

## New Legislation for 2004

The following is a brief description of legislation affecting procurement and contracting. A broadcast email will be distributed to all Procurement and Contracting Officers and Purchasing Authority and Delegation Contacts with suggested language to be included in all written solicitations. PD's website will be updated with new Bidder's Instructions and General Provisions both non-IT and IT effective 1/1/04. See the link at: <http://www.leginfo.ca.gov/> for a complete copy of the chaptered bills.

<b>AB 17</b>	Effective 1/1/07, the <b>Domestic Partners Act</b> prohibits a state agency from entering into or amending a contract for the acquisition of goods or services that exceed \$100,000 with a contractor who, in the provision of benefits, discriminates between employees with spouses and employees with domestic partners, or discriminates between domestic partners and spouses of those employees. Bidder's Instructions and General Provisions language may be revised.
<b>SB 20</b>	Effective 1/1/04 the <b>Electronic Waste Recycling Act</b> requires prospective bidders of all purchases/leases of electronic devices to certify compliance. Bidders Instructions, General Provisions and solicitation language have been modified.
<b>AB 296</b>	Effective 1/1/04, all contracts shall be subject to the requirements as amended in PCC 6611 that state in part, if a contract negotiation is determined to be in the state's best interest, that the process be performed by the Department of General Services.
<b>AB 669 and SB 1008</b>	Effective 1/1/04, AB 669 requires small businesses and disabled veteran business enterprises (DVBE) to perform a <b>commercially useful function relating to any state contract</b> either as prime or subcontractor. SB 1008 requires DVBEs renting equipment to the state to provide a declaration stating the ownership of each piece of equipment or a declaration stating the firm is acting as broker/agent. AB 669 changes the definition of disabled veteran to include domicile in California. SB 1008 permits an LLC to be certified as a DVBE when wholly owned by one or more disabled veterans. Both bills further articulate sanctions. An evaluation document that implements the revised DVBE requirements is forthcoming. A document comparing the impact of both laws is also available on the OSDC website <a href="http://www.pd.dgs.ca.gov/smbus">www.pd.dgs.ca.gov/smbus</a> .
<b>SB 578</b>	Effective 1/1/04, no contract for laundering of apparel or for procurement of equipment, materials, or supplies may be entered into without certification of compliance to requirements of the <b>Sweatfree Code of Conduct</b> as developed by Department of Industrial Relations. General Provisions and solicitation language have been modified.
<b>SB 640</b>	Effective 1/1/04 prohibits state agencies from contracting with a <b>publicly-held expatriate corporation or its subsidiaries</b> . Solicitation language has been developed.
<b>SB 1009</b>	Effective 1/1/04 prohibits state agencies from contracting with any vendor or any of its affiliates unless a <b>reseller's permit or certification of registration with the California Board of Equalization is provided prior to contract award</b> . Bidder's Instructions and solicitation language has been modified.

The following legislation is related to Public Works contracts and those contracts that include a Public Works component. The General Provisions for non-IT Goods and IT will not be revised as public works components are not common to all acquisitions.

<b>AB 453</b>	Effective 1/1/04, the <b>Unjust Enrichment Act</b> , provides for payment under the provisions of PCC 5110, when a competitively bid public works project has been challenged and the contract is subsequent to award been determined to be invalid.
<b>AB 807</b>	Effective 1/1/04, the <b>Prevailing Wages Act</b> , in accordance with the amended Labor Code Section 1773.1, provides that an employer may take a credit for employer payments even if contributions are not made or costs not paid, when certain conditions are met.
<b>AB 902</b>	Effective 1/1/04, PCC 4107 is amended to authorize an awarding authority to consent to <b>substituting a subcontractor</b> when the subcontractor listed in the bid fails or refuses to execute a written contract as specified in the subcontractor's bid.
<b>SB 110</b>	Effective 1/1/04, PCC Sections 3400 and 10129 are amended to codify the law on <b>substitution of materials</b> , products, things or services.
<b>SB 966</b>	Effective 1/1/04, Labor Code Section 1726 is amended and Section 1781 is added relating to recovery of increased costs under certain conditions. LC 1781 does not apply to DGS, DOT and DWR.