

Date of Hearing: May 10, 2023

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Chris Holden, Chair

AB 400 (Blanca Rubio) – As Amended May 1, 2023

Policy Committee: Local Government

Vote: 8 - 0

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill extends the sunset date, from January 1, 2025, to January 1, 2031, on provisions of law authorizing local agencies to use the design-build contracting method.

FISCAL EFFECT:

No state costs.

COMMENTS:

- 1) **Purpose.** The author of this bill seeks to allow local agencies to continue to use the design-build contracting method until January 1, 2031. This bill is sponsored by the California State Association of Counties and the League of California Cities.
- 2) **Background.** The Legislature began granting design-build authority in the early 1990's, and has typically done so with specified parameters, such as the duration of the authority, the types of agencies allowed to use it, the types of projects for which it can be used, cost thresholds, and specified procedures for preparing and awarding contracts. Over the years, this resulted in a number of statutes in a variety of code sections, which created confusion for public agencies and contractors alike.

In an effort to consolidate these statutes, SB 785 (Wolk), Chapter 931, Statutes of 2014, enacted uniform provisions authorizing the Department of General Services, the Department of Corrections and Rehabilitation, and specified local agencies to utilize the design-build procurement process for specified public works projects until January 1, 2025. SB 785 created one set of codes for DGS and CDCR, and a separate set for specified local agencies, but with similar parameters. Since SB 785 was enacted, the Legislature has authorized numerous additional local agencies or types of local agencies to use SB 785 design-build authority under separate statutes.

This bill extends the sunset date on the authorization provided in SB 785 to January 1, 2031, for cities, counties, and specified special districts and transit agencies to use design-build for specified public works contracts in excess of \$1 million using either a low bid or best value process.

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