



Pre-State Allocation Board Forum

December 12, 2012



Division of the
State Architect



Office of
Public School Construction



California Department of Education



Office of Public School Construction

December State Allocation Board Meeting Overview

Labor Compliance Program (LCP)

Pursuant to Assembly Bill (AB) 1506, a LCP is required for all SFP projects funded from either proposition 47 (2002) or Proposition 55 (2004) and the notice to proceed date is either on or after April 1, 2003

- Proposition 1A (1998) and Proposition 1D (2006) are not subject to AB 1506 LCP Requirements, regardless of the construction contract award date, but are required to AB 436 (CMU)
- Projects where the construction contract was awarded after January 1, 2012 are not subject to these requirements
- LCP requirements are prescribed in Labor Code Section 1771.5

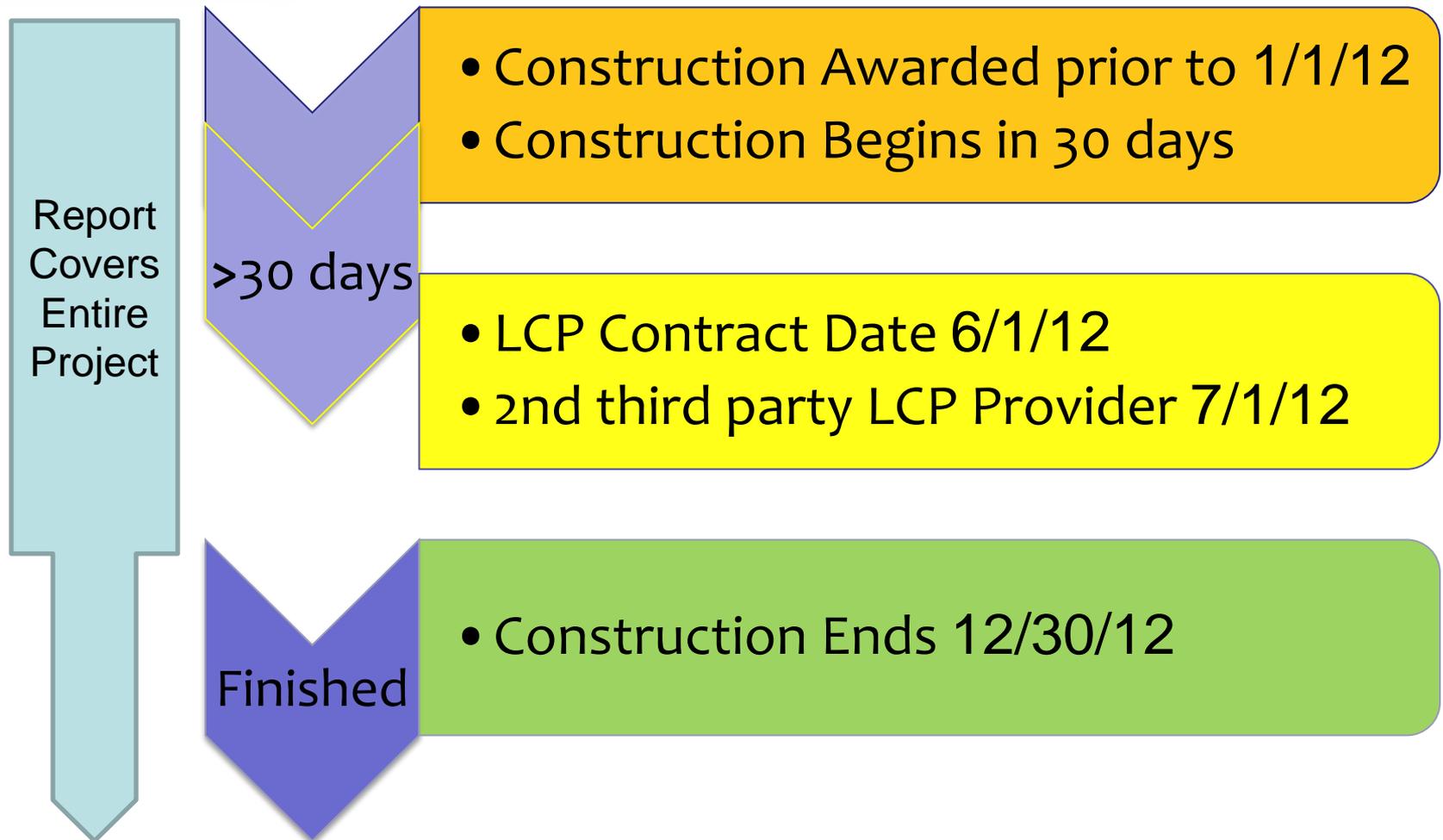
Assembly Bill (AB 1506)

Specifies that the State Allocation Board (SAB) cannot release funds until it receives a written finding that the school district(s) has initiated and enforced, or contracted with a third party to initiate and enforce, a Department of Industrial Relations (DIR)-approved LCP

SAB Approved Regulatory Amendment (1859.97)

- Clarifies the LCP written finding requirement, pursuant to Labor Code Section 1771.7 (d)2(B)
- Provides an alternative method for districts to qualify for funding in cases where the construction contract was signed prior to the district contracting with a third party LCP provider

Report Covers Thru Project Completion



Districts Using New LCP Requirements

- Prior to January 1, 2012, when submitting an *Authorization for Fund Release* (Form SAB 50-05), a district must provide written verification indicating the district or third party provider submitted an applicable LCP application to the DIR
- Written verification indicates the district or third party's LCP is approved by DIR and has not been revoked at the time of implementing its LCP
- The submission of a report must be from an LCP provider that has been approved by the DIR and the approval has not been revoked as of the date of the report (1859.97(b)(3))
- The third party provider that completes the report can not be the same third party provider with whom the district contracted to implement its LCP for the project

Written Finding Requirement

- Required to submit report to the OPSC and DIR from a third Party LCP Provider which includes the following:
 1. Verification that applicable duties were performed on the project
 2. Verification that performance of the applicable LCP began within 1 month after commencement of construction work as set forth in Labor Code Section 1771.7
 3. Written record of the LCP's confirmation of monthly payroll records for the project pursuant to Title 8 California Code of Regulations, Section 16432 subdivision C

Additional District Requirements

- Provides a notice to each worker that district has submitted the written finding report and workers may contact the OPSC and DIR concerning the accuracy of findings
- Report is not acceptable if DIR notifies the OPSC within 60 calendar days that it has determined the report to be incorrect
- Third party provider that completes the report can not be the same third party provider with whom the district contracted to implement its LCP for the project

New PIF Requirement (1859.90.2(a)(4))

- **This Requirement applies on or after July 1, 2013**
- Districts must submit the third party LCP written report, pursuant to Section 1859.97(b) to the OPSC and DIR at least 60 days prior to submitting Form SAB 50-05 (prevents interference with priority funding deadlines)
- An acknowledgment on the written statement indicating the district wishes to participate in a priority funding round

QUESTIONS?

