

Enterprise Zone Act (EZA)

Purpose

The EZA program was established to stimulate economic growth and employment opportunities in designated Areas throughout the state of California.

Description

The Department of General Services (DGS), Procurement Division (PD), Dispute Resolution Unit (DRU) serves as an evaluating agency for all EZA applications.

The state agency conducting the competitive solicitation is responsible for including the preference option information and request forms, in any solicitation for a contract in excess of \$100,000. However, DGS-PD recommends that state agencies include the preference option information and request of forms for any solicitation estimated to be over \$85,000. However, for any contract in which the worksite is fixed by the provisions of the contract, the preference option does not apply.

Whenever the state prepares a solicitation for a contract for goods, the state shall award a 5 percent preference to Californian-based companies who demonstrate and certify under penalty of perjury that at least 50 percent of the labor hours, required to manufacture the goods and perform the contract, shall be accomplished at an identified worksite or worksite located in or adjacent to a distressed area. (GC7084(a))

In evaluating proposals for contracts for services, the state shall award 5 percent preference on the price submitted by California-based companies who demonstrate and certify under penalty of perjury that not less than 90 percent of the total labor hours requires to perform the contract shall be accomplished at an indented worksite or worksites located in a distressed area. (GC7084(b))

Bidders may also apply for an additional workforce preference of 1 of 4 percent if the bidder certifies under penalty of perjury to hire persons living within a targeted employment area or are enterprises zone eligible employees equal to 5 to 20 percent of its workforce during the period of the contract performance. (GC7084(c))

The DGS-PD-DRU monitors compliance of all contracts awarded based on the approval of EZA work site(s) and workforce preference. Bidders that have requested and have been given preference shall submit monthly performance reports demonstrating compliance with worksite(s) and workforce requirements (if requested). Bidder's who fail to comply may be assessed a penalty fee or may be ineligible to directly or indirectly transact with the state for a period up to 36 months. (GC7084(f))

Authority California Government Code, Title I, Division 5, Chapter 12.8, Section 7070 et seq., and California Code of Regulations, Title II, Division , Chapter 3, Subchapter 11, Article 1, Sections 1896.100 -1893.111

Related Web Sites

- California Government Code, Title I, Division 5, Chapter 10.5, Section 4530 et seq., (use this link: <http://www.leginfo.ca.gov/calaw.html>)
- California Code of Regulations, Title II, Division 2, Chapter 3, Subchapter 9, Article 1, Sections 1896.30 - 1896.41 (use this link: <http://ccr.oal.ca.gov/linkedslice/default.asp?SP=CCR-1000&Action=Welcome>)
- [Standard language for contracting officials](#)
- [TACPA Request Form Std 830](#)
- [LAMBRA Preference Request - Std. 832](#)
- [EZA Request Form Std 831](#)
- [Manufacturer's Summary of Contract Activities and Labor Hours DGS/PD 525](#) (goods)
- [Bidder's Summary of Contract Activities and Labor Hours DGS/PD 526](#) (goods and services)