

Date of Hearing: April 14, 2026

ASSEMBLY COMMITTEE ON HIGHER EDUCATION

Mike Fong, Chair

AB 1809 (Fong) – As Amended March 23, 2026

SUBJECT: Public contracts: school and community college districts.

SUMMARY: Extends and modifies job order contracting (JOC) authority for school and community college districts (CCDs), establishes contract duration limits, and updates project and cost oversight provisions. Specifically, **this bill**:

- 1) Removes the sunset of January 1, 2027, making job order contracting authority for school districts and CCDs permanent.
- 2) Maintains the requirement that districts utilizing JOC must have project labor agreements (PLAs) covering applicable public works projects.
- 3) Prohibits the use of job order contracting if the district determines it would increase the total project costs.
- 4) Deletes requirements for:
 - a) Annual execution plans for modernization projects; and,
 - b) Mandatory selection of projects for JOC based on cost-reduction determinations.
- 5) Limits the duration of job order contracts and task order procurement contracts to five years.
- 6) Clarifies that individual tasks or job orders remain valid even after the master contract expires.
- 7) Maintains workforce requirements, including use of a skilled and trained workforce or compliance through PLAs.

EXISTING LAW:

- 1) Authorizes JOC for school districts until January 1, 2027 (Public Contract Code (PCC) Section 20919.20, et seq.).
- 2) Authorizes JOC for CCDs until January 1, 2027 (PCC Section 20665.20, et seq.).
- 3) Restricts JOC to school districts that have entered into PLAs that will apply to all public works awarded through JOC and to all other public works of the school district that exceed a monetary threshold set by the school district through at least January 1, 2027, regardless of what contracting procedure is used to award that work (PCC Section 20919.23).
- 4) Restricts JOC to CCDs that have entered into PLAs that will apply to all public works awarded through JOC and to all other public works of the CCD that exceed a monetary threshold set by the school district through at least January 1, 2027, regardless of what contracting procedure is used to award that work (PCC Section 20665.23).

- 5) Requires an entity awarded a JOC in excess of \$25,000 to provide an enforceable commitment to the school district or CCD that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the job order contract that falls within an apprenticeable occupation in the building and construction trades. This provision is not applicable if the JOC is subject to a PLA that will bind all contractors and subcontractors performing work on the JOC to use a skilled and trained workforce to perform the JOC (PCC Sections 20665.23 and 20919.23).
- 6) Requires continuing contracts for work to be done, services to be performed, or for the apparatus or equipment to be furnished, sold, built, installed, or repaired for the district, or for materials or supplies to be furnished or sold to the district may be made with an accepted vendor as follows: for work or services, or for apparatus or equipment, not to exceed five years; for materials or supplies, not to exceed three years (Education Code (EC) Section 17596).

FISCAL EFFECT: Unknown.

COMMENTS: *Double-referred.* This measure passed out of the Assembly Committee on Education on March 18, 2026, with a 7-0 vote.

Need for the measure. According to the author, “AB 1809 removes the sunset for school districts and community college districts to use Job Order Contracting (JOC), thereby allowing the use of JOC indefinitely.”

The author notes that, “JOC was initially authorized as a pilot for the Los Angeles Unified School District over 20 years ago and subsequently extended to all school districts and community college districts. JOC enables school and community college districts to secure contracts for maintenance or repair work for any of the districts’ facilities based on specific tasks and agreed upon prices.”

Lastly, the author states that, “when services are needed, repair can begin immediately without going out for bid for each project, which saves districts time and money, and enables districts to address potentially hazardous conditions immediately. JOC has been reauthorized four times since 2003 and has shown to be effective. It is time to stop wasting legislative resources by making it permanent.”

Job order contracting. JOC is a contracting procedure that allows for the awarding of contracts based on prices for specific construction tasks rather than bids for a specific project. A catalog or book identifies all work that could be performed (typically maintenance or modernization projects) and the unit prices for each of those tasks. The tasks are based on accepted industry standards and prices include the cost of materials, labor, and equipment for performing the work, but exclude overhead and profit. A contractor, who has been prequalified, rather than bid a total price for the project, will bid an adjustment factor, which reflects specified costs, to the pre-set unit prices.

Selection of the contractors is based on the lowest responsible bidder. JOC is intended to reduce costs and accelerate completion of smaller projects; it is not generally viewed as an appropriate method of contracting for large, complex construction projects that require extensive or innovative design or are likely to encounter changes and revisions during constructions.

Project labor agreements. The PLAs describes a category of agreements between a construction project's managers and its workers. Individual agreements within this class vary widely. They are pre-hire collective bargaining agreements, meaning they are signed before the project is actually started, and before workers are hired. They include an agreement by the union signatories to not conduct any strikes or work stoppages, while the contractors and their subcontractors agree to no lockouts during the length of the construction project. Other provisions commonly found in a PLA include:

- 1) A requirement that new employees, within a certain period of time, pay dues to the union for representing their interests before the employer;
- 2) A requirement that contractors use a local, centralized union job referral system;
- 3) Management rights including hiring, promotion, transfer, discipline or discharge of employees, and the right to reject any job applicant referred by a union;
- 4) A uniform workday, workweek, overtime, holiday and payday schedules;
- 5) Standardized work rules and regulations posted on the job site; and,
- 6) Standardized and often very quick dispute resolution procedures to resolve employee, contractor and/or inter-union disputes.

Committee comments. This measure makes it clear that JOC cannot be used if it increases project costs, which appears to serve as an important fiscal safeguard. Further, the measure contains continued requirements for PLAs or skilled and trained workforce standards which reflects ongoing state priorities related to labor protections and workforce quality in CCD projects. Establishing a five-year cap on master contracts while allowing task orders to continue beyond contract expiration provides operational clarity and reduces disruption for ongoing projects.

As noted by the author, it appears that after 20 years of pilot programs, eliminating the 2027 sunset signals legislative confidence in JOC as a standard contracting method.

Arguments in support. According to California Association of School Business Officials (CASBO), "AB 1809 removes the sunset on the Job Order Contracting statutes for school districts and community colleges, allowing them to continue using this procurement method for school construction and maintenance projects. AB 1809 also clarifies that 'individual' contracts issued under a "master" contract are valid for five years, like other public works contracts. Job Order Contracting is a cost-effective procedure for bidding public works projects known for accelerating completion, reducing project costs, and reducing construction contracting complexity. With a master contract in place beforehand, Job Order Contracting reduces project costs and expedites project completion while complying with competitive bidding laws."

Prior legislation. AB 439 (Wendy Carrillo), Chapter 523, Statutes of 2023, extends the pilot program authorizing the Los Angeles Unified School District (LAUSD) to award multiple annual task order procurement contracts for the purposes that include services, repairs, and construction until January 1, 2034.

AB 846 (Low), Chapter 303, Statutes of 2021, extends the existing authority for school and community college districts to administer JOC, an alternative construction contracting agreement, until January 1, 2027.

AB 618 (Low), Chapter 296, Statutes of 2017, authorizes community college districts to enter into JOC, an alternative construction contracting agreement then only available to school districts, until January 1, 2022.

AB 1431 (Gomez), Chapter 753, Statutes of 2015, extends the authority to utilize JOC to all school districts.

AB 2580 (Furutani), Chapter 825, Statutes of 2012, extends the sunset date on the LAUSD JOC pilot project from December 1, 2012, to December 31, 2020.

AB 2362 (Horton), Chapter 570, Statutes of 2006 extends the sunset date on the LAUSD project from December 1, 2007, to December 1, 2012.

AB 14 (Horton), Chapter 889, Statutes of 2003, authorizes the LAUSD to engage in JOC as an alternative to traditional competitive bidding for smaller modernization and maintenance contracts.

REGISTERED SUPPORT / OPPOSITION:

Support

California Association of School Business Officials (CASBO)
California School Boards Association
Los Angeles Unified School District
The Gordian Group

Opposition

None on file.

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