a prevailing employer payment rate by the same procedure set forth in paragraph (1).

(3) The rate for holiday and overtime work shall be those rates specified in the collective bargaining agreement when the basic hourly rate is based on a collective bargaining agreement rate. In the event the basic hourly rate is not based on a collective bargaining agreement, the rate for holidays and overtime work, if any, included with the prevailing basic hourly rate of pay shall be prevailing.

(c)(1) If the director determines that the general prevailing rate of per diem wages is the rate established by a collective bargaining agreement, and that the collective bargaining agreement contains definite and predetermined changes during its term that will affect the rate adopted, the director shall incorporate those changes into the determination. Predetermined changes that are rescinded prior to their effective date shall not be enforced.

(2) When the director determines that there is a definite and predetermined change in the general prevailing rate of per diem wages as described in paragraph (1), but has not published, at the time of the effective date of the predetermined change, the allocation of the predetermined change as between the basic hourly wage and other employer payments included in per diem wages pursuant to Section 1773.1, a contractor or subcontractor may allocate payments of not less than the amount of the definite and predetermined change to either the basic hourly wage or other employer payments included in per diem wages for up to 60 days following the director's publication of the specific allocation of the predetermined change.

(3) When the director determines that there is a definite and predetermined change in the general prevailing rate of per diem wages as described in paragraph (1), but the allocation of that predetermined change as between the basic hourly wage and other employer payments included in per diem wages pursuant to Section 1773.1 is subsequently altered by the parties to a collective bargaining agreement described in paragraph (1), a contractor or subcontractor may allocate payments of not less than the amount of the definite and predetermined change in accordance with either the originally published allocation or the allocation as altered in the collective bargaining agreement.

§ 1773.11. Private Entity's Employees; Prevailing Rate of Per Diem Wages and Holiday and Overtime Work; Determinations

(a) Notwithstanding any other provision of law and except as otherwise provided by this section, if the state or a political subdivision thereof agrees by contract with a private entity that the private entity's employees receive, in performing that contract, the general prevailing rate of per diem wages and the general prevailing rate for holiday and overtime work, the director shall, upon a request by the state or the political subdivision, do both of the following:

(1) Determine, as otherwise provided by law, the wage rates for each craft, classification, or type of worker that are needed to execute the contract.

(2) Provide these wage rates to the state or political subdivision that requests them.

(b) This section does not apply to a contract for a public work, as defined in this chapter.

(c) The director shall determine and provide the wage rates described in this section in the order in which the requests for these wage rates were received and regardless of the calendar year in which they were received. If there are more than 20 pending requests in a calendar year, the director shall respond only to the first 20 requests in the order in which they were received. If the director determines that funding is available in any calendar year to determine and provide these wage rates in response to more than 20 requests, the director shall respond to these requests in a manner consistent with this subdivision.

§ 1774. Payment of General Prevailing Rate

The contractor to whom the contract is awarded, and any subcontractor under him, shall pay not less than the specified prevailing rates of wages to all workmen employed in the execution of the contract.

§ 1775. Penalties for Violations

(a)(1) The contractor and any subcontractor under the contractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit not more than two hundred dollars ($200) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rates as determined by the director for the work or craft in which the worker is employed for any public work done under the contract by the contractor or, except as provided in subdivision (b), by any subcontractor under the contractor.

(2)(A) The amount of the penalty shall be determined by the Labor Commissioner based on consideration of both of the following:

(i) Whether the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) Whether the contractor or subcontractor has a prior record of failing to meet its prevailing wage obligations.

(B)(i) The penalty may not be less than forty dollars ($40) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, unless the failure of the contractor or subcontractor to pay the correct rate of per diem wages was a good faith mistake and, if so, the error was promptly and voluntarily corrected when brought to the attention of the contractor or subcontractor.

(ii) The penalty may not be less than eighty dollars ($80) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the contractor or subcontractor has been assessed penalties within the previous three years for failing to meet its prevailing wage obligations on a separate contract, unless those penalties were subsequently withdrawn or overturned.

(iii) The penalty may not be less than one hundred twenty dollars ($120) for each calendar day, or portion thereof, for each worker paid less than the prevailing wage rate, if the Labor Commissioner determines that the violation was willful, as defined in subdivision (c) of Section 1777.1.

(C) If the amount due under this section is collected from the contractor or subcontractor, any outstanding wage claim under Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 against that contractor or subcontractor shall be satisfied before applying that amount to the penalty imposed on that contractor or subcontractor pursuant to this section.

(D) The determination of the Labor Commissioner as to the amount of the penalty shall be reviewable only for abuse of discretion.

(E) The difference between the prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the prevailing wage rate shall be paid to each worker by the contractor or subcontractor, and the body awarding the contract shall cause to be inserted in the contract a stipulation that this section will be complied with.

(b) If a worker employed by a subcontractor on a public works project is not paid the general prevailing rate of per diem wages by the subcontractor, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of that failure of the subcontractor to pay the specified prevailing rate of wages to those workers or unless the prime contractor fails to comply with all of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of this section and Sections 1771, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor.

(3) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, the contractor shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the public works project.
(4) Prior to making final payment to the subcontractor for work performed on the public works project, the contractor shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages to his or her employees on the public works project and any amounts due pursuant to Section 1813.

(c) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the Division of Labor Standards Enforcement of a complaint of the failure of a subcontractor on that public works project to pay workers the general prevailing rate of per diem wages.

§ 1776. Payroll Records; Retention; Inspection; Redacted Information; Agencies Entitled to Receive Nonredacted Copies of Certified Records; Noncompliance Penalties; Rules

(a) Each contractor and subcontractor shall keep accurate payroll records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by the contractor or subcontractor in connection with the public work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following:

(1) The information contained in the payroll record is true and correct.

(2) The employer has complied with the requirements of Sections 1771, 1811, and 1815 for any work performed by that person's employees on the public works project.

(b) The payroll records enumerated under subdivision (a) shall be certified and shall be available for inspection at all reasonable hours at the principal office of the contractor on the following basis:

(1) A certified copy of an employee's payroll record shall be made available for inspection or furnished to the employee or the employee's authorized representative on request.

(2) A certified copy of all payroll records enumerated in subdivision (a) shall be made available for inspection or furnished upon request to a representative of the body awarding the contract and the Division of Labor Standards Enforcement of the Department of Industrial Relations.

(3) A certified copy of all payroll records enumerated in subdivision (a) shall be made available upon request by the public for inspection or for copies thereof. However, a request by the public shall be made through either the body awarding the contract or the Division of Labor Standards Enforcement. If the requested payroll records have not been provided pursuant to paragraph (2), the requesting party shall, prior to being provided the records, reimburse the costs of preparation by the contractor, subcontractors, and the entity through which the request was made. The public may not be given access to the records at the principal office of the contractor.

(c) Unless required to be furnished directly to the Labor Commissioner in accordance with paragraph (3) of subdivision (a) of Section 1771.4, the certified payroll records shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division. The payroll records may consist of printouts of payroll data that are maintained as computer records, if the printouts contain the same information as the forms provided by the division and the printouts are verified in the manner specified in subdivision (a).

(d) A contractor or subcontractor shall file a certified copy of the records enumerated in subdivision (a) with the entity that requested the records within 10 days after receipt of a written request.

(e)(1) Except as provided in subdivision (f), any copy of records made available for inspection as copies and furnished upon request to the public or any public agency by the awarding body or the Division of Labor Standards Enforcement shall be marked or obliterated to prevent disclosure of an individual's name, address, and social security number. The name and address of the contractor awarded the contract or the subcontractor performing the contract shall not be marked or obliterated. Any copy of records made available for inspection by, or furnished to, a multiemployer Taft-Hartley trust fund (29 U.S.C. Sec. 186(c)(5)) that requests the records for the purposes of allocating contributions to participants shall be marked or obliterated only to prevent disclosure of an individual's full social security number, but shall provide the last four digits of the social security number. Any copy of records made available for inspection by, or furnished to, a joint labor-management committee established pursuant to the federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall be marked or obliterated only to prevent disclosure of an individual's social security number.

(2) Copies of electronic certified payroll records shall not satisfy payroll records requests made by Taft-Hartley trust funds and joint labor-management committees. Any copy of records requested by, and made available for inspection by or furnished to, a Taft-Hartley trust fund or joint labor-management committee shall be on forms provided by the Division of Labor Standards Enforcement or shall contain the same information as the forms provided by the division.

(f)(1) Notwithstanding any other provision of law, agencies that are included in the Joint Enforcement Strike Force on the Underground Economy established pursuant to Section 329 of the Unemployment Insurance Code and other law enforcement agencies investigating violations of law shall, upon request, be provided nonredacted copies of certified payroll records. Any copies of records or certified payroll made available for inspection and furnished upon request to the public by an agency included in the Joint Enforcement Strike Force on the Underground Economy or to a law enforcement agency investigating a violation of law shall be marked or redacted to prevent disclosure of an individual's name, address, and social security number.

(2) An employer shall not be liable for damages in a civil action for any reasonable act or omission taken in good faith in compliance with this subdivision.

(g) The contractor shall inform the body awarding the contract of the location of the records enumerated under subdivision (a), including the street address, city, and county, and shall, within five working days, provide a notice of a change of location and address.

(h) The contractor or subcontractor has 10 days in which to comply subsequent to receipt of a written notice requesting the records enumerated in subdivision (a). In the event that the contractor or subcontractor fails to comply within the 10-day period, the contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit one hundred dollars ($100) for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Labor Standards Enforcement, these penalties shall be withheld from progress payments then due. A contractor is not subject to a penalty assessment pursuant to this section due to the failure of a subcontractor to comply with this section.

(i) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section.

(j) The director shall adopt rules consistent with the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and the Information Practices Act of 1977 (Title 1.8 (commencing with Section 1798) of Part 4 of Division 3 of the Civil Code) governing the release of these records, including

the establishment of reasonable fees to be charged for reproducing copies of records required by this section.

§ 1777. Violation; Misdemeanor

Any officer, agent, or representative of the State or of any political subdivision who wilfully violates any provision of this article, and any contractor, or subcontractor, or agent or representative thereof, doing public work who neglects to comply with any provision of section 1776 is guilty of a misdemeanor.

§ 1777.1. Violations with Intent to Defraud; Willful Violations

(a) Whenever a contractor or subcontractor performing a public works project pursuant to this chapter is found by the Labor Commissioner to be in violation of this chapter with intent to defraud, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period of not less than one year or more than three years to do either of the following:

(1) Bid on or be awarded a contract for a public works project.

(2) Perform work as a subcontractor on a public works project.

(b) Whenever a contractor or subcontractor performing a public works project pursuant to this chapter is found by the Labor Commissioner to have committed two or more separate willful violations of this chapter within a three-year period, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period up to three years to do either of the following:

(1) Bid on or be awarded a contract for a public works project.

(2) Perform work as a subcontractor on a public works project.

(c) Whenever a contractor or subcontractor performing a public works project has failed to provide a timely response to a request by the Division of Labor Standards Enforcement, the Division of Apprenticeship Standards, or the awarding body to produce certified payroll records pursuant to Section 1776, the Labor Commissioner shall notify the contractor or subcontractor that, in addition to any other penalties provided by law, the contractor or subcontractor will be subject to debarment under this section if the certified payroll records are not produced within 30 days after receipt of the written notice. If the commissioner finds that the contractor or subcontractor has failed to comply with Section 1776 by that deadline, unless the commissioner finds that the failure to comply was due to circumstances outside the contractor's or subcontractor's control, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is

ineligible for a period of not less than one year and not more than three years to do either of the following:

(1) Bid on or be awarded a contract for a public works project.

(2) Perform work as a subcontractor on a public works project.

(d)(1) In the event a contractor or subcontractor is determined by the Labor Commissioner to have knowingly committed a serious violation of any provision of Section 1777.5, the Labor Commissioner may also deny to the contractor or subcontractor, and to its responsible officers, the right to bid on or to be awarded or perform work as a subcontractor on any public works contract for a period of up to one year for the first violation and for a period of up to three years for a second or subsequent violation. Each period of debarment shall run from the date the determination of noncompliance by the Labor Commissioner becomes a final order.

(2) The Labor Commissioner shall consider, in determining whether a violation is serious, and in determining whether and for how long a party should be debarred for violating Section 1777.5, all of the following circumstances:

(A) Whether the violation was intentional.

(B) Whether the party has committed other violations of Section 1777.5.

(C) Whether, upon notice of the violation, the party took steps to voluntarily remedy the violation.

(D) Whether, and to what extent, the violation resulted in lost training opportunities for apprentices.

(E) Whether, and to what extent, the violation otherwise harmed apprentices or apprenticeship programs.

(e) A willful violation occurs when the contractor or subcontractor knew or reasonably should have known of his or her obligations under the public works law and deliberately fails or deliberately refuses to comply with its provisions.

(f) The Labor Commissioner shall publish on the commissioner's Internet Web site a list of contractors who are ineligible to bid on or be awarded a public works contract, or to perform work as a subcontractor on a public works project pursuant to this chapter. The list shall contain the name of the contractor, the Contractors' State License Board license number of the contractor, and the effective period of debarment of the contractor. Contractors shall be added to the list upon issuance of a debarment order and the commissioner shall also notify the Contractors' State License Board when the list is updated. At least annually, the commissioner shall notify awarding bodies of the

availability of the list of debarred contractors. The commissioner shall also place advertisements in construction industry publications targeted to the contractors and subcontractors, chosen by the commissioner, that state the effective period of the debarment and the reason for debarment. The advertisements shall appear one time for each debarment of a contractor in each publication chosen by the commissioner. The debarred contractor or subcontractor shall be liable to the commissioner for the reasonable cost of the advertisements, not to exceed five thousand dollars ($5,000). The amount paid to the commissioner for the advertisements shall be credited against the contractor's or subcontractor's obligation to pay civil fines or penalties for the same willful violation of this chapter.

(g) For purposes of this section, “contractor or subcontractor” means a firm, corporation, partnership, or association and its responsible managing officer, as well as any supervisors, managers, and officers found by the Labor Commissioner to be personally and substantially responsible for the willful violation of this chapter.
(h) For the purposes of this section, the term “any interest” means an interest in the entity bidding or performing work on the public works project, whether as an owner, partner, officer, manager, employee, agent, consultant, or representative. “Any interest” includes, but is not limited to, all instances where the debarred contractor or subcontractor receives payments, whether cash or any other form of compensation, from any entity bidding or performing work on the public works project, or enters into any contracts or agreements with the entity bidding or performing work on the public works project for services performed or to be performed for contracts that have been or will be assigned or sublet, or for vehicles, tools, equipment, or supplies that have been or will be sold, rented, or leased during the period from the initiation of the debarment proceedings until the end of the term of the debarment period. “Any interest” does not include shares held in a publicly traded corporation if the shares were not received as compensation after the initiation of debarment from an entity bidding or performing work on a public works project.

(i) For the purposes of this section, the term “entity” is defined as a company, limited liability company, association, partnership, sole proprietorship, limited liability partnership, corporation, business trust, or organization.

(j) The Labor Commissioner shall adopt rules and regulations for the administration and enforcement of this section.

§ 1777.5. Employment of Registered Apprentices; Wages; Standards; Number; Apprenticeable Craft or Trade; Exemptions; Contributions; Compliance Program

(a)(1) This chapter does not prevent the employment upon public works of properly registered apprentices who are active participants in an approved apprenticeship program.

(2) For purposes of this chapter, “apprenticeship program” means a program under the jurisdiction of the California Apprenticeship Council established pursuant to Section 3070.

(b)(1) Every apprentice employed upon public works shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.
(2) Unless otherwise provided by a collective bargaining agreement, when a contractor requests the dispatch of an apprentice pursuant to this section to perform work on a public works project and requires the apprentice to fill out an application or undergo testing, training, an examination, or other preemployment process as a condition of employment, the apprentice shall be paid for the time spent on the required preemployment activity, including travel time to and from the required activity, if any, at the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered. Unless otherwise provided by a collective bargaining agreement, a contractor is not required to compensate an apprentice for the time spent on preemployment activities if the apprentice is required to take a preemployment drug or alcohol test and he or she fails to pass that test.

(c) Only apprentices, as defined in Section 3077, who are in training under apprenticeship standards that have been approved by the Chief of the Division of Apprenticeship Standards and who are parties to written apprentice agreements under Chapter 4 (commencing with Section 3070) of Division 3 are eligible to be employed at the apprentice wage rate on public works. The employment and training of each apprentice shall be in accordance with either of the following:

(1) The apprenticeship standards and apprentice agreements under which he or she is training.

(2) The rules and regulations of the California Apprenticeship Council.

(d) If the contractor to whom the contract is awarded by the state or any political subdivision, in performing any of the work under the contract, employs workers in any apprenticeable craft or trade, the contractor shall employ apprentices in at least the ratio set forth in this section and may apply to any apprenticeship program in the craft or trade that can provide apprentices to the site of the public work for a certificate approving the contractor under the apprenticeship standards for the employment and training of apprentices in the area or industry affected. However, the decision of the apprenticeship program to approve or deny a certificate shall be subject to review by the Administrator of Apprenticeship. The apprenticeship program or programs, upon approving the contractor, shall arrange for the dispatch of apprentices to the contractor. A contractor covered by an apprenticeship program's standards shall not be required to submit any additional application in order to include additional public works contracts under that program. “Apprenticeable craft or trade,” as used in this section, means a craft or trade determined as an apprenticeable occupation in accordance with rules and

regulations prescribed by the California Apprenticeship Council. As used in this section, “contractor” includes any subcontractor under a contractor who performs any public works not excluded by subdivision (o).

(e) Before commencing work on a contract for public works, every contractor shall submit contract award information to an applicable apprenticeship program that can supply apprentices to the site of the public work. The information submitted shall include an estimate of journeyman hours to be performed under the contract, the number of apprentices proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding body, if requested by the awarding body. Within 60 days after concluding work on the contract, each contractor and subcontractor shall submit to the awarding body, if requested, and to the apprenticeship program a verified statement of the journeyman and apprentice hours performed on the contract. The information under this subdivision shall be public. The apprenticeship programs shall retain this information for 12 months.

(f) The apprenticeship program supplying apprentices to the area of the site of the public work shall ensure equal employment and affirmative action in apprenticeship for women and minorities.

(g) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the public work may be no higher than the ratio stipulated in the apprenticeship standards under which the apprenticeship program operates if the contractor agrees to be bound by those standards. However, except as otherwise provided in this section, in no case shall the ratio be less than one hour of apprentice work for every five hours of journeyman work.

(h) This ratio of apprentice work to journeyman work shall apply during any day or portion of a day when any journeyman is employed at the jobsite and shall be computed on the basis of the hours worked during the day by journeymen so employed. Any work performed by a journeyman in excess of eight hours per day or 40 hours per week shall not be used to calculate the ratio. The contractor shall employ apprentices for the number of hours computed as above before the end of the contract or, in the case of a subcontractor, before the end of the subcontract. However, the contractor shall endeavor, to the greatest extent possible, to employ apprentices during the same time period that the journeymen in the same craft or trade are employed at the jobsite. When an hourly apprenticeship ratio is not feasible for a particular craft or trade, the Administrator of Apprenticeship, upon application of an apprenticeship program, may order a minimum ratio of not less than one apprentice for each five journeymen in a craft or trade classification.

(i) A contractor covered by this section who has agreed to be covered by an apprenticeship program's standards upon the issuance of the approval certificate, or who has been previously approved for an apprenticeship program in the craft or trade, shall employ the number of apprentices or the ratio of apprentices to journeymen

stipulated in the applicable apprenticeship standards, but in no event less than the 1-to-5 ratio required by subdivision (g).

(j) Upon proper showing by a contractor that he or she employs apprentices in a particular craft or trade in the state on all of his or her contracts on an annual average of not less than one hour of apprentice work for every five hours of labor performed by journeymen, the Administrator of Apprenticeship may grant a certificate exempting the contractor from the 1-to-5 hourly ratio, as set forth in this section for that craft or trade.

(k) An apprenticeship program has the discretion to grant to a participating contractor or contractor association a certificate, which shall be subject to the approval of the Administrator of Apprenticeship, exempting the contractor from the 1-to-5 ratio set forth in this section when it finds that any one of the following conditions is met:

(1) Unemployment for the previous three-month period in the area exceeds an average of 15 percent.
(2) The number of apprentices in training in the area exceeds a ratio of 1 to 5.

(3) There is a showing that the apprenticeable craft or trade is replacing at least one-thirtieth of its journeymen annually through apprenticeship training, either on a statewide basis or on a local basis.

(4) Assignment of an apprentice to any work performed under a public works contract would create a condition that would jeopardize his or her life or the life, safety, or property of fellow employees or the public at large, or the specific task to which the apprentice is to be assigned is of a nature that training cannot be provided by a journeyman.

(l) If an exemption is granted pursuant to subdivision (k) to an organization that represents contractors in a specific trade from the 1-to-5 ratio on a local or statewide basis, the member contractors shall not be required to submit individual applications for approval to local joint apprenticeship committees, if they are already covered by the local apprenticeship standards.

(m)(1) A contractor to whom a contract is awarded, who, in performing any of the work under the contract, employs journeymen or apprentices in any apprenticeable craft or trade shall contribute to the California Apprenticeship Council the same amount that the director determines is the prevailing amount of apprenticeship training contributions in the area of the public works site. A contractor may take as a credit for payments to the council any amounts paid by the contractor to an approved apprenticeship program that can supply apprentices to the site of the public works project. The contractor may add the amount of the contributions in computing his or her bid for the contract.

(2)(A) At the conclusion of the 2002-03 fiscal year and each fiscal year thereafter, the California Apprenticeship Council shall distribute training contributions received by the

council under this subdivision, less the expenses of the Department of Industrial Relations for administering this subdivision, by making grants to approved apprenticeship programs for the purpose of training apprentices. The grant funds shall be distributed as follows:

(i) If there is an approved multiemployer apprenticeship program serving the same craft or trade and geographic area for which the training contributions were made to the council, a grant to that program shall be made.

(ii) If there are two or more approved multiemployer apprenticeship programs serving the same craft or trade and county for which the training contributions were made to the council, the grant shall be divided among those programs based on the number of apprentices from that county registered in each program.

(iii) All training contributions not distributed under clauses (i) and (ii) shall be used to defray the future expenses of the Department of Industrial Relations for the administration and enforcement of apprenticeship and preapprenticeship standards and requirements under this code.

(B) An apprenticeship program shall only be eligible to receive grant funds pursuant to this subdivision if the apprenticeship program agrees, prior to the receipt of any grant funds, to keep adequate records that document the expenditure of grant funds and to make all records available to the Department of Industrial Relations so that the Department of Industrial Relations is able to verify that grant funds were used solely for training apprentices. For purposes of this subparagraph, adequate records include, but are not limited to, invoices, receipts, and canceled checks that account for the expenditure of grant funds. This subparagraph shall not be deemed to require an apprenticeship program to provide the Department of Industrial Relations with more documentation than is necessary to verify the appropriate expenditure of grant funds made pursuant to this subdivision.

(C) The Department of Industrial Relations shall verify that grants made pursuant to this subdivision are used solely to fund training apprentices. If an apprenticeship program is unable to demonstrate how grant funds are expended or if an apprenticeship program is found to be using grant funds for purposes other than training apprentices, then the apprenticeship program shall not be eligible to receive any future grant pursuant to this subdivision and the Department of Industrial Relations may initiate the process to rescind the registration of the apprenticeship program.

(3) All training contributions received pursuant to this subdivision shall be deposited in the Apprenticeship Training Contribution Fund, which is hereby created in the State Treasury. Upon appropriation by the Legislature, all moneys in the Apprenticeship Training Contribution Fund shall be used for the purpose of carrying out this subdivision and to pay the expenses of the Department of Industrial Relations.

(n) The body awarding the contract shall cause to be inserted in the contract stipulations to effectuate this section. The stipulations shall fix the responsibility of compliance with this section for all apprenticeable occupations with the prime contractor.

(o) This section does not apply to contracts of general contractors or to contracts of specialty contractors not bidding for work through a general or prime contractor when the contracts of general contractors or those specialty contractors involve less than thirty thousand dollars ($30,000).

(p) An awarding body that implements an approved labor compliance program in accordance with subdivision (b) of Section 1771.5 may, with the approval of the director, assist in the enforcement of this section under the terms and conditions prescribed by the director.

§ 1777.6. Discrimination Against Apprentices

An employer or a labor union shall not refuse to accept otherwise qualified employees as registered apprentices on any public works on any basis listed in subdivision (a) of Section 12940 of the Government Code, as those bases are defined in Sections 12926 and 12926.1 of the Government Code, except as provided in Section 3077 of this code and Section 12940 of the Government Code.

§ 1777.7. Violations of § 1777.5; Civil Penalty; Procedures

(a)(1) If the Labor Commissioner or his or her designee determines after an investigation that a contractor or subcontractor knowingly violated Section 1777.5, the contractor and any subcontractor responsible for the violation shall forfeit, as a civil penalty to the state or political subdivision on whose behalf the contract is made or awarded, not more than one hundred dollars ($100) for each full calendar day of noncompliance. The amount of this penalty may be reduced by the Labor Commissioner if the amount of the penalty would be disproportionate to the severity of the violation. A contractor or subcontractor that knowingly commits a second or subsequent violation within a three-year period, if the noncompliance results in apprenticeship training not being provided as required by this chapter, shall forfeit as a civil penalty the sum of not more than three hundred dollars ($300) for each full calendar day of noncompliance.

(2) In lieu of the penalty provided for in this subdivision, the Labor Commissioner may, for a first-time violation and with the concurrence of an apprenticeship program described in subdivision (d) of Section 1777.5, order the contractor or subcontractor to provide apprentice employment equivalent to the work hours that would have been provided for apprentices during the period of noncompliance.

(b) The Labor Commissioner shall consider, in setting the amount of a monetary penalty, all of the following circumstances:

(1) Whether the violation was intentional.

(2) Whether the party has committed other violations of Section 1777.5.

(3) Whether, upon notice of the violation, the party took steps to voluntarily remedy the violation.

(4) Whether, and to what extent, the violation resulted in lost training opportunities for apprentices.

(5) Whether, and to what extent, the violation otherwise harmed apprentices or apprenticeship programs.

(c)(1) The Labor Commissioner or his or her designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741, upon determination of penalties assessed under subdivisions (a) and (b). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770), shall apply.

(2) For purposes of this section, a determination issued pursuant to subdivision (a) or (b) includes a determination that has been approved by the Labor Commissioner and issued by an awarding body that has been authorized to assist the director in the enforcement of Section 1777.5 pursuant to subdivision (p) of that section. The Labor Commissioner may intervene in any proceeding for review of a determination issued by an awarding body. If the involvement of the Labor Commissioner in a labor compliance program enforcement action is limited to a review of the determination and the matter is resolved without litigation by or against the Labor Commissioner or the department, the awarding body shall enforce any applicable penalties, as specified in this section, and shall deposit any penalties and forfeitures collected in the General Fund.

(d) The determination of the Labor Commissioner as to the amount of the penalty imposed under subdivisions (a) and (b) shall be reviewable only for an abuse of discretion.

(e) If a subcontractor is found to have violated Section 1777.5, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of the subcontractor's failure to comply with the provisions of Section 1777.5 or unless the prime contractor fails to comply with any of the following requirements:

(1) The contract executed between the contractor and the subcontractor for the performance of work on the public works project shall include a copy of the provisions of Sections 1771, 1775, 1776, 1777.5, 1813, and 1815.

(2) The contractor shall continually monitor a subcontractor's use of apprentices required to be employed on the public works project pursuant to subdivision (d) of Section 1777.5, including, but not limited to, periodic review of the certified payroll of the subcontractor.

(3) Upon becoming aware of a failure of the subcontractor to employ the required number of apprentices, the contractor shall take corrective action, including, but not limited to, retaining funds due to the subcontractor for work performed on the public works project until the failure is corrected.

(4) Prior to making the final payment to the subcontractor for work performed on the public works project, the contractor shall obtain a declaration signed under penalty of perjury from the subcontractor that the subcontractor has employed the required number of apprentices on the public works project.

(f) The Division of Labor Standards Enforcement shall notify the contractor on a public works project within 15 days of the receipt by the division of a complaint that a subcontractor on that public works project knowingly violated Section 1777.5.

(g) The interpretation of Section 1777.5 and the substantive requirements of this section applicable to contractors or subcontractors shall be in accordance with the regulations of the California Apprenticeship Council.

(h) The Director of Industrial Relations may adopt regulations to establish guidelines for the imposition of monetary penalties.

§ 1778. Receipt of Portion of Wages of Workman; Felony

Every person, who individually or as a representative of an awarding or public body or officer, or as a contractor or subcontractor doing public work, or agent or officer thereof, who takes, receives, or conspires with another to take or receive, for his or her own use or the use of any other person any portion of the wages of any worker or working subcontractor, in connection with services rendered upon any public work is guilty of a felony.

§ 1779. Fee for Registering or Placing Person in Public Work; Misdemeanor

Any person or agent or officer thereof who charges, collects, or attempts to charge or collect, directly or indirectly, a fee or valuable consideration for registering any person for public work, or for giving information as to where such employment may be procured, or for placing, assisting in placing, or attempting to place, any person in public

work, whether the person is to work directly for the State, or any political subdivision or for a contractor or subcontractor doing public work is guilty of a misdemeanor.

§ 1780. Placement of Order for Employment of Worker; Misdemeanor

Any person acting on behalf of the State or any political subdivision, or any contractor or subcontractor or agent or representative thereof, doing any public work who places any order for the employment of a worker on public work where the filling of the order for employment involves the charging of a fee, or the receiving of a valuable consideration from any applicant for employment is guilty of a misdemeanor.

§ 1781. Actions to Recover Increased Costs Incurred; Liability; Public Works; Definitions; Penalties

(a)(1) Notwithstanding any other provision of law, a contractor may, subject to paragraphs (2) and (3), bring an action in a court of competent jurisdiction to recover from the body awarding a contract for a public work or otherwise undertaking any public work any increased costs incurred by the contractor as a result of any decision by the body, the Department of Industrial Relations, or a court that classifies, after the time at which the body accepts the contractor's bid or awards the contractor a contract in circumstances where no bid is solicited, the work covered by the bid or contract as a “public work,” as defined in this chapter, to which Section 1771 applies, if that body, before the bid opening or awarding of the contract, failed to identify as a “public work,” as defined in this chapter, in the bid specification or in the contract documents that portion of the work that the decision classifies as a “public work.”

(2) The body awarding a contract for a public work or otherwise undertaking any public work is not liable for increased costs in an action described in paragraph (1) if all of the following conditions are met:

(A) The contractor did not directly submit a bid to, or directly contract with, that body.

(B) The body stated in the contract, agreement, ordinance, or other written arrangement by which it undertook the public work that the work described in paragraph (1) was a “public work,” as defined in this chapter, to which Section 1771 applies, and obligated the party with whom the body makes its written arrangement to cause the work described in paragraph (1) to be performed as a “public work.”

(C) The body fulfilled all of its duties, if any, under the Civil Code or any other provision of law pertaining to the body providing and maintaining bonds to secure the payment of contractors, including the payment of wages to workers performing the work described in paragraph (1).

(3) If a contractor did not directly submit a bid to, or directly contract with a body awarding a contract for, or otherwise undertaking a public work, the liability of that body in an action commenced by the contractor under subdivision (a) is limited to that portion of a judgment, obtained by that contractor against the body that solicited the contractor's bid or awarded the contract to the contractor, that the contractor is unable to satisfy. For purposes of this paragraph, a contractor may not be deemed to be unable to satisfy any portion of a judgment unless, in addition to other collection measures, the contractor has made a good faith attempt to collect that portion of the judgment against a surety bond, guarantee, or some other form of assurance.

(b) When construction has not commenced at the time a final decision by the Department of Industrial Relations or a court classifies all or part of the work covered by the bid or contract as a “public work,” as defined in this chapter, the body that solicited the bid or awarded the contract shall rebid the “public work” covered by the contract as a “public work,” any bid that was submitted and any contract that was executed for this work are null and void, and the contractor may not be compensated for any nonconstruction work already performed unless the body soliciting the bid or awarding the contract has agreed to compensate the contractor for this work.

(c) For purposes of this section:

(1) “Awarding body” does not include the Department of General Services, the Department of Transportation, or the Department of Water Resources.

(2) “Increased costs” includes, but is not limited to:

(A) Labor cost increases required to be paid to workers who perform or performed work on the “public work” as a result of the events described in subdivision (a).

(B) Penalties for a violation of this article for which the contractor is liable, and which violation is the result of the events described in subdivision (a).

§ 1782. Charter Cities; Use of State Funding or Financial Assistance for Construction Projects; Compliance with Article; List of Approved Charter Cities

(a) A charter city shall not receive or use state funding or financial assistance for a construction project if the city has a charter provision or ordinance that authorizes a contractor to not comply with the provisions of this article on any public works contract.

(b) A charter city shall not receive or use state funding or financial assistance for a construction project if the city has awarded, within the prior two years, a public works contract without requiring the contractor to comply with all of the provisions of this article. This subdivision shall not apply if the charter city's failure to include the prevailing wage or apprenticeship requirement in a particular contract was inadvertent

and contrary to a city charter provision or ordinance that otherwise requires compliance with this article.

(c) A charter city is not disqualified by subdivision (a) from receiving or using state funding or financial assistance for its construction projects if the charter city has a local prevailing wage ordinance for all its public works contracts that includes requirements that in all respects are equal to or greater than the requirements imposed by the provisions of this article and that do not authorize a contractor to not comply with this article.

(d) For purposes of this section, the following shall apply:

(1) A public works contract does not include contracts for projects of twenty-five thousand dollars ($25,000) or less when the project is for construction work, or projects of fifteen thousand dollars ($15,000) or less when the project is for alteration, demolition, repair, or maintenance work.

(2) A charter city includes any agency of a charter city and any entity controlled by a charter city whose contracts would be subject to this article.

(3) A “construction project” means a project that involves the award of a public works contract.

(4) State funding or financial assistance includes direct state funding, state loans and loan guarantees, state tax credits, and any other type of state financial support for a construction project. State funding or financial assistance does not include revenues that charter cities are entitled to receive without conditions under the California Constitution.

(e) The Director of Industrial Relations shall maintain a list of charter cities that may receive and use state funding or financial assistance for their construction projects.

(f)(1) This section does not restrict a charter city from receiving or using state funding or financial assistance that was awarded to the city prior to January 1, 2015, or from receiving or using state funding or financial assistance to complete a contract that was awarded prior to January 1, 2015.

(2) A charter city is not disqualified by subdivision (b) from receiving or using state funding or financial assistance for its construction projects based on the city's failure to require a contractor to comply with this article in performing a contract the city advertised for bid or awarded prior to January 1, 2015.

§ 1784. Action to Recover from the Hiring Party for Increased Costs; Exceptions; Time to Bring Action; Notification

(a) Notwithstanding any other law, a contractor may bring an action in a court of competent jurisdiction to recover from the hiring party that the contractor directly contracts with, any increased costs attributable solely to the provisions of this chapter, including, but not limited to, the difference between the wages actually paid to an employee and the wages that were required to be paid to an employee under this chapter, any penalties or other sums required to be paid under this chapter, and costs and attorney's fees for the action incurred by the contractor as a result of any decision by the Department of Industrial Relations, the Labor and Workforce Development Agency, or a court that classifies, after the time at which the hiring party accepts the contractor's bid, awards the contractor a contract under circumstances when no bid is solicited, or otherwise allows construction by the contractor to proceed, the work covered by the project, or any portion thereof, as a “public work,” as defined in this chapter, except to the extent that either of the following is true:

(1) The owner or developer or its agent expressly advised the contractor that the work to be covered by the contract would be a “public work,” as defined in this chapter, or is otherwise subject to the payment of prevailing wages.

(2) The hiring party expressly advised the contractor that the work subject to the contract would be a “public work,” as defined in this chapter, or is otherwise subject to the payment of prevailing wages.

(b)(1) To be entitled to the recovery of increased costs described in subdivision (a), the contractor shall notify the hiring party and the owner or developer within 30 days after receipt of the notice of a decision by the Department of Industrial Relations or the Labor and Workforce Development Agency, or the initiation of any action in a court alleging, that the work covered by the project, or any portion thereof, is a “public work,” as defined in this chapter.

(2) The notice provided pursuant to this subdivision shall set forth the legal name, address, and telephone number of the contractor, and the name, address, and telephone number of the contractor's representative, if any, and shall be given by registered or certified mail, express mail, or overnight delivery by an express service carrier.

(c) A contractor is not required to list any prevailing wages or apprenticeship standard violations on a prequalification questionnaire that are the direct result of the failure of the owner or developer or its agent, or a hiring party, to notify the contractor that the project, or any portion thereof, was a “public work,” as defined in this chapter.

(d) This section does not apply to private residential projects built on private property unless the project is built pursuant to an agreement with a state agency, redevelopment agency, or local public housing authority.

(e) This section does not apply if the conduct of the contractor caused the project to be a “public work,” as defined in this chapter, or if the contractor has actual knowledge that the work is a “public work,” as defined in this chapter.

(f) A contractor may seek recovery pursuant to this section only from a hiring party with whom the contractor has a direct contract.

(g) For purposes of this section, “contractor” means a person or entity licensed by the Contractors' State Licensing Board that has a direct contract with the hiring party to provide services on private property or for the benefit of a private owner or developer.

(h) For purposes of this section, “hiring party” means the party that has a direct contract for services provided by the contractor who is seeking recovery pursuant to subdivision (a) on a private works project that was subsequently determined to be a public work by the Department of Industrial Relations or the Labor and Workforce Development Agency, or by the initiation of any action in a court alleging that the work covered by the project, or any portion thereof, was a public work.

§ 1785. Strategic Enforcement Unit Focused on Construction, Alteration, and Repair Projects; Technical Assistance

(a) The director shall establish and maintain a strategic enforcement unit focused on construction, alteration, and repair projects. The unit shall enhance the department's enforcement of this code in construction, alteration, and repair projects, including projects funded pursuant to Section 50675.1.3 of the Health and Safety Code and other publicly funded residential construction projects. The unit shall have primary responsibility for enforcement of this code in construction projects subject to Section 50675.1.3 of the Health and Safety Code. Any funds appropriated to the department for purposes of this section shall be administered and allocated by the director.

(b) The strategic enforcement unit described in subdivision (a) shall provide technical assistance to local public entities related to both of the following:

(1) Best practices for monitoring and enforcing requirements pertaining to construction, alteration, and repair projects paid for in whole or in part out of public funds, including, but not limited to, this chapter.

(2) Outreach and engagement with workers, employers, and state certified apprenticeship programs connected to construction, alteration, and repair projects.

Division 2. Employment Regulation and Supervision
Part 7. Public Works and Public Agencies
Chapter 1. Public Works
Article 3. Working Hours

§ 1810. Legal Day's Work

Eight hours labor constitutes a legal day's work in all cases where the same is performed under the authority of any law of this State, or under the direction, or control, or by the authority of any officer of this State acting in his official capacity, or under the direction, or control or by the authority of any municipal corporation, or of any officer thereof. A stipulation to that effect shall be made a part of all contracts to which the State or any municipal corporation therein is a party.

§ 1811. Maximum Hours Per Day and Per Week

The time of service of any worker employed upon public work is limited and restricted to eight hours during any one calendar day, and 40 hours during any one calendar week, except as hereinafter provided for under Section 1815.

§ 1812. Record of Hours of Employment; Inspection

Every contractor and subcontractor shall keep an accurate record showing the name of and actual hours worked each calendar day and each calendar week by each worker employed by him or her in connection with the public work. The record shall be kept open at all reasonable hours to the inspection of the awarding body and to the Division of Labor Standards Enforcement.

§ 1813. Forfeiture for Violations; Contract Stipulation; Report of Violations

The contractor or subcontractor shall, as a penalty to the state or political subdivision on whose behalf the contract is made or awarded, forfeit twenty-five dollars ($25) for each worker employed in the execution of the contract by the respective contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of this article. In awarding any contract for public work, the awarding body shall cause to be inserted in the contract a stipulation to this effect. The awarding body shall take cognizance of all violations of this article committed in the course of the execution of the contract, and shall report them to the Division of Labor Standards Enforcement.

§ 1814. Violation; Misdemeanor

Any officer, agent, or representative of the State or any political subdivision who violates any provision of this article and any contractor or subcontractor or agent or

representative thereof doing public work who neglects to comply with any provision of Section 1812 is guilty of a misdemeanor.

§ 1815. Overtime§ 1815. Overtime

Notwithstanding the provisions of Sections 1810 to 1814, inclusive, of this code, and notwithstanding any stipulation inserted in any contract pursuant to the requirements of said sections, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 ½ times the basic rate of pay.

Division 2. Employment Regulation and Supervision
Part 7. Public Works and Public Agencies
Chapter 1. Public Works
Article 5. Securing Workers' Compensation

§ 1860. Payment of Compensation

The awarding body shall cause to be inserted in every public works contract a clause providing that, in accordance with the provisions of Section 3700, every contractor will be required to secure the payment of compensation to his or her employees.

§ 1861. Employer's Certification

Each contractor to whom a public works contract is awarded shall sign and file with the awarding body the following certification prior to performing the work of the contract: "I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

Division 3. Employment Relations
Chapter 4. Apprenticeship and Preapprenticeship
Article 2. Apprenticeship Programs

§ 3075. Apprenticeship programs; administration; necessary conditions; appeal of decisions

(a) An apprenticeship program may be administered by a joint apprenticeship committee, unilateral management or labor apprenticeship committee, or an individual employer. Programs may be approved by the chief in any trade in the state or in a city or trade area, whenever the apprentice training needs justify the establishment. Where a collective bargaining agreement exists, a program shall be jointly sponsored unless either party to the agreement waives its right to representation in writing. Joint

apprenticeship committees shall be composed of an equal number of employer and employee representatives.

(b) For purposes of subdivision (a), the apprentice training needs in the building and construction trades and firefighter programs shall be deemed to justify the approval of a new apprenticeship program only if any of the following conditions are met:

(1) There is no existing apprenticeship program approved under this chapter serving the same craft or trade and geographic area.

(2) Existing apprenticeship programs approved under this chapter that serve the same craft or trade and geographic area do not have the capacity, or neglect or refuse, to dispatch sufficient apprentices to qualified employers at a public works site who have requested apprentices and are willing to abide by the applicable apprenticeship standards, as shown by a sustained pattern of unfilled requests.

(3) Existing apprenticeship programs approved under this chapter that serve the same trade and geographic area have been identified by the California Apprenticeship Council as deficient in meeting their obligations under this chapter.

(c) For purposes of subdivision (b), an existing apprenticeship program serves the “same craft or trade” as a proposed apprenticeship program when there would be substantial overlap in the work processes covered by the programs or when graduates of the existing program would be qualified to perform a substantial portion of the work that would be performed by graduates of the new program.

(d) The chief's decisions regarding applications for new apprenticeship programs in the building and construction trades and firefighters may be appealed by any interested party to the California Apprenticeship Council. For purposes of this section, an application for expansion of an existing program to include an additional occupation shall be considered an application for a “new apprenticeship program.”

(e) The chief's decisions regarding applications for new apprenticeship programs outside the building and construction trades and firefighters are final and not subject to administrative appeal, except as otherwise provided in this section.

(f) The chief's decisions regarding applications for new apprenticeship programs shall be posted to the division's Internet Web site, which shall constitute the only form of notice and service. Appeals to the California Apprenticeship Council under this section must be filed within 30 days after notice of the chief's decision.

(g) The chief shall not approve a new apprenticeship program that includes a substantial number of work processes covered by a program in the building and construction trades or firefighters, or approve the amendment of apprenticeship standards to include those work processes, unless either of the following applies:

(1) The program is in the building and construction trades or a firefighter program and subject to the rules and regulations of the California Apprenticeship Council.

(2) The California Apprenticeship Council has granted consent to the approval of the program or the amendment to the apprenticeship standards. If no party files an objection with the chief to the approval of the proposed program or amendment alleging overlap of work processes under this subdivision, the chief shall not be required to seek the consent of the California Apprenticeship Council prior to approving the program or amendment.
(h) At least 30 days before approval of a new apprenticeship program, or of an amendment to the apprenticeship standards to include new work processes, the division shall post on its Internet Web site a copy of the proposed apprenticeship standards, which shall constitute the only form of notice and service that an application on the proposed program or amendment is pending. Notwithstanding subdivision (e), the chief's decision regarding any new apprenticeship program or amendment of the apprenticeship standards to include new work processes may be appealed to the California Apprenticeship Council if notice under this subdivision is not provided.

(i) The division shall create a method on its Internet Web site for members of the public to subscribe to receive email updates when new decisions or proposed apprenticeship standards are posted pursuant to this section.

(j) Only the following programs may dispatch apprentices to projects subject to prevailing wage or skilled and trained workforce requirements:

(1) Programs in the building and construction trades approved before July 1, 2018.

(2) Programs in the building and construction trades approved under the standard in subdivision (b).

PENAL CODE

Part 3. Of Imprisonment and the Death Penalty
Title 7. Administration of the State Correctional System
Chapter 11. Master Plan Construction

§ 7010. Lease or lease-purchase agreements for establishment of prison facility for Los Angeles County; solicitation of bids, review and approval; compliance with public works provisions

(a) The Director of Corrections may solicit bids for any lease or lease-purchase for the establishment of a prison facility for a site in Los Angeles County.

(b) The director may not accept any lease or lease-purchase bid or execute any lease or lease-purchase agreement unless and until the bid or agreement is submitted for review and approval under the procedure described in Section 7003.

(c) Any lease or lease-purchase agreement executed pursuant to this section shall contain, as a condition of the agreement, stipulations requiring compliance with the provisions of Chapter 1 (commencing with Section 1720) of Part 7 of the Labor Code in the construction of any facility within the scope of the agreement.

Part 3. Of Imprisonment and the Death Penalty
Title 9. Punishment
Chapter 1. Programs with Special Focus on Substance Abuse

§ 8002. Exemption from wage and hour provisions and § 1025 of Labor Code

Notwithstanding any other provision of law, the participants, director, and staff of a live-in alternative to incarceration rehabilitation program with special focus on substance abusers, when participating in operations owned and operated by the program, are exempt from the wage and hour provisions and Section 1025 of the Labor Code, so long as all revenues generated by the operation are used for the support of the program. All providers who bid on public work shall include in their bid the prevailing wage rate as required by the request.

PUBLIC CONTRACT CODE

Division 2. General Provisions
Part 1. Administrative Provisions
Chapter 2.9. Skilled and Trained Workforce Requirements

§ 2603. Failure to use skilled workforce; civil penalty; assessment; liability of prime contractor; corrective action; declaration; notice of violation; ineligibility of contractor in violation of this chapter; list of contractors

(a) If the Labor Commissioner or his or her designee determines after an investigation that a contractor or subcontractor failed to use a skilled and trained workforce in accordance with this chapter, the contractor or subcontractor responsible for the violation shall forfeit, as a civil penalty to the state, not more than five thousand dollars ($5,000) per month of work performed in violation of this chapter. A contractor or subcontractor that commits a second or subsequent violation within a three-year period shall forfeit as a civil penalty to the state the sum of not more than ten thousand dollars ($10,000) per month of work performed in violation of this chapter.

(b) For the purposes of this section:

(1) “Any interest” shall have the same meaning as in subdivision (h) of Section 1777.1 of the Labor Code.

(2) “Contractor or subcontractor” shall have the same meaning as in subdivision (g) of Section 1777.1 of the Labor Code.

(3) “Entity” shall have the same meaning as in subdivision (i) of Section 1777.1 of the Labor Code.

(c) The amount of any monetary penalty may be reduced or waived by the Labor Commissioner if the amount of the penalty would be disproportionate to the severity of the violation. The Labor Commissioner shall consider, in setting the amount of a monetary penalty, all of the following circumstances:

(1) Whether the violation was intentional.

(2) Whether the contractor or subcontractor has committed other violations of this chapter or of the Labor Code.

(3) Whether, upon notice of the violation, the contractor or subcontractor took steps to voluntarily remedy the violation.

(4) The extent or severity of the violation.

(5) Whether a contractor or subcontractor submitted and followed a plan to achieve substantial compliance with this chapter.

(d) The Labor Commissioner or his or her designee shall issue a civil wage and penalty assessment, in accordance with the provisions of Section 1741 of the Labor Code, upon determination of penalties assessed under subdivision (a). Review of a civil wage and penalty assessment issued under this subdivision may be requested in accordance with the provisions of Section 1742 of the Labor Code. The regulations of the Director of Industrial Relations, which govern proceedings for review of civil wage and penalty assessments and the withholding of contract payments under Article 1 (commencing with Section 1720) and Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code, shall apply.

(e) The determination of the Labor Commissioner as to the amount of the penalty imposed under subdivision (a) shall be reviewable by the Director of Industrial Relations only for an abuse of discretion.

(f) If a subcontractor is found to have violated this chapter, the prime contractor of the project is not liable for any penalties under subdivision (a) unless the prime contractor had knowledge of the subcontractor's failure to comply with this chapter or unless the prime contractor fails to comply with any of the following requirements:

(1) For contracts entered into on or after January 1, 2019, the contract executed between the contractor and the subcontractor for the performance of work on the project shall include a copy of this chapter.

(2) The contractor shall periodically monitor the subcontractor's use of a skilled and trained workforce.

(3) Upon becoming aware of a failure of the subcontractor to use a skilled and trained workforce, the contractor shall take corrective action, including, but not limited to, retaining 150 percent of the amount due to the subcontractor for work performed on the project until the failure is corrected.

(4) Prior to making the final payment to the subcontractor for work performed on the project, the contractor shall obtain a declaration signed under penalty of perjury from the subcontractor that the subcontractor has met the requirements of this chapter.

(g) The Labor Commissioner shall notify the prime contractor within 15 days of the receipt by the Labor Commissioner of a complaint that a subcontractor violated this chapter.

(h) Whenever a contractor or subcontractor is found by the Labor Commissioner to be in violation of this chapter with intent to defraud, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period of not less than one year or more than three years to do either of the following:

(1) Bid on or be awarded a contract for a public works project.

(2) Perform work as a subcontractor on a public works project.

(i) Whenever a contractor or subcontractor is found by the Labor Commissioner to have committed two or more separate willful violations of this chapter within a three-year period, the contractor or subcontractor or a firm, corporation, partnership, or association in which the contractor or subcontractor has any interest is ineligible for a period of up to three years to do either of the following:

(1) Bid on or be awarded a contract for a public works project.

(2) Perform work as a subcontractor on a public works project.

(j) The debarment procedures adopted by the Labor Commissioner pursuant to Section 1777.1 of the Labor Code shall apply to any finding made under subdivisions (h) or (i) of this section.

(k) The Labor Commissioner shall publish on the commissioner's Internet Web site a list of contractors who are ineligible to bid on or be awarded a public works contract, or to perform work as a subcontractor on a public works project pursuant to this section. The list shall contain the name of the contractor, the Contractors' State License Board license number of the contractor, and the effective period of debarment of the contractor. Contractors shall be added to the list upon issuance of a debarment order and the commissioner shall also notify the Contractors' State License Board when the list is updated. At least annually, the commissioner shall notify awarding bodies of the availability of the list of debarred contractors.

(*l*)(1) If a public entity or awarding body that is required to obtain an enforceable commitment that a skilled and trained workforce will be used to complete a contract or project receives a monthly report which does not demonstrate compliance with the skilled and trained workforce requirements of subdivision (c) of Section 10506.6, Section 10506.8, Section 10506.9, or subdivision (c) of Section 20928.2 of this code, Article 9 (commencing with Section 388) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code, or subparagraph (B) of paragraph (8) of subdivision (a) of Section 65913.4 or subparagraph (B) of paragraph (4) of subdivision (f) of Section 66201 of the Government Code, the public entity or awarding body shall forward a copy of the monthly report to the Labor Commissioner for issuance of a civil wage and penalty assessment in accordance with this section.

(2) The penalty and debarment procedures of this section shall apply to violations of subdivision (c) of Section 10506.6, Section 10506.8, Section 10506.9, or subdivision (c) of Section 20928.2 of this code, Article 9 (commencing with Section 388) of Chapter 2.3 of Part 1 of Division 1 of the Public Utilities Code, or subparagraph (B) of paragraph (8) of subdivision (a) of Section 65913.4 or subparagraph (B) of paragraph (4) of subdivision (f) of Section 66201 of the Government Code.

Division 2. General Provisions
Part 1. Administrative Provisions
Chapter 4. Subletting and Subcontracting

§ 4104. Contents of Bids or offers

Any officer, department, board, or commission taking bids for the construction of any public work or improvement shall provide in the specifications prepared for the work or improvement or in the general conditions under which bids will be received for the doing of the work incident to the public work or improvement that any person making a bid or offer to perform the work, shall, in his or her bid or offer, set forth:

(a)(1) The name, the location of the place of business, the California contractor license number, and public works contractor registration number issued pursuant to Section 1725.5 of the Labor Code of each subcontractor who will perform work or labor or render service to the prime contractor in or about the construction of the work or improvement, or a subcontractor licensed by the State of California who, under

subcontract to the prime contractor, specially fabricates and installs a portion of the work or improvement according to detailed drawings contained in the plans and specifications, in an amount in excess of one-half of 1 percent of the prime contractor's total bid or, in the case of bids or offers for the construction of streets or highways, including bridges, in excess of one-half of 1 percent of the prime contractor's total bid or ten thousand dollars ($10,000), whichever is greater.

(2) An inadvertent error in listing the California contractor license number or public works contractor registration number provided pursuant to paragraph (1) shall not be grounds for filing a bid protest or grounds for considering the bid nonresponsive if the corrected contractor's license number is submitted to the public entity by the prime contractor within 24 hours after the bid opening and provided the corrected contractor's license number corresponds to the submitted name and location for that subcontractor.

(3)(A) Subject to subparagraph (B), any information requested by the officer, department, board, or commission concerning any subcontractor who the prime contractor is required to list under this subdivision, other than the subcontractor's name, location of business, the California contractor license number, and the public works contractor registration number, may be submitted by the prime contractor up to 24 hours after the deadline established by the officer, department, board, or commission for receipt of bids by prime contractors.

(B) A state or local agency may implement subparagraph (A) at its option.

(b) The portion of the work that will be done by each subcontractor under this act. The prime contractor shall list only one subcontractor for each portion as is defined by the prime contractor in his or her bid.

Division 2. General Provisions
Part 1. Administrative Provisions
Chapter 6.5. Transportation Design Build Program

§ 6823. Establishment of Labor Compliance program for Public Works Projects; Exempt Projects

(a) For contracts for public works projects awarded prior January 1, 2012, a transportation entity authorized to use the design-build method of procurement shall establish and enforce a labor compliance program containing the requirements outlined in Section 1771.5 of the Labor Code or shall contract with a third party to operate a labor compliance program containing the requirements outlined in Section 1771.5 of the Labor Code. This requirement shall not apply to projects where the transportation entity or design-build entity has entered into any collective bargaining agreement that binds all of the contractors performing work on the projects.

(b) For contracts for public works projects awarded on or after January 1, 2012, the project shall be subject to the requirements of Section 1771.4 of the Labor Code.

Division 2. General Provisions
Part 1. Administrative Provisions
Chapter 6.6. Alternative Project Delivery Program: Construction Manager/General Contractor Authority

§ 6953. Public works projects subject to certain Labor Code provisions

Any public works project that is contracted for pursuant to this chapter shall be subject to the requirements of Section 1771.4 of the Labor Code.

Division 2. General Provisions
Part 2. Contracting by State Agencies
Chapter 1.State Contract Act
Article 2. Plans and Specifications

§ 10128. Compliance with Labor Code provisions relating to public works contracts

All contracts awarded under this part shall comply with the applicable provisions of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code relating to public works contracts and shall contain all the contract provisions required therein.

Division 2. General Provisions
Part 2. Contracting by State Agencies
Chapter 2. State Acquisition of Goods and Services
Article 2. Approval of Contracts

§10298.5. Installation or purchase and installation of carpet, resilient flooring, synthetic turf, or lighting fixtures; alternative contracting procedures

(a) The director may use the procedures described in Section 10298 for contracts for the installation, and contracts for the purchase and installation, of carpet, resilient flooring, synthetic turf, or lighting fixtures that will satisfy the requirements of this section. Except as specified in subdivision (b), notwithstanding any other law requiring bidding on public works projects, as defined in Section 1101, state agencies and local agencies, including school districts and any other agency subject to the Local Agency Public Construction Act (Chapter 1 (commencing with Section 20100) of Part 3), may contract with suppliers awarded those contracts, if all of the following requirements are satisfied:

(1) The installation work is not performed in connection with new construction.

(2) The contractor provides an acknowledgment to the state or local agency that the installation is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(3)(A) Except as otherwise provided in subparagraph (B), the contractor provides the state or local agency with an enforceable commitment that a skilled and trained workforce, as defined in Section 2601, will be used to complete the installation work.

(B) This paragraph shall not apply if the state or local agency has entered into a project labor agreement, as defined in Section 2500, that requires all contractors and subcontractors performing the installation work to use a skilled and trained workforce and the contractor agrees to be bound by that project labor agreement.

(b) A local agency shall not use the procedures authorized by this section for a contract with an award amount that exceeds the amount in an applicable requirement for the local agency to use a formal competitive bidding process for a contract that exceeds a specified amount.

(c)(1) Any state or local agency that enters into a contract for installation, or for purchase or installation, pursuant to this section shall provide notice of that contract to the Department of Industrial Relations pursuant to Section 1773.3 of the Labor Code, regardless of the size of the contract.

(2)(A) Notwithstanding Section 10231.5 of the Government Code, no later than January 1, 2027, the Department of Industrial Relations shall submit to the appropriate policy and fiscal committees of the Legislature a report on the use of the procedures authorized by this section.

(B) The report shall include, but is not limited to, the following information:

(i) A description of the contracts awarded using the procedures authorized by this section, including the state or local agency that awarded the contract.

(ii) The contract award amounts.

(iii) The contractors awarded the contracts.

(C) The report submitted pursuant to subparagraph (A) shall be submitted in compliance with Section 9795 of the Government Code.

(d) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 1. Title

§ 20101. Prospective bidders; questionnaires and financial statements; prequalification

(a) Except as provided in Section 20111.5, a public entity subject to this part may require that each prospective bidder for a contract complete and submit to the entity a standardized questionnaire and financial statement in a form specified by the entity, including a complete statement of the prospective bidder's experience in performing public works. The standardized questionnaire may not require prospective bidders to disclose any violations of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code committed prior to January 1, 1998, if a violation was based on a subcontractor's failure to comply with these provisions and the bidder had no knowledge of the subcontractor's violations. The Department of Industrial Relations, in collaboration with affected agencies and interested parties, shall develop model guidelines for rating bidders, and draft the standardized questionnaire, that may be used by public entities for the purposes of this part. The Department of Industrial Relations, in developing the standardized questionnaire, shall consult with affected public agencies, cities and counties, the construction industry, the surety industry, and other interested parties. 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; however, records of the names of contractors applying for prequalification status shall be public records subject to disclosure under Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code.

(b) Any public entity requiring prospective bidders to complete and submit questionnaires and financial statements, as described in subdivision (a), shall adopt and apply a uniform system of rating bidders on the basis of the completed questionnaires and financial statements, in order to determine both the minimum requirements permitted for qualification to bid, and the type and size of the contracts upon which each bidder shall be deemed qualified to bid. The uniform system of rating prospective bidders shall be based on objective criteria.

(c) A public entity may establish a process for prequalifying prospective bidders pursuant to this section on a quarterly basis and a prequalification pursuant to this process shall be valid for one calendar year following the date of initial prequalification.

(d) Any public entity requiring prospective bidders on a public works project to prequalify pursuant to this section shall establish a process that will allow prospective bidders to dispute their proposed prequalification rating prior to the closing time for receipt of bids. The appeal process shall include the following:

(1) Upon request of the prospective bidder, the public entity shall provide notification to the prospective bidder in writing of the basis for the prospective bidder's disqualification and any supporting evidence that has been received from others or adduced as a result of an investigation by the public entity.

(2) The prospective bidder shall be given the opportunity to rebut any evidence used as a basis for disqualification and to present evidence to the public entity as to why the prospective bidder should be found qualified.

(3) If the prospective bidder chooses not to avail itself of this process, the proposed prequalification rating may be adopted without further proceedings.

(e) For the purposes of subdivision (a), a financial statement shall not be required from a contractor who has qualified as a Small Business Administration entity pursuant to paragraph (1) of subdivision (d) of Section 14837 of the Government Code, when the bid is no more than 25 percent of the qualifying amount provided in paragraph (1) of subdivision (d) of Section 14837 of the Government Code.

(f) Nothing in this section shall preclude an awarding agency from prequalifying or disqualifying a subcontractor. The disqualification of a subcontractor by an awarding agency does not disqualify an otherwise prequalified contractor.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 24.5. Job Order Contracting Procurement by the Los Angeles County Metropolitan Transportation Authority

§ 20387.3. Compliance responsibility; prevailing wage; compliance monitor

(a) A job order contract shall set forth in the general conditions of the job order contract the party or parties responsible for seeing that Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code is complied with.

(b) For purposes of job order contracting, prevailing wages shall apply to all work ordered under the job order contract regardless of thresholds set forth in Section 1771.5 of the Labor Code.

(c) The job order contractor shall pay the prevailing wage in effect at the time the job order contract is issued by the authority and all increases as published by the Department of Industrial Relations for the term of the job order contract, including all overtime, holiday, and shift provisions published by the Department of Industrial Relations.

(d) The authority shall designate one individual to act as a monitor to inspect job sites for labor compliance violations at the request of the designated labor representative in its project labor agreement.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 41.5. Job Order Contracting for Community College Districts

§ 20665.27. General conditions of job order contract

(a) A job order contract shall set forth in the general conditions of the job order contract the party or parties responsible for seeing that the provisions of Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code are complied with.

(b) For purposes of job order contracting, prevailing wages when required to be paid shall apply to all work ordered under the job order contract regardless of thresholds set forth in Section 1771.5 of the Labor Code.

(c) The job order contractor shall pay the prevailing wage in effect at the time the job order is issued by the community college district and all increases as published by the Department of Industrial Relations for the term of the job order contract, including all overtime, holiday, and shift provisions published by the Department of Industrial Relations.

(d) The community college district shall designate one individual to act as a monitor to inspect job sites for labor compliance violations at the request of the designated labor representative in its project labor agreement.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 41.5. Job Order Contracting for Community College Districts

§ 20665.21. Definitions

As used in this article:

(a) “Adjustment factor” means the job order contractor's competitively bid adjustment to the community college district's prices as published in the unit price catalog.

(b) “Indefinite quantity” means one or more of the construction tasks listed in the unit price catalog.

(c) “Job order” means a firm, fixed priced, lump-sum order issued by the school district to a job order contractor for a definite project scope of work as compiled from the unit price catalog to be performed pursuant to a job order contract.

(d) “Job order contract” means a contract, awarded to a most qualified bidder as described in paragraph (1) of subdivision (b) of Section 20665.24, between the community college district and a licensed, bonded, and general liability insured contractor in which the contractor agrees to a fixed period, fixed-unit price, and indefinite quantity contract that provides for the use of job orders for public works or maintenance projects.

(e) “Job order contract technical specifications” means a book, published by the community college district, detailing the technical specifications with regard to quality of materials and workmanship to be used by the job order contractor in accomplishing the tasks listed in the unit price catalog.

(f) “Job order contractor” means a licensed, bonded, and general liability insured contractor awarded a job order contract.

(g) “Offer to perform work” means the job order contractor's proposal for a specific job order.

(h) “Plans and specifications” means the unit price catalog and the job order contract technical specifications. The scope of work to be performed with a job order contract is potentially, but not necessarily, all the tasks published in the unit price catalog.

(i) “Project” means the specific requirements and work to be accomplished by the job order contractor in connection with an individual job order.

(j) “Project labor agreement” means an agreement that meets the requirements of Section 2500.

(k) “Project scope of work” means the document and related drawings, specifications, and writings referenced therein which together set forth the specific requirements and work to be accomplished by the job order contractor in connection with an individual job order.

(l) “Proposal” means the job order contractor prepared document quoting those construction tasks listed in the unit price catalog that the job order contractor requires to complete the project scope of work, together with the appropriate quantities of each task. The pricing of each task shall be accomplished by multiplying the construction task unit price by the proposed quantity and the contractor's competitively bid adjustment factor. The proposal shall also contain a schedule for the completion of a specific project scope of work as requested by the community college district. The proposal may also contain approved drawings, work schedule, permits, or other documentation as the

community college district may require for a specific job order. The proposal shall be certified as contract compliant by a reviewer independent of the contractor.

(m) “Public works” has the same meaning as in Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(n) “Public works project” has the same meaning as “public project,” as defined in Section 22002.

(*o*) “Subcontractor” means any person, firm, or corporation, other than the employees of the job order contractor, who is bonded and general liability insured and who contracts to furnish labor, or labor and materials, at the worksite or in connection with a job order, whether directly or indirectly on behalf of the job order contractor.

(p) “Community college district” means any community college district.

(q) “Unit price catalog” means a book containing specific construction tasks and the unit prices to install or demolish that construction. The listed tasks shall be based on generally accepted industry standards and information, where available, for various items of work to be performed by the job order contractor. The prices shall include the cost of materials, labor, and equipment for performing the items of work. The prices shall not include overhead and profit. All unit prices shall be developed using local prevailing wages.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 42. Public Entities - Public Work and Public Purchases

§ 20672. Public projects in excess of $3,000; necessity for bids

Any public project by a public leaseback corporation in excess of three thousand dollars ($3,000) shall be constructed under contract awarded to the lowest responsible bidder, and such contract shall require the payment of prevailing wages as determined by the public leaseback corporation in the manner and form provided in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1. Local Agency Public Construction Act
Article 60.4. Job Order Contracting for School Districts

§ 20919.21. Definitions

As used in this chapter:

(a) “Adjustment factor” means the job order contractor's competitively bid adjustment to the school district's prices as published in the unit price catalog.

(b) “Indefinite quantity” means one or more of the construction tasks listed in the unit price catalog.

(c) “Job order” means a firm, fixed priced, lump-sum order issued by the school district to a job order contractor for a definite project scope of work as compiled from the unit price catalog to be performed pursuant to a job order contract.

(d) “Job order contract” means a contract, awarded to a most qualified bidder as described in paragraph (1) of subdivision (b) of Section 20919.24, between the school district and a licensed, bonded, and general liability insured contractor in which the contractor agrees to a fixed period, fixed-unit price, and indefinite quantity contract that provides for the use of job orders for public works or maintenance projects.

(e) “Job order contract technical specifications” means a book, published by the school district, detailing the technical specifications with regard to quality of materials and workmanship to be used by the job order contractor in accomplishing the tasks listed in the unit price catalog.

(f) “Job order contractor” means a licensed, bonded, and general liability insured contractor awarded a job order contract.

(g) “Offer to perform work” means the job order contractor's proposal for a specific job order.

(h) “Plans and specifications” means the unit price catalog and the job order contract technical specifications. The scope of work to be performed with a job order contract is potentially, but not necessarily, all the tasks published in the unit price catalog.

(i) “Project” means the specific requirements and work to be accomplished by the job order contractor in connection with an individual job order.

(j) “Project labor agreement” means an agreement that meets the requirements of Section 2500.

(k) “Project scope of work” means the document and related drawings, specifications, and writings referenced therein which together set forth the specific requirements and work to be accomplished by the job order contractor in connection with an individual job order.

(l) “Proposal” means the job order contractor prepared document quoting those construction tasks listed in the unit price catalog that the job order contractor requires to complete the project scope of work, together with the appropriate quantities of each task. The pricing of each task shall be accomplished by multiplying the construction task unit price by the proposed quantity and the contractor's competitively bid adjustment factor. The proposal shall also contain a schedule for the completion of a specific project scope of work as requested by the school district. The proposal may also contain approved drawings, work schedule, permits, or other documentation as the school district may require for a specific job order. The proposal shall be certified as contract compliant by a reviewer independent of the contractor.

(m) “Public works” has the same meaning as in Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(n) “Public works project” has the same meaning as “public project,” as defined in Section 22002.

(o) “Subcontractor” means any person, firm, or corporation, other than the employees of the job order contractor, who is bonded and general liability insured and who contracts to furnish labor, or labor and materials, at the worksite or in connection with a job order, whether directly or indirectly on behalf of the job order contractor.

(p) “School district” means any school district.

(q) “Unit price catalog” means a book containing specific construction tasks and the unit prices to install or demolish that construction. The listed tasks shall be based on generally accepted industry standards and information, where available, for various items of work to be performed by the job order contractor. The prices shall include the cost of materials, labor, and equipment for performing the items of work. The prices shall not include overhead and profit. All unit prices shall be developed using local prevailing wages.

§20919.27. Prevailing wages

(a) A job order contract shall set forth in the general conditions of the job order contract the party or parties responsible for seeing that the provisions of Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code are complied with.

(b) For purposes of job order contracting, prevailing wages when required to be paid shall apply to all work ordered under the job order contract regardless of thresholds set forth in Section 1771.5 of the Labor Code.

(c) The job order contractor shall pay the prevailing wage in effect at the time the job order is issued by the school district and all increases as published by the Department of Industrial Relations for the term of the job order contract, including all overtime, holiday, and shift provisions published by the Department of Industrial Relations.

(d) The school district shall designate one individual to act as a monitor to inspect job sites for labor compliance violations at the request of the designated labor representative in its project labor agreement.

§ 20919.29. Employment of apprentices

For purposes of employment of apprentices on job order contracts, when the individual job order involves more than thirty thousand dollars ($30,000) or 20 working days, all general contractors or subcontractors shall at all times be in compliance with Section 1777.5 of the Labor Code and shall comply with the following:

(a) Prior to commencing work on an individual job order, every contractor shall submit job order award information to an applicable apprenticeship program that can supply apprentices to the site of the job order. The information submitted shall include an estimate of the journeyman hours to be performed under the contract, the number of apprenticeships proposed to be employed, and the approximate dates the apprentices would be employed. A copy of this information shall also be submitted to the awarding agency if requested by the awarding agency.

(b) The ratio of work performed by apprentices to journeymen employed in a particular craft or trade on the job order may be no higher than the ratio stipulated in the apprenticeship standard under which the apprenticeship program operates where the job order contractor agrees to be bound by those standards but, except as otherwise provided in Section 1777.5 of the Labor Code, in no case shall the ratio be less than one hour of apprenticeship work for every five hours of journeyman work.

(c) Every apprentice employed under the job order contract shall be paid the prevailing rate of per diem wages for apprentices in the trade to which he or she is registered and shall be employed only at the work of the craft or trade to which he or she is registered.

(d) Every apprentice employed under the job order contract shall be hired from the local joint labor management apprenticeship committee that has jurisdiction in the geographic area of the project.

Division 2. General Provisions
Part 3. Contracting by Local Agencies
Chapter 1.5. Water District Acts
Article 100. Yuba County Water Agency

§ 21351. Contracts; bids; performance bonds; work by force account; materials and supplies

All contracts for any improvement or unit of work, when the cost according to the estimate of the engineer will exceed five thousand dollars ($5,000), shall be let to the lowest responsible bidder or bidders as provided in this article. The board shall first determine whether the contract shall be let as a single unit, or divided into severable parts. The board shall advertise for bids by three insertions in a daily newspaper of general circulation or by two insertions in a weekly newspaper of general circulation printed and published by the agency, inviting sealed proposals for the construction or performance of the improvement or work. The call for bids shall state whether the work shall be performed in one unit or divided into parts. The work may be let under a single contract or several contracts, as stated in the call. The board shall require the successful bidders to file with the board good and sufficient bonds to be approved by the board conditioned upon the faithful performance of the contract and upon the payment of their claims for labor and material. The bonds shall comply with Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code. The board may reject any bid. In the event all proposals are rejected or no proposals are received, or the estimated cost of the work does not exceed five thousand dollars ($5,000), or the work consists of channel protection, maintenance work, or emergency work, the board may have the work done by force account without advertising for bids. In case of an emergency, if notice for bids to let contracts will not be given, the board shall comply with Chapter 2.5 (commencing with Section 22050). The board may purchase in the open market without advertising for bids, materials and supplies for use in any work, either under contract or by force account. In awarding any contract or authorizing any work, the board shall comply with the provisions of Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

PUBLIC RESOURCES CODE

Division 3. Oil and Gas
Chapter 1. Oil and Gas Conservation
Article 2.3. Oil, Gas, and Geothermal Administrative Fund: Labor Standards for Funding

§ 3125. Work to plug and abandon wells, decommission production facilities, or remediate well sites; determination of public work

All work to plug and abandon wells, decommission production facilities, or otherwise remediate well sites that is undertaken, funded, or financed by the division pursuant to Section 3226 or 3255 and performed by outside contractors is public work for which

prevailing wages shall be paid for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

§ 3125.1. State-registered apprenticeship programs; creating curriculum; workforce education and training programs

(a) Not later than June 30, 2024, the California Workforce Development Board shall consult with the division in developing and implementing the Oil and Gas Well Capping Pilot initiative established pursuant to the Budget Act of 2022 to assist state-registered apprenticeship programs in creating curriculum for training apprentices and to upskill journeypersons on well capping projects.

(b) The division and other public agencies that receive funds from the Oil, Gas, and Geothermal Administrative Fund pursuant to this chapter shall consult and coordinate with the California Workforce Development Board when promoting or seeking to improve workforce education and training programs for incumbent and entry-level workers that support or advance high-quality work performance and increase priority populations' access to high-quality jobs associated with projects involving the performance of construction, alteration, demolition, installation, repair, or work, including the plugging and abandonment of wells, decommissioning of production facilities, or otherwise remediating well sites pursuant to Section 3226 or 3255.

(c) In developing and implementing workforce development programs to support projects involving the performance of construction, alteration, demolition, installation, repair, or work, including the plugging and abandonment of wells, decommissioning of production facilities, or otherwise remediating well sites pursuant to Section 3226 or 3255, the board, division, and other public agencies shall align with the principles and practices of the high road, high road training partnerships, and high road construction careers as defined in subdivisions (r) to (t), inclusive, of Section 14005 of the Unemployment Insurance Code.

Division 5. Parks and Monuments
Chapter 2. Counties and Cities
Article 6. Municipal Park Improvement District Bonds

§ 5366. Applicability of State Contract Act and Labor Code to this article

The State Contract Act (Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code) and Part 7 (commencing with Section 1720) of Division 2 of the Labor Code shall be applicable to this article.

Division 13. Environmental Quality
Chapter 2.6. General

§ 21080.27. Application of division; activities related to affordable housing, low barrier navigation centers, supportive housing, and transitional housing for youth and young adults undertaken by a public agency in the City of Los Angeles or within the unincorporated areas of Los Angeles County; notice of exemption

[preceding sections omitted]

(e)(1)(A) For an affordable housing project, low barrier navigation center, supportive housing project, or transition housing project for youth and young adults, that is not in its entirety a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, this section applies only if the project sponsor certifies to the lead agency that all of the following will be met for any construction or rehabilitation work:

(i) All construction and rehabilitation workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(ii) The project sponsor ensures that the prevailing wage requirement is included in all contracts for the performance of the work for those portions of the project that are not a public work.

(iii) All contractors and subcontractors for those portions of the project that are not a public work comply with both of the following:

(I) Pay to all construction and rehabilitation workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(II) Maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section. This subclause does not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(B)(i) The obligation of the contractors and subcontractors to pay prevailing wages pursuant to subparagraph (A) may be enforced by any of the following:

(I) The Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project.

(II) An underpaid worker through an administrative complaint or civil action.

(III) A joint labor-management committee through a civil action under Section 1771.2 of the Labor Code.

(ii) If a civil wage and penalty assessment is issued pursuant to this subparagraph, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(iii) This subparagraph does not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(C) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing does not apply to those portions of the project that are not a public work if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(D) The requirement of subparagraph (A) to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(2) In addition to paragraph (1), for an affordable housing project, supportive housing project, or transitional housing project for youth and young adults involving the construction or rehabilitation work of 40 or more housing units, this section applies only if the project sponsor certifies to the lead agency that the work will be subject to a project labor agreement.

(f) If a lead agency determines that an activity is not subject to this division pursuant to subdivision (b), (c), or (d), and determines to approve or carry out the activity, the lead agency shall file a notice of exemption with the Office of Planning and Research and the county clerk in the manner specified in subdivisions (b) and (c) of Section 21108 or subdivisions (b) and (c) of Section 21152.

(g) This section shall remain in effect only until January 1, 2030, and as of that date is repealed.

Division 13. Environmental Quality
Chapter 2.6. General

§ 21080.47. Small Disadvantaged Community Water System or State Small Water System; Definitions; Exemption

[preceding sections omitted]

(d)(1) For a project undertaken by a public agency that is exempt from this division pursuant to this section, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the project unless the entity provides an enforceable commitment to the public agency that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its subcontractors at every tier performing the project or contract to use a skilled and trained workforce.

(e) For a project undertaken by a private entity that is exempt from this division pursuant to this section, the project applicant shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of

Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this subparagraph, then, for those portions of the project that are not a public work, all of the following shall apply:

(i) The project applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii)(I) Except as provided in subclause (III), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project. All of the following requirements shall apply to the project:

(A) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(B) Every contractor and subcontractor shall use a skilled and trained workforce to complete the project.

(C)(i) Except as provided in clause (ii), the applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency pursuant to this clause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

(f) If the lead agency determines that a project is not subject to this division pursuant to this section, and the lead agency determines to approve or carry out that project, the lead agency shall file a notice of exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152.

(g) This section shall remain in effect only until January 1, 2028, and as of that date is repealed.

Division 13. Environmental Quality
Chapter 6. Limitations

§ 21168.6.9. Environmental leadership transit project; application of section; public agency project applicant enforceable commitment; Judicial Council adoption of rules of court for proceeding related to certification of environmental impact report; environmental impact report requirements; certified record of proceeding

[preceding sections omitted]

(c)(1)(A) If the project applicant is a public agency, the project applicant of an environmental leadership transit project shall obtain an enforceable commitment that any bidder, contractor, or other entity undertaking the project will use a skilled and trained workforce to complete the project.

(B) Subparagraph (A) does not apply if either of the following are met:

(i) The project applicant has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the project to use a skilled and trained workforce.

(ii) The bidder, contractor, or other entity has entered into a project labor agreement that will bind all contractors and subcontractors at every tier performing work on the project to use a skilled and trained workforce.

(2) If the project applicant is a private entity, the project applicant of an environmental leadership transit project shall do both of the following:

(A) Certify to the lead agency that either of the following is true:

(i) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(ii) If the project is not in its entirety a public work and the project applicant is not required to pay prevailing wages to all construction workers under Article 2 (commencing with Section 1770) of Chapter 1 of Part 2 of Division 2 of the Labor Code, all construction workers employed on construction of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this clause, then for those portions of the project that are not a public work all of the following shall apply:

(I) The project applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(II) All contractors and subcontractors at every tier shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(III) Except as provided in subclause (V), all contractors and subcontractors at every tier shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(IV) Except as provided in subclause (V), the obligation of the contractors and subcontractors at every tier to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(V) Subclauses (III) and (IV) do not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure.

(VI) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(B) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project. All of the following requirements shall apply to the project:

(i) The project applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the project.

(ii) Every contractor and subcontractor at every tier shall use a skilled and trained workforce to construct the project.

(iii)(I) Except as provided in subclause (II), the project applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency pursuant to this subclause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. A project applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per calendar day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(II) Subclause (I) shall not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

(d) On or before January 1, 2023, the Judicial Council shall adopt rules of court that apply to any action or proceeding brought to attack, review, set aside, void, or annul the certification of an environmental impact report for an environmental leadership transit project or the granting of any project approval that require the action or proceeding, including any potential appeals to the court of appeal or the Supreme Court, to be resolved, to the extent feasible, within 365 calendar days of the filing of the certified record of proceedings with the court.
(e)(1)(A) The draft and final environmental impact report for an environmental leadership transit project shall include a notice in not less than 12-point type stating the following:

THIS ENVIRONMENTAL IMPACT REPORT IS SUBJECT TO SECTION 21168.6.9 OF THE PUBLIC RESOURCES CODE, WHICH PROVIDES, AMONG OTHER THINGS, THAT THE LEAD AGENCY NEED NOT CONSIDER CERTAIN COMMENTS FILED

AFTER THE CLOSE OF THE PUBLIC COMMENT PERIOD, IF ANY, FOR THE DRAFT ENVIRONMENTAL IMPACT REPORT. ANY JUDICIAL ACTION CHALLENGING THE CERTIFICATION OR ADOPTION OF THE ENVIRONMENTAL IMPACT REPORT OR THE APPROVAL OF THE PROJECT DESCRIBED IN SECTION 21168.6.9 OF THE PUBLIC RESOURCES CODE IS SUBJECT TO THE PROCEDURES SET FORTH IN THAT SECTION. A COPY OF SECTION 21168.6.9 OF THE PUBLIC RESOURCES CODE IS INCLUDED IN THE APPENDIX TO THIS ENVIRONMENTAL IMPACT REPORT.

(B) For an environmental leadership transit project for which a draft environmental impact report was issued before January 1, 2022, the lead agency shall, before February 1, 2022, or before the public hearing on the certification of the environmental impact report, whichever is earlier, provide the notice specified in subparagraph (A), in writing, to all parties that have requested notification regarding the project. The lead agency shall include that notice and the appendix required pursuant to paragraph (2) in the final environmental impact report for the project.
(C) For an environmental leadership transit project for which a final environmental impact report was issued before January 1, 2022, the lead agency shall, before February 1, 2022, or before the issuance of the notice of determination, whichever is earlier, do both of the following:

(i) Issue an addendum to the final environmental impact report containing the notice specified in subparagraph (A) and the appendix required pursuant to paragraph (2).

(ii) Provide notice, in writing, of the addendum to all parties that have requested notification regarding the project.

(2) The draft environmental impact report and final environmental impact report shall contain, as an appendix, the full text of this section.

(3) Within 10 calendar days after the release of the draft environmental impact report, the lead agency shall conduct an informational workshop to inform the public of the key analyses and conclusions of that document, as applicable.

(4) Within 10 calendar days before the close of the public comment period, the lead agency shall hold a public hearing to receive testimony on the draft environmental impact report. A transcript of the hearing shall be included as an appendix to the final environmental impact report, as applicable.
(5)(A) Within five calendar days following the close of the public comment period, a commenter on the draft environmental impact report may submit to the lead agency a written request for nonbinding mediation, as applicable. The lead agency shall participate in nonbinding mediation with all commenters who submitted timely comments on the draft environmental impact report and who requested the mediation. Mediation conducted pursuant to this paragraph shall end no later than 35 calendar days after the close of the public comment period.

(B) A request for mediation shall identify all areas of dispute raised in the comment submitted by the commenter that are to be mediated.

(C) The lead agency shall select one or more mediators who shall be retired judges or recognized experts with at least five years' experience in land use and environmental law or science, or mediation. The lead agency shall bear the costs of mediation.

(D) A mediation session shall be conducted on each area of dispute with the parties requesting mediation on that area of dispute.

(E) The lead agency shall adopt, as a condition of approval, any measures agreed upon by the lead agency and any commenter who requested mediation. A commenter who agrees to a measure pursuant to this subparagraph shall not raise the issue addressed by that measure as a basis for an action or proceeding challenging the lead agency's decision to certify the environmental impact report or to grant project approval.
(6) The lead agency need not consider written comments on the draft environmental impact report submitted after the close of the public comment period, unless those comments address any of the following:

(A) New issues raised in the response to comments by the lead agency.

(B) New information released by the lead agency subsequent to the release of the draft environmental impact report, such as new information set forth or embodied in a staff report, proposed permit, proposed resolution, ordinance, or similar documents.

(C) Changes made to the project after the close of the public comment period.

(D) Proposed conditions for approval, mitigation measures, or proposed findings required by Section 21081 or a proposed reporting or monitoring program required by paragraph (1) of subdivision (a) of Section 21081.6, if the lead agency releases those documents subsequent to the release of the draft environmental impact report.

(E) New information that was not reasonably known and could not have been reasonably known during the public comment period.

(7) The lead agency shall file the notice required by subdivision (a) of Section 21152 within five calendar days after the last initial project approval.
(f)(1) The lead agency shall prepare and certify the record of proceedings in accordance with this subdivision and in accordance with Rule 3.2205 of the California Rules of Court.

(2) No later than three business days following the date of the release of the draft environmental impact report, the lead agency shall make available to the public in a readily accessible electronic format the draft environmental impact report and all other

documents relied on by the lead agency in the preparation of the draft environmental impact report. A document prepared by the lead agency after the date of the release of the draft environmental impact report that is a part of the record of proceedings shall be made available to the public in a readily accessible electronic format within five business days after the document is prepared by the lead agency.

(3) Notwithstanding paragraph (2), documents relied on by the lead agency that were not prepared specifically for the project and are copyright protected are not required to be made readily accessible in an electronic format. For those copyright protected documents, the lead agency shall make an index of the documents available in an electronic format no later than the date of the release of the draft environmental impact report, or within five business days if the document is received or relied on by the lead agency after the release of the draft environmental impact report. The index shall specify the libraries or lead agency offices in which hardcopies of the copyrighted materials are available for public review.

(4) The lead agency shall encourage written comments on the project to be submitted in a readily accessible electronic format, and shall make any such comments available to the public in a readily accessible electronic format within five calendar days of their receipt.

(5) Within seven business days after the receipt of any comment that is not in an electronic format, the lead agency shall convert that comment into a readily accessible electronic format and make it available to the public in that format.

(6) The lead agency shall indicate in the record of proceedings comments received that were not considered by the lead agency pursuant to paragraph (6) of subdivision (e) and need not include the content of the comments as a part of the record of proceedings.

(7) Within five calendar days after the filing of the notice required by subdivision (a) of Section 21152, the lead agency shall certify the record of proceedings for the approval or determination and shall provide an electronic copy of the record of proceedings to a party that has submitted a written request for a copy. The lead agency may charge and collect a reasonable fee from a party requesting a copy of the record of proceedings for the electronic copy, which shall not exceed the reasonable cost of reproducing that copy.

(8) Within 10 calendar days after being served with a complaint or a petition for a writ of mandate, the lead agency shall lodge a copy of the certified record of proceedings with the superior court.

(9) Any dispute over the content of the record of proceedings shall be resolved by the superior court. Unless the superior court directs otherwise, a party disputing the content

of the record of proceedings shall file a motion to augment the record of proceedings at the time it files its initial brief.

(10) The contents of the record of proceedings shall be as set forth in subdivision (e) of Section 21167.6.

(g) This section applies only to an environmental leadership transit project that is approved by the lead agency on or before January 1, 2025.

(h) This section shall only apply to the first seven projects obtaining a certified environmental impact report and meeting the requirements of this section.

(i) This section shall remain in effect only until January 1, 2026, and as of that date is repealed.

Division 13. Environmental Quality
Chapter 6.5. Jobs and Economic Improvement Through Environmental Leadership Act of 2021

§ 21183.5. Use of skilled and trained workforce; applicant certifications; project requirements

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

(1) “Project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(2) “Skilled and trained workforce” has the same meaning as set forth in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(b)(1) For a project undertaken by a public agency that is certified under this chapter, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the project unless the entity provides an enforceable commitment to the public agency that the entity and its contractors and subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:
(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors at every tier performing work on the project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its contractors and subcontractors at every tier performing work on the project or contract to use a skilled and trained workforce.

(c) For a project undertaken by a private entity that is certified under this chapter, the applicant shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the project is not in its entirety a public work, all construction workers employed in the execution of the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations under Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this subparagraph, then, for those portions of the project that are not a public work, all of the following shall apply:

(i) The applicant shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors at every tier shall pay to all construction workers employed in the execution of the work on the project or contract at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii)(I) Except as provided in subclause (III), all contractors and subcontractors at every tier shall maintain and verify payroll records under Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of all contractors and subcontractors at every tier to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment under Section 1741 of the Labor Code, which may be reviewed under Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code.

If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages under Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors at every tier performing work on the project or contract are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project or contract and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted under Section 511 or 514 of the Labor Code.
(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the project or contract. All of the following requirements shall apply to the project:

(A) The applicant shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the project.

(B) Every contractor and subcontractor at every tier shall use a skilled and trained workforce to complete the project.

(C)(i) Except as provided in clause (ii), the applicant shall provide to the lead agency, on a monthly basis while the project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency under this clause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. An applicant that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments under Section 1741 of the Labor Code, and may be reviewed

under the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors at every tier performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

Division 13. Environmental Quality
Chapter 6.9. Old Town Center Redevelopment in the City of San Diego

§ 21189.70.8. Prequalification for contract; exceptions; project undertaken by private entity; workforce requirements; contractors and subcontractors

(a)(1) For a transit and transportation facilities project undertaken by a public agency, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the transit and transportation facilities project unless the entity provides an enforceable commitment to the public agency that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the transit and transportation facilities project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(a)(1) For a transit and transportation facilities project undertaken by a public agency, except as provided in paragraph (2), an entity shall not be prequalified or shortlisted or awarded a contract by the public agency to perform any portion of the transit and transportation facilities project unless the entity provides an enforceable commitment to the public agency that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the transit and transportation facilities project or contract that falls within an apprenticeable occupation in the building and construction trades.

(2) Paragraph (1) does not apply if any of the following requirements are met:

(A) The public agency has entered into a project labor agreement that will bind all contractors and subcontractors performing work on the transit and transportation facilities project or contract to use a skilled and trained workforce, and the entity agrees to be bound by that project labor agreement.

(B) The transit and transportation facilities project or contract is being performed under the extension or renewal of a project labor agreement that was entered into by the public agency before January 1, 2021.

(C) The entity has entered into a project labor agreement that will bind the entity and all of its subcontractors at every tier performing the transit and transportation facilities project or contract to use a skilled and trained workforce.

(b) For a transit and transportation facilities project undertaken by a private entity, the transit and transportation facilities project proponent shall do both of the following:

(1) Certify to the lead agency that either of the following is true:

(A) The entirety of the transit and transportation facilities project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(B) If the transit and transportation facilities project is not in its entirety a public work, all construction workers employed in the execution of the transit and transportation facilities project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the transit and transportation facilities project is subject to this subparagraph, then, for those portions of the transit and transportation facilities project that are not a public work, all of the following shall apply:

(i) The transit and transportation facilities project proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(ii) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(iii)(I) Except as provided in subclause (III), all contractors and subcontractors shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided by that section.

(II) Except as provided in subclause (III), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the transit and transportation facilities project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the

assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(III) Subclauses (I) and (II) do not apply if all contractors and subcontractors performing work on the transit and transportation facilities project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the transit and transportation facilities project and provides for enforcement of that obligation through an arbitration procedure.

(iv) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing shall not apply if otherwise provided in a bona fide collective bargaining agreement covering the worker. The requirement to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

(2) Certify to the lead agency that a skilled and trained workforce will be used to perform all construction work on the transit and transportation facilities project. All of the following requirements shall apply to the transit and transportation facilities project:

(A) The transit and transportation facilities project proponent shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to complete the transit and transportation facilities project.

(B) Every contractor and subcontractor shall use a skilled and trained workforce to complete the transit and transportation facilities project.

(C)(i) Except as provided in clause (ii), the transit and transportation facilities project proponent shall provide to the lead agency, on a monthly basis while the transit and transportation facilities project or contract is being performed, a report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. A monthly report provided to the lead agency pursuant to this clause shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection. A transit and transportation facilities project proponent that fails to provide a monthly report demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code shall be subject to a civil penalty of ten thousand dollars ($10,000) per month for each month for which the report has not been provided. Any contractor or subcontractor that fails to use a skilled and trained workforce shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of the skilled and trained workforce requirement. Penalties may be assessed by the Labor Commissioner within 18 months of completion of the transit and transportation facilities

project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 1741 of the Labor Code, and may be reviewed pursuant to the same procedures in Section 1742 of the Labor Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(ii) Clause (i) does not apply if all contractors and subcontractors performing work on the transit and transportation facilities project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure.

Division 13. Environmental Quality
Chapter 7. Infrastructure Projects

§ 21189.81. Definitions

For purposes of this chapter, the following definitions apply:

(a) “Applicant” means a public or private entity or its affiliates, or a person or entity that undertakes a public works project, that proposes a project and its successors, heirs, and assignees.

(b) “Disadvantaged community” means an area identified by the California Environmental Protection Agency pursuant to Section 39711 of the Health and Safety Code or an area identified as a disadvantaged unincorporated community pursuant to Section 65302.10 of the Government Code.

(c) “Electrical transmission facility project” means a project for the construction and operation of an electrical transmission facility the meets either of the following:

(1) An electrical transmission facility project identified by the Independent System Operator in its annual transmission planning process that meets either of the following criteria:

(A) The project will facilitate delivery of electricity from renewable energy resources or zero-carbon resources.

(B) The project will facilitate delivery of electricity from energy storage projects.

(2) An electrical transmission facility project identified by a local publicly owned electric utility that would satisfy a transmission expansion need approved by the governing body of the local publicly owned electric utility and that meets either of the following criteria:
(A) The project will facilitate delivery of electricity from renewable energy resources or zero-carbon resources.

(B) The project will facilitate delivery of electricity from energy storage projects.

(d)(1) “Energy infrastructure project” means any of the following:
(A) An eligible renewable energy resource, as defined in Section 399.12 of the Public Utilities Code, excluding resources that utilize biomass fuels.

(B) New energy storage systems of 20 megawatts or more, that are capable of discharging for at least two hours, provided that a pumped hydro facility may qualify only if it is less than or equal to 500 megawatts and has been directly appropriated funding by the state before January 1, 2023.

(C) A project for which the applicant has certified that a capital investment of at least two hundred fifty million dollars ($250,000,000) made over a period of five years and the project is for either of the following:

(i) The manufacture, production, or assembly of an energy storage system or component manufacturing, wind system or component manufacturing, and solar photovoltaic energy system or component manufacturing.

(ii) The manufacture, production, or assembly of specialized products, components, or systems that are integral to renewable energy or energy storage technologies.

(D) An electric transmission facility project, provided that nothing in this chapter affects the jurisdiction of the California Coastal Commission pursuant to Division 20 (commencing with Section 30000) to regulate such projects if located in the coastal zone.

(E) An energy infrastructure project does not include projects utilizing hydrogen as a fuel.

(2) Any project to develop a facility within the meaning of subdivision (b) of Section 25545 shall meet the requirements of Sections 25545.3.3 and 25545.3.5, except that those requirements shall also apply to solar photovoltaic and terrestrial wind electrical generating power plants with a generating capacity of between 20 and 50 megawatts and energy storage projects capable of storing between 80 and 200 megawatt hours of electrical energy.

(e) “Infrastructure project” means a project that is certified pursuant to Sections 21189.82 and 21189.83 as any of the following:
(1) An energy infrastructure project.

(2) A semiconductor or microelectronic project.
(3) A transportation-related project.

(4) A water-related project.

(f) “Semiconductor or microelectronic project” means a project that meets the requirements related to investment in new or expanded facilities and is awarded funds under the federal Creating Helpful Incentives to Produce Semiconductors Act of 2022 (Public Law 117-167),1 commonly known as the CHIPS Act of 2022, and the requirements of Section 21183.5.

(g)(1) “Transportation-related project” means a transportation infrastructure project that advances one or more of, and does not conflict with, the following goals related to the Climate Action Plan for Transportation Infrastructure adopted by the Transportation Agency:

(A) Build toward an integrated, statewide rail and transit network.

(B) Invest in networks of safe and accessible bicycle and pedestrian infrastructure.

(C) Include investments in light-, medium-, and heavy-duty zero-emission vehicle infrastructure.

(D) Develop a zero-emission freight transportation system.

(E) Reduce public health and economic harms and maximize community benefits.

(F) Make safety improvements to reduce fatalities and severe injuries of all users towards zero.

(G) Assess and integrate assessments of physical climate risk.

(H) Promote projects that do not significantly increase passenger vehicle travel.

(I) Promote compact infill development while protecting residents and businesses from displacement.

(J) Protect natural and working lands.

(2) Transportation-related projects are public works for the purposes of Section 1720 of the Labor Code and shall comply with the applicable provisions of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(h)(1) “Water-related project” means any of the following:

(A) A project that is approved to implement a groundwater sustainability plan that the Department of Water Resources has determined is in compliance with Sections 10727.2 and 10727.4 of the Water Code or to implement an interim groundwater sustainability plan adopted pursuant to Section 10735.6 of the Water Code.

(B)(i) A water storage project funded by the California Water Commission pursuant to Chapter 8 (commencing with Section 79750) of Division 26.7 of the Water Code.
(ii) In addition to clause (i), the applicant shall demonstrate that the project will minimize the intake or diversion of water except during times of surplus water and prioritizes the discharge of water for ecological benefits or to mitigate an emergency, including, but not limited to, dam repair, levee repair, wetland restoration, marshland restoration, or habitat preservation, or other public benefits described in Section 79753 of the Water Code.

(C) Projects for the development of recycled water, as defined in Section 13050 of the Water Code.

(D) Contaminant and salt removal projects, including groundwater desalination and associated treatment, storage, conveyance, and distribution facilities. This shall not include seawater desalination.

(E) Projects exclusively for canal or other conveyance maintenance and repair.

(2) Water-related projects are public works for the purposes of Section 1720 of the Labor Code and shall comply with the applicable provisions of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(3) “Water-related project” does not include the design or construction of through-Delta conveyance facilities of the Sacramento-San Joaquin Delta.

Division 30. Waste Management
Part 1. Integrated Waste Management
Chapter 3. Department of Resources Recycling and Recovery
Article 4. Debris Cleanup and Removal

§ 40520. Prequalifications for contractors to enter into contracts in communities impacted by wildfires

(a) As used in this section:

(1) “Contract” means a contract between the department and a contractor to perform wildfire debris cleanup and removal.

(2) “The department” means either the Department of Resources Recycling and Recovery or another state agency tasked to manage contracts for wildfire debris cleanup and removal by the Office of Emergency Services, within the office of the Governor, in accordance with the California Emergency Services Act (Chapter 7 (commencing with Section 8550) of Division 1 of Title 2 of the Government Code).

(b)(1) The department shall prequalify contractors to enter into contracts in communities impacted by wildfires. These contracts may be entered into before the onset of major

damage in order to retain the contractor in readiness to respond to incidents as needed. Work performed under a contract entered into pursuant to this section shall be limited to preparation, removal, transport, and recycling or disposal of metals, ash, debris, concrete foundations and flatwork, potentially dangerous trees, and contaminated soil on residential and public properties included in the structural debris removal function.

(2) The department shall require any contractor seeking to enter into a contract before the onset of major damage to obtain and submit to the department a standard form of questionnaire and financial statement, including a complete statement of the bidder's financial ability and experience in performing the preparation, removal, transport, and recycling or disposal of metals, ash, debris, concrete foundations and flatwork, potentially dangerous trees, and contaminated soil on residential and public properties. The bidder shall verify the questionnaire and financial statement under oath in the manner in which pleadings in civil actions are verified.

(c) The department shall not award a contract to any bidder for the performance of any portion of a wildfire debris cleanup and removal project, unless the bidder meets the following requirements:

(1) The prime contractor has a valid general engineering contractor license pursuant to the Contractors State License Law (Chapter 9 (commencing with Section 7000) of Division 3 of the Business and Professions Code) with a state hazardous substance removal certification as described in Section 7058.7 of the Business and Professions Code.

(2) The prime contractor is registered with the Department of Industrial Relations and qualified to bid pursuant to Sections 1725.5 and 1771.1 of the Labor Code.

(3) The prime contractor provides enforceable commitments to do both of the following:

(A) Use a skilled and trained workforce to perform work under the contract, consistent with federal reimbursement requirements, which falls within an apprenticeable occupation pursuant to Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code, for itself and its subcontractors.

(B) Pay prevailing wages and request the dispatch of apprentices, in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, for itself and its subcontractors.

(4) The prime contractor demonstrates the existence of, for itself and its subcontractors at every tier, an agreement with a registered apprenticeship program, approved by the California Apprenticeship Council, that has graduated apprentices in each of the preceding five years.

(5) The prime contractor will self-perform at least 30 percent of the labor hours provided under the contract, as demonstrated by its certified payroll.

(6) (6) The prime contractor's experience modification rate, within the state, for the most recent three-year period is an average of 1.00 or less, and its average total recordable injury or illness rate and average lost work rate for the most recent three-year period does not exceed the applicable statistical standards for its business category, or if the contractor is a party to an alternative dispute resolution system in accordance with Section 3201.5 of the Labor Code.

Division 30. Waste Management
Part 4. Solid Waste Facilities
Chapter 2. Solid Waste Handling and Disposal
Article 3. Closure Plans

§ 43501. Certification of financial arrangements; submission of closure and postclosure maintenance plan

(a) A person owning or operating a solid waste landfill, as defined in Section 40195.1, shall do both of the following:

(1) Upon application to become an operator of a solid waste facility pursuant to Section 44001, certify to the board and the local enforcement agency that all of the following have been accomplished:

(A) The owner or operator has prepared an initial estimate of closure and postclosure maintenance costs.

(i) The board shall adopt regulations that provide for an increase in the initial closure and postclosure maintenance cost estimates to account for cost overruns due to unforeseeable circumstances, and to provide a reasonable contingency comparable to that which is built into cost estimates for other, similar public works projects.

(ii) The board shall adopt regulations on or before January 1, 2008, that require closure and postclosure maintenance cost estimates to be based on reasonably foreseeable costs the state may incur if the state would have to assume responsibility for the closure and postclosure maintenance due to the failure of the owner or operator. Cost estimates shall include, but not be limited to, estimates in compliance with Sections 1770, 1773, and 1773.1 of the Labor Code, and the replacement and repair costs for longer lived items, including, but not limited to, repair of the environmental control systems.

(B) The owner or operator has established a trust fund or equivalent financial arrangement acceptable to the board, as specified in Article 4 (commencing with Section 43600).

(C) The amounts that the owner or operator will deposit annually in the trust fund or equivalent financial arrangement acceptable to the board will ensure adequate resources for closure and postclosure maintenance.

(2) Submit to the regional water board, the local enforcement agency, and the board a plan for the closure of the solid waste landfill and a plan for the postclosure maintenance of the solid waste landfill.

(b) Notwithstanding subparagraph (C) of paragraph (1) of subdivision (a) or any other provision of law, if the owner or operator is a county with a population of 200,000 or less, as determined by the 1990 decennial census, the county shall not be required to make annual deposits in excess of the amount required by the federal act or any other applicable federal law, or by any board-approved formula that meets the requirements of the federal act.

(c) If not in conflict with federal law or regulations, a county or city may, with regard to a solid waste landfill owned or operated by the county or city, base its estimate of closure and post closure maintenance costs on the costs of employing county or city employees or persons under contract with the county or city in performing closure and post closure maintenance. However, even if, to meet federal requirements, the cost estimate is based on the most expensive costs of closure and post closure maintenance performed by a third party, the county or city may, to effect cost savings, employ county or city employees or employ persons under contract to actually perform closure operations or post closure maintenance operations.

Division 43. The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal protection Bond Act of 2006
Chapter 10. Miscellaneous Provisions

§ 75075. Labor compliance program; adoption and enforcement

The body awarding any contract for a public works project financed in any part from funds made available pursuant to this division shall adopt and enforce, or contract with a third party to enforce, a labor compliance program pursuant to subdivision (b) of Labor Code Section 1771.5 for application to that public works project.

PUBLIC UTILITIES CODE

Division 1. Regulation of Public Utilities
Part 1. Public Utilities Act
Chapter 2.3. Electrical Restructuring
Article 16. California Renewables Portfolio Standard Program

§ 399.13. Annual preparation of renewable energy procurement plan by electrical corporations; proposal, review, and adoption by commission as part of general procurement plan process; report on necessity of electrical transmission facility; annual compliance report by retail sellers; duties of commission; contracts; penalties; recovery of procurement and administrative costs

(a)(1) The commission shall direct each electrical corporation to annually prepare a renewable energy procurement plan that includes the elements specified in paragraph (6), to satisfy its obligations under the renewables portfolio standard. To the extent feasible, this procurement plan shall be proposed, reviewed, and adopted by the commission as part of, and pursuant to, a general procurement plan process. The commission shall require each electrical corporation to review and update its renewable energy procurement plan as it determines to be necessary. The commission shall require all other retail sellers to prepare and submit renewable energy procurement plans that address the requirements identified in paragraph (6).

(2)(A) Every electrical corporation that owns electrical transmission facilities shall annually prepare, as part of the Federal Energy Regulatory Commission Order 890 process, and submit to the commission, a report identifying any electrical transmission facility, upgrade, or enhancement that is reasonably necessary to achieve the renewables portfolio standard procurement requirements of this article. Each report shall look forward at least five years and, to ensure that adequate investments are made in a timely manner, shall include a preliminary schedule when an application for a certificate of public convenience and necessity will be made, pursuant to Chapter 5 (commencing with Section 1001), for any electrical transmission facility identified as being reasonably necessary to achieve the renewable energy resources procurement requirements of this article. Each electrical corporation that owns electrical transmission facilities shall ensure that project-specific interconnection studies are completed in a timely manner.

(B) Each electrical corporation that owns electrical transmission facilities shall annually prepare, and submit to the commission, a report on any changes to previously reported in-service dates of transmission and interconnection facilities necessary to provide transmission deliverability to eligible renewable energy resources or energy storage resources that have executed interconnection agreements. The report shall be provided concurrently with each electrical corporation's annual renewable energy procurement plan and identify the reason for any changes to the status of in-service dates.

(3) The commission shall direct each retail seller to prepare and submit an annual compliance report that includes all of the following:

(A) The current status and progress made during the prior year toward procurement of eligible renewable energy resources as a percentage of retail sales, including, if applicable, the status of any necessary siting and permitting approvals from federal, state, and local agencies for those eligible renewable energy resources procured by the retail seller, and the current status of compliance with the portfolio content requirements of subdivision (c) of Section 399.16, including procurement of eligible renewable energy resources located outside the state and within the WECC and unbundled renewable energy credits.

(B) If the retail seller is an electrical corporation, the current status and progress made during the prior year toward construction of, and upgrades to, transmission and distribution facilities and other electrical system components it owns to interconnect eligible renewable energy resources and to supply the electricity generated by those resources to load, including the status of planning, siting, and permitting transmission facilities by federal, state, and local agencies.

(C) Recommendations to remove impediments to making progress toward achieving the renewable energy resources procurement requirements established pursuant to this article.

(4) The commission shall review each annual compliance report filed by a retail seller. The commission shall notify a retail seller if the commission has determined, based upon its review, that the retail seller may be at risk of not satisfying the renewable energy procurement requirements for the then-current or a future compliance period and shall provide recommendations in that circumstance regarding satisfying those requirements.

(5) The commission shall adopt, by rulemaking, all of the following:

(A) A process that provides criteria for the rank ordering and selection of least-cost and best-fit eligible renewable energy resources to comply with the California Renewables Portfolio Standard Program obligations on a total cost and best-fit basis. This process shall take into account all of the following:

(i) Estimates of indirect costs associated with needed transmission investments.

(ii) The cost impact of procuring the eligible renewable energy resources on the electrical corporation's electricity portfolio.

(iii) The viability of the project to construct and reliably operate the eligible renewable energy resource, including the developer's experience, the feasibility of the technology used to generate electricity, and the risk that the facility will not be built, or that

construction will be delayed, with the result that electricity will not be supplied as required by the contract.

(iv) Workforce recruitment, training, and retention efforts, including the employment growth associated with the construction and operation of eligible renewable energy resources and goals for recruitment and training of women, minorities, and disabled veterans.

(v)(I) Estimates of electrical corporation expenses resulting from integrating and operating eligible renewable energy resources, including, but not limited to, any additional wholesale energy and capacity costs associated with integrating each eligible renewable resource.

(II) No later than December 31, 2015, the commission shall approve a methodology for determining the integration costs described in subclause (I).

(vi) Consideration of any statewide greenhouse gas emissions limit established pursuant to the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code).

(vii) Consideration of capacity and system reliability of the eligible renewable energy resource to ensure grid reliability.

(B) Rules permitting retail sellers to accumulate, beginning January 1, 2011, excess procurement in one compliance period to be applied to any subsequent compliance period. The rules shall apply equally to all retail sellers. In determining the quantity of excess procurement for the applicable compliance period, the commission shall retain the rules adopted by the commission and in effect as of January 1, 2015, for the compliance period specified in subparagraphs (A) to (C), inclusive, of paragraph (1) of subdivision (b) of Section 399.15. For any subsequent compliance period, the rules shall allow the following:

(i) For electricity products meeting the portfolio content requirements of paragraph (1) of subdivision (b) of Section 399.16, contracts of any duration may count as excess procurement.

(ii) Electricity products meeting the portfolio content requirements of paragraph (2) or (3) of subdivision (b) of Section 399.16 shall not be counted as excess procurement. Contracts of any duration for electricity products meeting the portfolio content requirements of paragraph (2) or (3) of subdivision (b) of Section 399.16 that are credited towards a compliance period shall not be deducted from a retail seller's procurement for purposes of calculating excess procurement.

(iii) If a retail seller notifies the commission that it will comply with the provisions of subdivision (b) for the compliance period beginning January 1, 2017, the provisions of clauses (i) and (ii) shall take effect for that retail seller for that compliance period.

(C) Standard terms and conditions to be used by all electrical corporations in contracting for eligible renewable energy resources, including performance requirements for renewable generators. A contract for the purchase of electricity generated by an eligible renewable energy resource, at a minimum, shall include the renewable energy credits associated with all electricity generation specified under the contract. The standard terms and conditions shall include the requirement that, no later than six months after the commission's approval of an electricity purchase agreement entered into pursuant to this article, the following information about the agreement shall be disclosed by the commission: party names, resource type, project location, and project capacity.

(D) An appropriate minimum margin of procurement above the minimum procurement level necessary to comply with the renewables portfolio standard to mitigate the risk that renewable projects planned or under contract are delayed or canceled. This paragraph does not preclude an electrical corporation from voluntarily proposing a margin of procurement above the appropriate minimum margin established by the commission.

(6) Consistent with the goal of increasing California's reliance on eligible renewable energy resources, the renewable energy procurement plan shall include all of the following:

(A) An assessment of annual or multiyear portfolio supplies and demand to determine the optimal mix of eligible renewable energy resources with deliverability characteristics that may include peaking, dispatchable, baseload, firm, and as-available capacity.

(B) Potential compliance delays related to the conditions described in paragraph (5) of subdivision (b) of Section 399.15.

(C) A bid solicitation setting forth the need for eligible renewable energy resources of each deliverability characteristic, required online dates, and locational preferences, if any.

(D) A status update on the development schedule of all eligible renewable energy resources currently under contract.

(E) Consideration of mechanisms for price adjustments associated with the costs of key components for eligible renewable energy resource projects with online dates more than 24 months after the date of contract execution.

(F) An assessment of the risk that an eligible renewable energy resource will not be built, or that construction will be delayed, with the result that electricity will not be delivered as required by the contract.

(7) In soliciting and procuring eligible renewable energy resources, each electrical corporation shall offer contracts of no less than 10 years duration, unless the commission approves of a contract of shorter duration.

(8)(A) In soliciting and procuring eligible renewable energy resources for California-based projects, each electrical corporation shall give preference to renewable energy projects that provide environmental and economic benefits to communities afflicted with poverty or high unemployment, or that suffer from high emission levels of toxic air contaminants, criteria air pollutants, and greenhouse gases.

(B) Subparagraph (A) applies to all procurement of eligible renewable energy resources for California-based projects, whether the procurement occurs through all-source requests for offers, eligible renewable resources only requests for offers, or other procurement mechanisms. This subparagraph is declaratory of existing law.

(9) In soliciting and procuring eligible renewable energy resources, each retail seller shall consider the best-fit attributes of resource types that ensure a balanced resource mix to maintain the reliability of the electrical grid.

(b)(1) A retail seller may enter into a combination of long- and short-term contracts for electricity and associated renewable energy credits. Beginning January 1, 2021, at least 65 percent of the procurement a retail seller counts toward the renewables portfolio standard requirement of each compliance period shall be from its contracts of 10 years or more in duration or in its ownership or ownership agreements for eligible renewable energy resources.

(2) In demonstrating compliance with paragraph (1), a retail seller may rely on contracts of 10 years or more in duration or ownership agreements entered into before January 1, 2019, directly by its direct access, as described in Section 365.1, nonprofit educational institution end-use customer for eligible renewable energy resources located in front of the customer meter to satisfy the portion of the compliance requirement attributable to the retail sales to that end-use customer. A retail seller shall furnish to the commission documentation deemed necessary by the commission to verify compliance with this paragraph.

(c) The commission shall review and accept, modify, or reject each electrical corporation's renewable energy resource procurement plan prior to the commencement of renewable energy procurement pursuant to this article by an electrical corporation. The commission shall assess adherence to the approved renewable energy resource procurement plans in determining compliance with the obligations of this article.

(d) Unless previously preapproved by the commission, an electrical corporation shall submit a contract for the generation of an eligible renewable energy resource to the commission for review and approval consistent with an approved renewable energy resource procurement plan. If the commission determines that the bid prices are elevated due to a lack of effective competition among the bidders, the commission shall direct the electrical corporation to renegotiate the contracts or conduct a new solicitation.

(e) If an electrical corporation fails to comply with a commission order adopting a renewable energy resource procurement plan, the commission shall exercise its authority to require compliance.

(f)(1) The commission may authorize a procurement entity to enter into contracts on behalf of customers of a retail seller for electricity products from eligible renewable energy resources to satisfy the retail seller's renewables portfolio standard procurement requirements. The commission shall not require any person or corporation to act as a procurement entity or require any party to purchase eligible renewable energy resources from a procurement entity.

(2) Subject to review and approval by the commission, the procurement entity shall be permitted to recover reasonable administrative and procurement costs through the retail rates of end-use customers that are served by the procurement entity and are directly benefiting from the procurement of eligible renewable energy resources.

(g) Procurement and administrative costs associated with contracts entered into by an electrical corporation for eligible renewable energy resources pursuant to this article and approved by the commission are reasonable and prudent and shall be recoverable in rates.

Division 1. Regulation of Public Utilities
Part 1. Public Utilities Act
Chapter 3. Rights and Obligations of Public Utilities
Article 1. Rates

§ 465. Custodial or janitorial labor; bids; prevailing wages; exception

(a) Except as provided in subdivision (c), whenever any labor of a custodial or janitorial nature is not performed by the employees of a public utility, such labor shall be let out under contract to the lowest responsible bidder with the provision that prevailing wages be a condition of any such contract. For the purposes of this section, “prevailing wages” shall be deemed to include employer payments for health and welfare, pension, holidays, sick leave, vacation, apprenticeship or other training programs.

(b) A public utility shall implement the provisions of subdivision (a) by requiring the entity with which it contracts to pay its custodial or janitorial employees the prevailing wage.

The public utility awarding the contract shall cause to be inserted in the contract a stipulation that the failure to pay prevailing wages shall be cause for the termination of the contract.

(c) Nothing in this section shall prevent a public utility from employing a custodial or janitorial service for a period of 90 days or less without a contract meeting the requirements of subdivision (a) of this section.

(d) The Director of the Department of Industrial Relations shall determine the prevailing wage for custodial or janitorial employees in accordance with the standards set forth in Section 1773 of the Labor Code.

§ 466. Custodial or janitorial labor; contractors and subcontractors; payroll records

Pursuant to Section 465, the contractor to whom the contract is awarded and any subcontractor under him shall pay not less than the specified prevailing wage to all workmen performing custodial or janitorial labor in the excecution1 of the contract.

Each contractor and subcontractor shall keep an accurate payroll record, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each janitorial and custodial worker employed by him in connection with the contract. The contractor's and subcontractor's payroll records shall be available for inspection at all reasonable hours, and a copy shall be made available upon request to the employee, or his authorized representative, and the Division of Labor Standards Enforcement. After a complaint has been filed with the Division of Labor Standards Enforcement alleging that the contractor or the subcontractor has paid less than the prevailing wage, the contractor or subcontractor shall upon receipt of a written notice from the Division of Labor Standards Enforcement within 10 days file with the public utility and the Division of Labor Standards Enforcement a certified copy of the payroll records.

Division 1. Regulation of Public Utilities
Part 1. Public Utilities Act
Chapter 4. Regulation of Public Utilities
Article 2. Rates

§ 740.13. Transportation electrification pilot programs at school facilities and other educational institutions; guidelines for use; construction and maintenance; mechanism for cost recovery; participation

(a) For purposes of this section, the following terms have the following meanings:

(1) “Charging station” means the removable equipment that provides alternating or direct current to the battery electric vehicle or plug-in hybrid electric vehicle, but does

not include the supporting charging infrastructure, such as wiring, conduit, and electric panel.
(2) “Educational institution” has the same meaning as defined in Section 22129 of the Education Code.

(3) “School facility” means owned or leased improved real property used for the purpose of the private or public education of more than 12 children in kindergarten or any of grades 1 to 12, inclusive, or in any combination thereof, or any other facility of a school district or county office of education where activities described in subdivision (c) are provided, but does not include any private school in which education is conducted primarily in private homes.

(b) By July 30, 2018, an electrical corporation may file with the commission a pilot program proposal for the installation of electrical grid integrated charging stations at school facilities and other educational institutions. The proposal may include parameters for the installation of charging infrastructure for transportation vehicles, such as schoolbuses, owned by a school district, county office of education, private school, or other educational institution. By December 31, 2018, the commission shall review, modify if appropriate, and decide whether to approve a pilot program proposal filed by an electrical corporation.

(c) A school district, county office of education, private school, or other educational institution choosing to participate in the program shall have the authority to establish guidelines for use of the charging stations installed pursuant to the approved program, which may include use by faculty, students, and parents, before, during, and after school hours at those times that the school facilities or other educational institutions are operated for purposes of providing education or school-related activities, including, but not limited to, parent-teacher conferences, clubs, theater, and athletic events, and by any other persons present for those activities and events.

(d) Construction and maintenance of the charging stations and infrastructure shall be managed in coordination with the school district, county office of education, private school, or other educational institution.

(e) The approved pilot program shall include a reasonable mechanism for cost recovery by the electrical corporation if the commission finds all of the following are true:

(1) The costs to be recovered are consistent with a cost limitation approved by the commission for the pilot program.

(2) The pilot program seeks to minimize overall costs and maximize overall benefits.

(3) The pilot program does not unfairly compete with nonutility enterprises as required under Section 740.3.

(4) The pilot program includes performance accountability measures.

(5) The pilot program is in the interests of ratepayers, as defined in Section 740.8.

(f) Charging stations installed pursuant to a pilot program approved by the commission pursuant to this section shall be installed and maintained by the utility workforce, or by workers who are paid the prevailing wage for all program-related work. The Director of Industrial Relations shall determine the prevailing wage in accordance with the standards set forth in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code. A nonutility enterprise installing or maintaining charging stations and infrastructure pursuant to a pilot program approved by the commission shall submit wage schedules to the commission as part of its application and shall make all payroll records available to the commission for enforcement purposes pursuant to this part. Certified payrolls submitted to the commission shall be public records.

(g) A school facility or other educational institution receiving charging stations pursuant to the approved pilot program shall participate in a time-variant rate approved by the commission. A school district, county office of education, private school, or other educational institution may require users of the charging stations to pay electricity costs.

(h) An electrical corporation shall prioritize in its proposal school facilities and other educational institutions located in disadvantaged communities. For these purposes, “disadvantaged communities” means communities identified by the California Environmental Protection Agency pursuant to the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code).

(i) Participation in the approved pilot program shall not prevent a school district, county office of education, private school, or other educational institution from participating in other transportation electrification programs. After a school district, county office of education, private school, or other educational institution has participated in the program for eight years, the school district, county office of education, private school, or other educational institution may cease participation in the pilot program and request removal of the charging station by providing 180-day notice to the electrical corporation.

§ 740.14. Electrical grid integrated charging stations; pilot program; cost recovery; installation and maintenance; disadvantaged communities

(a) By July 30, 2018, in consultation with the Department of Parks and Recreation, Public Utilities Commission, Energy Commission, and State Air Resources Board, each electrical corporation may file with the commission a pilot program proposal for the installation of electrical grid integrated charging stations at state parks and beaches within its service territory. By December 31, 2018, the commission shall review, modify if appropriate, and decide whether to approve a pilot program proposal filed by an

electrical corporation. The Department of Parks and Recreation shall determine which state parks or beaches are suitable for charging stations.

(b) The approved pilot program shall include a reasonable mechanism for cost recovery by an electrical corporation if the commission finds all of the following are true:

(1) The costs to be recovered are consistent with a cost limitation approved by the commission for the pilot program.

(2) The pilot program seeks to minimize overall costs and maximize overall benefits.

(3) The pilot program does not unfairly compete with nonutility enterprises as required under Section 740.3.

(4) The pilot program includes performance accountability measures for the electrical corporation or, for charging equipment installed and maintained by a nonutility enterprise, performance accountability measures for the nonutility enterprise.

(5) The pilot program is in the interests of ratepayers, as defined in Section 740.8.

(c) Charging stations installed pursuant to a pilot program approved by the commission pursuant to this section shall be installed and maintained by the utility workforce, or by workers who are paid the prevailing wage for all program-related work. The Director of Industrial Relations shall determine the prevailing wage in accordance with the standards set forth in Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code. A nonutility enterprise installing or maintaining charging equipment pursuant to a pilot program approved by the commission shall submit wage schedules to the commission as part of its application and shall make all payroll records available to the commission for enforcement purposes pursuant to this part. Certified payrolls submitted to the commission shall be public records.

(d) State parks and beaches receiving charging stations pursuant to the approved pilot program shall participate in a time-variant rate approved by the commission.

(e) An electrical corporation shall prioritize in its proposal those state parks and beaches that serve residents of disadvantaged communities. For these purposes, “disadvantaged communities” means communities identified by the California Environmental Protection Agency pursuant to the Greenhouse Gas Reduction Fund Investment Plan and Communities Revitalization Act (Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code).

(f) Except for costs incurred in determining park and beach suitability pursuant to subdivision (a) and potential liability under the Government Claims Act (Division 3.6 (commencing with Section 810) of Title 1 of the Government Code), the Department of Parks and Recreation shall not be required to incur any costs or liability related to the

installation, use, or maintenance of the charging stations for the pilot program's duration.

Division 1. Regulation of Public Utilities
Part 1. Public Utilities Act
Chapter 4. Regulation of Public Utilities
Article 3. Equipment, Practices, and Facilities

§ 769.2. Application of public works project requirements to the construction of renewable electrical generation facilities and associated battery storage

(a) Notwithstanding paragraph (1) of subdivision (a) of Section 1720 of the Labor Code, construction of any renewable electrical generation facility, and any associated battery storage, after December 31, 2023, that receives service pursuant to the standard contract or tariff developed pursuant to Section 2827.1, shall constitute a public works project for purposes of Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code, except as specified in subdivision (f).

(b) A contractor who enters into a contract to perform work on a renewable electrical generation facility or associated battery storage described in subdivision (a) shall do all of the following:

(1) The contractor shall pay each construction worker employed in the execution of the work, at minimum, the general prevailing rate of per diem wages, except that an apprentice registered in a program approved by the Chief of the Division of Apprenticeship Standards shall be paid, at minimum, the applicable apprentice prevailing rate.

(2) The contractor shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section. Notwithstanding Section 1776 of the Labor Code, the contractor shall not be required to provide copies of certified payroll records to any entity other than the Department of Industrial Relations and the commission.

(3) The contractor shall biannually, on July 1 and December 31 of each year, submit to the commission digital copies of its certified payroll records for projects subject to this section. The commission shall retain these records as public records for five years.

(c) The requirement imposed in paragraph (1) of subdivision (b) may be enforced through any of the following mechanisms:

(1) Within 18 months after completing the renewable electrical generation facility, by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code.

(2) By an underpaid construction worker or apprentice through an administrative complaint or civil action.

(3) By a joint labor-management committee through a civil action pursuant to Section 1771.2 of the Labor Code.

(d) If a willful violation of this section has been enforced against a contractor for the construction of a renewable electrical generation facility pursuant to subdivision (c), that facility shall not be eligible to receive service pursuant to a standard contract or tariff developed pursuant to Section 2827 or 2827.1.

(e) The commission shall require each large electrical corporation to include the requirements of this section in any standard contract or tariff offered pursuant to Section 2827.1.

(f)(1) This section does not apply to a residential renewable electrical generation facility that is eligible to receive service pursuant to the standard contract or tariff developed pursuant to Section 2827.1 and has a maximum generating capacity of 15 kilowatts or less of electricity.

(2) This section does not apply to a residential renewable electrical generation facility that is eligible to receive service pursuant to the standard contract or tariff developed pursuant to Section 2827.1 and that is installed on a single-family home.

(3) This section does not apply to a project that is a public work, as defined in Section 1720 of the Labor Code, and that is subject to Article 2 (commencing with Section 1770) of Chapter 1 of Part 7 of Division 2 of the Labor Code.

(4) This section does not apply to a renewable electrical generation facility that serves only a modular home, a modular home community, or multiunit housing that has two or fewer stories.

Division 1. Regulation of Public Utilities
Part 1. Public Utilities Act
Chapter 4. Regulation of Public Utilities
Article 3. Equipment, Practices, and Facilities

§ 769.3. Evaluation of customer renewable energy subscription programs; establishment of community renewable energy program

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

(1) “Community choice aggregator” has the same meaning as defined in Section 331.1.

(2) “Customer renewable energy subscription program” does not include the net energy metering program specified in Sections 2827 and 2827.1 or the Multifamily Affordable

Housing Solar Roofs Program established pursuant to Chapter 9.5 (commencing with Section 2870) of Part 2. “Customer renewable energy subscription program” includes an alternative designed for growth among residential customers in disadvantaged communities pursuant to paragraph (1) of subdivision (b) of Section 2827.1.

(3) “Low-income customer” means either of the following:

(A) An individual or household who qualifies for one or more of the following programs:

(i) The California Alternate Rates for Energy (CARE) program described in Section 739.1.

(ii) The Family Electric Rate Assistance (FERA) program described in Section 739.12.

(iii) The CalFresh program established pursuant to Chapter 10 (commencing with Section 18900) of Part 6 of Division 9 of the Welfare and Institutions Code.

(iv) The federal Supplemental Nutrition Assistance Program (SNAP) (Chapter 51 (commencing with Section 2011) of Title 7 of the United States Code).

(v) The Low-income Heating Energy Assistance Program (LIHEAP) (42 U.S.C. Sec. 8621).

(B) An individual or household who resides within an underserved community.

(4) “Underserved community” includes each of the following:

(A) A “low-income community” as defined in Section 39713 of the Health and Safety Code.

(B) A community within an area identified as among the 25 percent most disadvantaged areas in the state according to the California Environmental Protection Agency and based on the most recent California Communities Environmental Health Screening Tool, also known as CalEnviroScreen, that is used to identify disadvantaged communities pursuant to Section 39711 of the Health and Safety Code.

(C) A community located on lands belonging to a California Native American tribe, as defined in Section 21073 of the Public Resources Code.

(b) On or before March 31, 2024, the commission shall, in a new or existing proceeding, do both of the following:

(1)(A) Evaluate each customer renewable energy subscription program, including the Green Tariff Shared Renewables Program (Chapter 7.6 (commencing with Section

2831) of Part 2) and any program established as an alternative designed for growth among residential customers in disadvantaged communities pursuant to paragraph (1) of subdivision (b) of Section 2827.1, to determine if the program meets all of the following goals:

(i) Efficiently serves distinct customer groups.

(ii) Minimizes duplicative offerings.

(iii) Promotes robust participation by low-income customers.

(B) Consider, as part of the evaluation, the energy load migration trends among bundled and nonbundled customers and any associated risks with maintaining or creating a customer renewable energy subscription program.

(C) If the commission determines a customer renewable energy subscription program does not meet all of the goals described in subparagraph (A), authorize the termination or modification of the program.

(2)(A) Determine whether it would be beneficial to ratepayers to establish a new tariff or program for an electrical corporation, or modify an existing tariff or program administered by an electrical corporation, to establish a community renewable energy program consistent with the criteria described in subdivision (c). If the commission determines that it would be beneficial to ratepayers to establish the community renewable energy program, the commission shall, on or before July 1, 2024, establish the program as part of the same proceeding and require each electrical corporation to participate in the program.

(B) If the commission establishes a community renewable energy program pursuant to subparagraph (A), each community choice aggregator and electric service provider, within 180 days of the establishment of the program, shall notify the commission whether it will participate in the program. A community choice aggregator or electric service provider may begin participating in, or end its participation in, the program at any time by notifying the commission.

(c) The community renewable energy program, if established, shall do all of the following:

(1) Be complementary to, and consistent with, the requirements of Section 10-115 of the California Building Standards Code (Title 24 of the California Code of Regulations). For purposes of this paragraph, the commission shall consult with the Energy Commission.

(2) Ensure at least 51 percent of the program's capacity serves low-income customers.

(3) Minimize impacts to nonparticipating customers by prohibiting the program's costs from being paid by nonparticipating customers in excess of the avoided costs. Qualifying funds for financial incentives shall only be available through an appropriation by the Legislature.

(4)(A) Except as provided in subparagraph (B), require that all of the following requirements apply to the construction of a community renewable energy facility pursuant to the program:

(i) All construction workers employed in the execution of the project shall be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(ii) The owner of the community renewable energy facility shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work.

(iii) All contractors and subcontractors shall maintain payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section.

(iv) The requirement on contractors and subcontractors to pay prevailing wages pursuant to this section may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(B) Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and subparagraph (A) shall not apply to the construction of a community renewable energy facility pursuant to the program if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires the payment of prevailing wages and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as defined in Section 2500 of the Public Contract Code.

(5) Provide bill credits to subscribers based on the avoided costs of the program's facilities, as determined by the commission's methods for calculating the full set of benefits of distributed energy resources. The commission may use actual wholesale

market prices for the energy supply portion of an avoided cost calculation or credit value.
(6) Prioritize the maximum use of state and federal incentives and accelerate implementation of the program to ensure that time- or quantity-limited federal incentives can be obtained for the benefit of subscribers. As part of this prioritization, the commission shall ensure that a community renewable energy facility participating in the community renewable energy program is eligible for an enhanced federal investment tax credit available as a qualified low-income economic benefit project pursuant to subsection (e) of Section 48 of Title 26 of the United States Code.

Division 1.5. California Consumer Power and Conservation Financing Authority Act
Chapter 3. The California Consumer Power and Conservation Financing Authority
Article 5. Generation Facilities

§ 3354. Compliance with public works and public agencies

All generation facilities constructed or improved pursuant to this division shall comply with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

Division 7. Public Utility District Act
Chapter 4. Powers and Functions of Districts
Article 3. Utility Works and Services

§ 16461.5. Shasta Dam Area Public Utility District; undeveloped property; public works construction

(a) The Shasta Dam Area Public Utility District may construct those public works necessary for the industrial and commercial development of any undeveloped property owned by the district prior to January 12, 1990. A decision by the Shasta Dam Area Public Utility District to construct public works pursuant to this section is a legislative act subject to referendum pursuant to Article 2 (commencing with Section 9340) of Chapter 4 of Division 9 of the Elections Code. The improvements shall comply with all of the ordinances, resolutions, policies, and other standards of the city or county in which the property is located, and comply with all state laws governing public works and public agencies.

(b) Any contract awarded by the Shasta Dam Area Public Utility District pursuant to this section shall be considered a public works project subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(c) None of the costs for public works constructed pursuant to this section shall be borne by Shasta Dam Area Public Utility District customers.

Division 10. Transit Districts
Part 12. Santa Clara Valley Transportation Authority
Chapter 5. Powers and Functions of District
Article 4. Construction Manager/General Contractor Project Delivery Contracts

§ 100152. Bidding requirements for public works projects

Any public works project that is contracted for pursuant to this article shall be subject to the requirements of Section 1771.4 of the Labor Code.

Division 10. Transit Districts
Part 14. Sacramento Regional Transit District
Chapter 5. Powers and Functions of District
Article 5. Transit Facilities and Service

§ 102284. Joint use agreements

(a) The district may enter into agreements for the joint use of any property and rights by the district and any public agency or public utility operating transit facilities; may enter into agreements with any public agency or public utility operating any transit facilities, and wholly or partially within or without the district, for the joint use of any property of the district or of the public agency or public utility, or the establishment of through routes, joint fares, transfer of passengers or pooling arrangements.

(b) In addition to any power described in subdivision (a), the district may enter into agreements for the joint use or joint development of any property or rights by the district and any public agency, or public utility operating transit facilities or nontransit facilities, or both, or any other person, firm, corporation, association, organization, or other entity, public or private, either, in whole or in part, within or outside the district, for the joint use or development of any nontransit facilities of the district or of the public agency, public utility, person, firm, corporation, association, organization, or other entity, public or private, for the establishment of through routes, joint fares, transfer of passengers, pooling arrangements, station cost-sharing, connector fees, or land, air, or development rights, sales or leasing, necessary for, incidental to, or convenient for, the full exercise of the powers granted in this chapter. For the purpose of this section, the following terms have the following meanings:

(1) “Joint development” includes, but is not limited to, agreements with any person, firm, corporation, association, organization, or other entity, public or private, to develop or to engage in the planning, financing, construction, or operation of nontransit district facilities or development projects adjacent, or physically or functionally related, to district transit facilities.

(2) “Development project” includes, but is not limited to, projects for any use or mixed use including public, commercial, or residential uses.

(3) “Nontransit facilities,” includes, but is not limited to, any land, buildings, or equipment, or interest therein, that is used for the production of transit revenue not arising from the operation of a transit system.

(c) Construction projects or works of improvement for facilities authorized by the district under the terms of a joint development agreement that is approved under the authority conferred by this section shall be considered a public works project subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and shall be enforced by the Department of Industrial Relations in the same manner in which it carries out this responsibility under the Labor Code.

§ 102288. Acquisition of facilities; approval of installations in highways

(a) The district may acquire, construct, own, operate, control, or use rights-of-way, rail lines, buslines, stations, platforms, switches, yards, terminals, parking lots, and any and all facilities necessary or convenient for transit service, within or partly outside the district, underground, upon, or above the ground and under, upon or over public streets or other public ways or waterways, together with all physical structures necessary or convenient for the access of persons or vehicles thereto, and may acquire any interest in or rights to use or joint use of any or all of the foregoing; however, installations in state freeways are subject to the approval of the Department of Transportation, and installations in other state highways are subject to Article 2 (commencing with Section 670) of Chapter 3 of Division 1 of the Streets and Highways Code. Installations in county highways and city streets are subject to similar encroachment permits.

(b) In addition to any power described in subdivision (a), the district may, to the extent that it is not expressly provided for in subdivision (a), develop, lease, jointly develop, or jointly use air rights, land rights, development rights, rights-of-way, rail trackage, entrances and exits, and any and all fixed facilities and structures physically or functionally related to transit service.

(c) Construction projects or works of improvement for facilities authorized by the district under the terms of a joint development agreement that is approved under the authority conferred by this section shall be considered a public works project subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and shall be enforced by the Department of Industrial Relations in the same manner in which it carries out this responsibility under the Labor Code.

Division 10. Transit Districts
Part 15. San Mateo County Transit District
Chapter 5. Powers and functions of district
Article 12. Construction Manager/General Contractor Project Delivery Contracts

§ 103396. Bidding requirements for public works projects

Any public works project that is contracted for pursuant to this article shall be subject to the requirements of Section 1771.4 of the Labor Code.

Division 12. County Transportation Commissions
Chapter 4. Powers and Functions
Article 2. Contracts

§ 130242. Private entities; transit systems; facilities; subcontractors

(a) In addition to the other powers it possesses, the Los Angeles County Metropolitan Transportation Authority may enter into contracts with private entities, the scope of which may combine within a single contract all or some of the planning, design, permitting, development, joint development, construction, construction management, acquisition, leasing, installation, and warranty of all or components of (1) transit systems, including, without limitation, passenger loading or intermodal station facilities, and (2) facilities on real property owned or to be owned by the authority. The authority may solicit or award contracts pursuant to this subdivision after a majority vote of the members of the authority.

(b) A contract awarded pursuant to this section may include operation and maintenance elements, if the inclusion of those elements (1) is necessary, in the reasonable judgment of the authority, to assess vendor representations and warranties, performance guarantees, or life-cycle efficiencies, and (2) does not conflict with collective bargaining agreements to which the authority is a party. The authority may award contracts pursuant to this subdivision after a finding, by a two-thirds vote of the members of the authority, that awarding the contract will achieve for the authority a more competitive solicitation process with respect to quality, timeliness, price, and other private sector efficiencies, relevant to the integration of design, project work, and components.

(c) Any construction, alteration, demolition, repairs, or other works of improvement performed under a contract awarded pursuant to this section shall be considered a public works project subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code, and shall be enforced by the Department of Industrial Relations in the same way it carries out this responsibility under the Labor Code.

(d) A contract under this section shall be let to the lowest responsible bidder whose bid is responsive to the criteria set forth in the invitation for bids, or, at the authority's discretion, to a contractor chosen by a competitive bidding process that employs

objective selection criteria that may include, but are not limited to, the proposed design approach, features, functions, life-cycle costs, and other criteria deemed appropriate by the authority, in addition to price. Notice requesting bids or proposals shall be published at least once in a newspaper of general circulation. For contracts estimated to exceed ten million dollars ($10,000,000), publication shall be made at least 60 days before the receipt of the bids or price proposals. For contracts estimated not to exceed ten million dollars ($10,000,000), publication shall be made at least 30 days before the receipt of the bids or price proposals. The authority, at its discretion, may reject any and all bids and proposals, and may readvertise. All bids and price proposals submitted pursuant to this section shall be presented under sealed cover and shall be accompanied by one of the following forms of bidder security: (1) cash, (2) a cashier's check made payable to the authority, (3) a certified check made payable to the authority, or (4) a bidder's bond executed by an admitted surety insurer, made payable to the authority. Upon an award, the security of each unsuccessful bidder shall be returned in a reasonable period of time, but in no event shall that security be held by the authority beyond 60 days from the time the award is made.

(e) When the design of portions of the project permits the selection of subcontractors, the contractor shall competitively bid those portions. The contractor shall provide to the authority a list of subcontractors whose work is in excess of one-half of 1 percent of the total project cost as soon as the subcontractors are identified. Once listed, the subcontractors shall have the rights provided in the Subletting and Subcontracting Fair Practices Act (Chapter 4 (commencing with Section 4100) of Part 1 of Division 2 of the Public Contract Code).

REVENUE AND TAXATION CODE

Division 2. Other Taxes
Part 10. Personal Income Tax
Chapter 2. Imposition of Tax

§ 17053.99. Certification of a certified studio construction project by the California Film Commission

A taxpayer seeking certification of a certified studio construction project by the California Film Commission shall do both of the following:

(a) Certify to the California Film Commission that either of the following is true:

(1) The entirety of the project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(2) The project is not in its entirety a public work for which prevailing wages must be paid under Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code, but all construction workers employed on the project will be paid at

least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the project is subject to this paragraph, then for those portions of the project that are not a public work all of the following shall apply:

(A) The taxpayer shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) Except as provided in subparagraph (E), all contractors and subcontractors performing construction work shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided therein.

(D) Except as provided in subparagraph (E), the obligation of the contractors and subcontractors to pay prevailing wages may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, or by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee through a civil action under Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(E) Subparagraphs (C) and (D) shall not apply if all contractors and subcontractors performing construction work on the project are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the project and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(b) Certify to the California Film Commission that a skilled and trained workforce will be used to perform all construction work on the proposed project.

(1) For purposes of this section, “skilled and trained workforce” has the same meaning as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(2) If the taxpayer has certified that a skilled and trained workforce will be used to construct all work on the project, the following shall apply:

(A) The taxpayer shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the project.

(B) Every contractor and subcontractor shall use a skilled and trained workforce to construct the project.

(C) For purposes of this subdivision, “taxpayer” has the same meaning as “awarding body” as provided in Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(D) Contractors and subcontractors that fail to use a skilled and trained workforce shall be subject to the penalties provided in Section 2603 of the Public Contract Code. Penalties for a contractor's or subcontractor's failure to comply with the requirement to use a skilled and trained workforce may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 2603 of the Public Contract Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(E) The taxpayer shall provide copies of the monthly reports demonstrating compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code to the California Film Commission on a monthly basis while the project or contract is being performed. These reports shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection.

(F) Subparagraphs (C) to (E), inclusive, shall not apply if all contractors and subcontractors performing work on the project are subject to a project labor agreement that requires compliance with the skilled and trained workforce requirement and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, “project labor agreement” has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

STREETS AND HIGHWAYS CODE

Division 1. State Highways
Chapter 3. The Care and Protection of State Highways
Article 2. Permit provisions

§ 670.1. Permit to owner or developer of adjacent property; improvement of local traffic access

(a) The department may issue a permit to the owner or developer of property adjacent to or near a state highway to construct, alter, repair, or improve any portion of the highway for the purpose of improving local traffic access, if the improvements to the highway are required as part of, or as a condition to, the development of property and the improvements are accepted by the department.

(b) The permit may be issued only if the work within the highway right-of-way is to be performed in accordance with plans and specifications approved by the department and the department reserves the right to inspect and accept the work as complying with the approved plans and specifications.

(c) All road, bridge, street lighting, or installation of signal work performed under a permit issued pursuant to this section for acceptance into the state highway system, except work performed solely to allow private encroachments onto the state highway or for utility or drainage encroachments within the state highway, are public works for purposes of Part 7 (commencing with Section 1720) of Division 2 of the Labor Code.

Division 16. Highway Districts
Part 3. Bridge and Highway Districts
Chapter 10. Duties of District Officers

§ 27189. Repair or replacement of structures or district property in cases of great emergency

In cases of great emergency, including but not limited to states of emergency as defined in subdivision (b) of Section 8558 of the Government Code, the board of directors of a bridge and highway district may proceed at once to replace or repair any and all structures, roadway, or property of the district that may be rendered unusable or unsafe without adopting the plans, specifications, strain sheets or working details or giving notice for bids to let contracts. The work may be done by day labor under the direction of the board, by contract, or by a combination of the two. If the work is done wholly or in part by contract, the contractor shall be paid the actual cost of the use of machinery and tools and of material and labor expended by him in doing the work, plus not more than 15 percent to cover all profits, supervision, and other expenses. No more than the lowest current market prices shall be paid for materials. Not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, fixed as provided in Chapter 1 (commencing with Section 1720)

of Part 7 of Division 2 of the Labor Code, shall be paid to all workmen employed on such works.

WATER CODE

Division 5. Flood Control
Part 1. Local Flood Control
Chapter 1. Flood Control by Cities
Article 1. General Provisions

§ 8007. Public works projects; criteria

A capital improvement project undertaken by a charter city to extend that city's water, sewer, or storm drain system or similar system to a disadvantaged community in an unincorporated area shall be considered a public work for the purpose of Section 1720 of the Labor Code, but any subsequent project to construct, expand, reconstruct, install, or repair such systems that have been so extended and that are conducted within that city's political boundaries shall not be considered a public work for the purpose of Section 1720 of the Labor Code as a result of the extension. For the purpose of this section, “disadvantaged community” means a disadvantaged community as defined in Section 79505.5.

Division 29.5. Eligible Energy Resource Central Procurement
Chapter 3. Department Powers

§ 80820. Eligible energy resource procurement activities; development and adoption of procedures and requirements to govern competitive procurement; criteria for evaluation of bids; bidder’s certification requirements

(a)(1) Consistent with Sections 380, 454.51, 454.52, 454.53, and 454.54 of the Public Utilities Code and this division, if the commission requests the department to procure eligible energy resources, and the department elects to exercise its central procurement function to conduct one or more competitive solicitations or enter into contracts for eligible energy resources pursuant to paragraph (4) of subdivision (a) of Section 454.52 of the Public Utilities Code, the commission, in consultation with the department, shall develop and adopt procedures and requirements that govern competitive procurement by, obligations on, and recovery of costs incurred by the department pursuant to this division.

(2) The commission and the department shall establish a procurement group to advise the department on the procurement undertaken pursuant to this division.

(3) The department shall not enter into new contracts pursuant to this division on or after January 1, 2035.

(b) In evaluating the bids received through a solicitation, the department shall consider all of the following:

(1) For eligible energy resources dependent on the development of a project, that project's viability, including, but not limited to, developer experience, developer financial strength and creditworthiness sufficient to eliminate financing contingencies, and the status of required permits and licenses, including a commitment to submit a consistency certification provided pursuant to the federal Coastal Zone Management Act of 1972 (16 U.S.C. Sec. 1451 et seq.) to the California Coastal Commission for offshore wind energy development projects, to the extent required.

(2) The ability to meet in-service dates offered during the solicitation and the ability to meet those in-service dates without escalation in cost.

(3) The useful life of the project.

(4) The capability to supply energy, capacity, and ancillary services at locations, times of day, and for durations that meet the state's energy resource needs, as determined by the department and the commission.

(5) The bidder's economic and local community impact, workforce development needs and opportunities, environmental impact mitigation plan, and equipment acquisition and supply chain investment plan.
(6) A plan to contribute to large-scale, regional, or statewide baseline and ongoing monitoring of coastal waters and wildlife, if applicable.

(7) Any other criteria determined by the commission or the department.

(c) Every bid for the development of an eligible energy resource project selected by the department shall include the bidder's certification that either of the following are true:

(1) The entirety of the construction of the eligible energy resource project is a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(2) The construction of the eligible energy resource project is not in its entirety a public work for which prevailing wages are required to be paid pursuant to Article 1 (commencing with Section 1720) of Chapter 1 of Part 7 of Division 2 of the Labor Code, but all construction workers employed on the project will be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate. If the eligible energy resource project is subject to this

paragraph, for those portions of the eligible energy resource project that are not a public work, all of the following requirements shall apply:

(A) The bidder shall ensure that the prevailing wage requirement is included in all contracts for the performance of all construction work.

(B) All contractors and subcontractors shall pay to all construction workers employed in the construction of the eligible energy resource project at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(C) All contractors and subcontractors performing construction work on the eligible energy resource project shall employ apprentices at no less than the ratio required in Section 1777.5 of the Labor Code.

(D) Except as specified in subparagraph (F), all contractors and subcontractors performing construction work shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code, make those records available for inspection and copying pursuant to Section 1776 of the Labor Code, and furnish those payroll records to the Labor Commissioner pursuant to Section 1771.4 of the Labor Code.

(E) Except as specified in subparagraph (F), the obligation of the contractors and subcontractors to pay prevailing wages and employ apprentices may be enforced by the Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the project, by an underpaid worker through an administrative complaint or civil action, or by a joint labor-management committee though a civil action pursuant to Section 1771.2 of the Labor Code. If a civil wage and penalty assessment is issued, the contractor, subcontractor, and surety on a bond issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(F) Subparagraphs (D) and (E) do not apply if all contractors and subcontractors performing construction work on the eligible energy resource project are subject to a project labor agreement. The project labor agreement shall also include, but not be limited to, all of the following requirements:

(i) Provisions requiring payment of prevailing wages to all construction workers employed in the construction of the eligible energy resource project and for enforcement of that obligation through an arbitration procedure.

(ii) Targeted hiring provisions, including a targeted hiring plan, on a craft-by-craft basis to address job access for local, disadvantaged, or underrepresented workers, as defined by a relevant local agency.

(iii) Apprenticeship use provisions that commit all parties to increasing the share of work performed by state-registered apprentices above the state-mandated minimum ratio required in Section 1777.5 of the Labor Code.

(iv) Apprenticeship use provisions that commit all parties to hiring and retaining a certain percentage of state-registered apprentices that have completed the multicraft core preapprenticeship training curriculum described in Section 14005 of the Unemployment Insurance Code.

(d) Every bid for the development of an eligible energy resource project selected by the department shall include the bidder's certification that a skilled and trained workforce will be used to perform all construction work on the eligible energy resource project, consistent with all of the following requirements:

(1) The bidder shall require in all contracts for the performance of work that every contractor and subcontractor at every tier will individually use a skilled and trained workforce to construct the eligible energy resource project.

(2) Every contractor and subcontractor shall use a skilled and trained workforce to construct the eligible energy resource project.

(3) Except as specified in subdivision (c), contractors and subcontractors that fail to use a skilled and trained workforce shall be subject to the penalties provided in Section 2603 of the Public Contract Code. Penalties for a contractor's or subcontractor's failure to comply with the requirement to use a skilled and trained workforce may be assessed by the Labor Commissioner within 18 months of completion of the project using the same procedures for issuance of civil wage and penalty assessments pursuant to Section 2603 of the Public Contract Code. Penalties shall be paid to the State Public Works Enforcement Fund.

(4) For purposes of this subdivision, a bidder shall be considered to be an “awarding body” under Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code. Except as specified in paragraph (5), the bidder shall retain records, including copies of monthly reports, that demonstrate compliance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code while the eligible energy resource project or contract is being performed and for three years after completion of the eligible energy resource project or contract. The bidder shall submit these records immediately upon request of the commission. When submitted to the commission, these records shall be a public record under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1 of the Government Code) and shall be open to public inspection.

(5) Paragraphs (3) and (4) do not apply if all contractors and subcontractors performing work on the eligible energy resource project are subject to a project labor agreement. The project labor agreement shall also include, but not be limited to, all of the following requirements:

(A) Provisions requiring compliance with the skilled and trained workforce requirement and for enforcement of that obligation through an arbitration procedure.

(B) Targeted hiring provisions, including a targeted hiring plan, on a craft-by-craft basis to address job access for local, disadvantaged, or underrepresented workers, as defined by a local agency.

(C) Apprenticeship use provisions that commit all parties to increasing the share of work performed by state-registered apprentices above the state-mandated minimum ratio required by Section 1777.5 of the Labor Code.

(D) Apprenticeship use provisions that commit all parties to hiring and retaining a certain percentage of state-registered apprentices that have completed the Multi-Craft Core preapprenticeship training curriculum described in Section 14005 of the Unemployment Insurance Code.

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

(1) “Construction” means any new construction work and subsequent construction and construction maintenance work following initial completion that is contracted out to a contractor in the construction industry, including construction work on a barge, construction staging area, or construction area when being used as a construction work platform and the rigging and hoisting of construction materials directly from a barge, construction staging area, or construction area into the construction process for a construction project. “Construction” does not include the loading and unloading of cargo to and from vessels and the movement of cargo to and from vessels at any port facility to the cargo's point of rest.

(2) “Project labor agreement” has the same meaning as defined in Section 2500 of the Public Contract Code.
(3) “Skilled and trained workforce” has the same meaning as defined in Section 2601 of the Public Contract Code.

WELFARE AND INSTITUTIONS CODE

Division 2.5 Youths
Chapter 1. The Youth Authority
Article 4. Powers and Duties of Youth Authority

§ 1752.9. Lease of land; terms

The Department of the Youth Authority, with the approval of the Director of General Services, may lease land at any institution under its jurisdiction, at a nominal rental, to any nonprofit or eleemosynary corporation. The terms of the lease shall require the corporation to construct a house of worship on such land, and to maintain and operate the same primarily for the use of Youth Authority wards and staff. All work as an employee on such house of worship performed under contract or by day labor shall be subject to the provisions of Division 2, Part 7, of the Labor Code.

Division 2.5 Youths
Chapter 1. The Youth Authority
Article 8. Work Furloughs

§ 1832. Arrangement for and nature of employment; wage rate; labor dispute

If the Youth Authority work furlough administrator so directs that the ward be permitted to continue in his regular employment, the administrator shall arrange for a continuation of such employment so far as possible without interruption. If the ward does not have regular employment, and the administrator has authorized the ward to secure employment for himself, the ward may do so, and the administrator may assist him in doing so. Any employment so secured must be suitable for the ward. Such employment must be at a wage at least as high as the prevailing wage for similar work in the area where the work is performed and in accordance with the prevailing working conditions in such area. In no event may any such employment be permitted where there is a labor dispute in the establishment in which the ward is, or is to be, employed.

Division 5. Community Mental Health Services
Part 7. Behavioral Health Services and Supports
Chapter 1. Behavioral Health Continuum Infrastructure Program

§ 5960.3. Facility projects

(a) Notwithstanding any other law, a facility project funded by a grant pursuant to this chapter shall be deemed consistent and in conformity with any applicable local plan, standard, or requirement, and allowed as a permitted use, within the zone in which the structure is located, and shall not be subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals.

(b) Notwithstanding any other law, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) shall not apply to a project, including a phased project, funded by a grant pursuant to this chapter if, where applicable, all of the following applicable requirements are satisfied:

(1) The project is not acquired by eminent domain.

(2) The project applicant demonstrates that the project is, and will continue to be, licensed by and in good standing with the department or other state licensing entity at the time of, and for the duration of, occupancy. The project shall be in decent, safe, and sanitary condition at the time of occupancy.

(3) The project applicant requires all contractors and subcontractors performing work on the facility project to pay prevailing wages for any proposed rehabilitation, construction, or major alterations in accordance with Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code.

(4) The project applicant obtains an enforceable commitment that all contractors and subcontractors performing work on the project will use a skilled and trained workforce for any proposed rehabilitation, construction, or major alterations in accordance with Chapter 2.9 (commencing with Section 2600) of Part 1 of Division 2 of the Public Contract Code.

(5) The project applicant submits to the lead agency a letter of support, or other durable documentary proof for the project, from a county, city, or other local public entity for any new proposed construction, major alteration work, or rehabilitation.

(6) The project applicant demonstrates that not less than ninety-five percent of the total cost of any new construction, facility acquisition, or rehabilitation project is paid for with public funds, private non-profit funds, or philanthropic funds.

(7) The project applicant demonstrates that the project expands the availability of behavioral health treatment services in the subject jurisdiction.

(8) The project applicant demonstrates that there are long-term covenants and restrictions that require the project to be used to provide behavioral health treatment for no less than 30 years, and those covenants and restrictions may not be amended or extinguished by a subsequent title holder, owner, or operator.

(9) The project does not result in any increase in the existing onsite development footprint of structures or improvements.

(c) If a project applicant determines that a project is not subject to the California Environmental Quality Act pursuant to this section, and the lead agency for the project publicly concurs in that determination, the project applicant shall file a notice of

exemption with the Office of Planning and Research and the county clerk of the county in which the project is located in the manner specified in subdivisions (b) and (c) of Section 21152 of the Public Resources Code.