
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 1235 (Rogers) - California State University: skilled and trained workforce requirement

Version: January 22, 2026

Urgency: No

Hearing Date: June 15, 2026

Policy Vote: ED. 5 - 2

Mandate: No

Consultant: Lenin Del Castillo

Bill Summary: This bill requires contractors on California State University (CSU) design-build projects to commit that they will use a skilled and trained workforce for work in apprenticeable occupations in the building and construction trades. The bill includes exceptions for projects covered by specified project labor agreements and for housing projects, including dormitories.

Fiscal Impact: The CSU anticipates additional General Fund costs to ensure compliance with the new contracting requirements. However, the extent of these costs is unknown and would be based on the number of construction projects. The bill could result in higher projects costs for CSU to the extent it increases bid prices or deters some contractors from bidding.

Background: Existing law authorizes the CSU Trustees to use design-build contracting, under which a contractor may provide all or significant portions of both the design services and construction of a project through a competitive process that considers criteria in addition to cost. It requires a design-build contractor, when selecting subcontractors, to competitively bid those portions of work and provide CSU with a list of subcontractors whose work exceeds one-half of 1 percent of the total project cost.

Existing law authorizes a public entity to require a bidder, contractor, or other entity to use a skilled and trained workforce, whether or not another statute or regulation requires that workforce standard. It also requires bid documents and construction contracts to include notice when a project is subject to a skilled and trained workforce requirement.

Existing law defines “skilled and trained workforce” to generally mean a workforce in which workers performing apprenticeable work in the building and construction trades are skilled journeypersons or registered apprentices. The law requires monthly compliance reports when a skilled and trained workforce is required and authorizes civil penalties for contractors or subcontractors that fail to use a skilled and trained workforce when required.

Proposed Law: This bill prohibits a contractor from being prequalified for, shortlisted for, or awarded a design-build contract with the CSU unless the contractor provides an enforceable commitment that the contractor and all subcontractors at every tier will use a skilled and trained workforce for all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

The bill provides that this requirement does not apply if:

1. The CSU Trustees have entered into a project labor agreement that binds all contractors and subcontractors on the project to use a skilled and trained workforce, and the contractor agrees to be bound by that agreement.
2. The project or contract is being performed under the extension or renewal of a project labor agreement entered into by the CSU Trustees before January 1, 2027.
3. The contractor has entered into a project labor agreement that binds the contractor and all subcontractors at every tier to use a skilled and trained workforce.
4. The project or contract is for the development of housing, including dormitories.

Staff Comments: This bill applies an existing skilled and trained workforce standard in the Public Contract Code to CSU design-build projects. Under existing law, skilled and trained workforce requirements include definitions, monthly reporting obligations, and penalties for noncompliance. However, the bill exempts projects or contracts for the development of housing, including dormitories.

According to the author, "Taxpayer funded university construction projects should be built to the highest standards, which means using a skilled and trained workforce. Because there are limited funds available to the higher education system in California for construction, it is critical that these projects be done on time and done right the first time in the most efficient and safe manner available. Additionally, a skilled and trained workforce delivers benefits to the entire community by improving worker standards and putting upward pressure on the overall wage floor.

However, some California State University campuses do not utilize a skilled and trained workforce despite it being the general industry standard across most CSUs. This policy choice is unfortunate because the requirement to use workers being trained in, or that have graduated from, a state-approved apprenticeship program is the best workforce available. This will make projects safer and more efficient places to work, but will also incentivize the use of local workers on these projects and help ensure that taxpayer dollars are spent wisely.

AB 1235 not only harmonizes the CSU design build statutes with the rest of the Public Contract Code, but it ensures that a locally based skilled and trained workforce will work on taxpayer funded CSU projects for the betterment of the entire community."

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