

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Blanca Rubio, Chair

AB 2187 (Ramos) – As Introduced February 19, 2026

SUBJECT: Public contracts: contracts for services

SUMMARY: This bill would exempt federally recognized California Native American tribes from certain requirements governing public contracts for goods and services, as described.

Specifically, this bill:

- 1) Exempts contracts that can only be performed by a federally recognized California Native American tribe from certain advertising and bidding requirements under the law that governs state acquisition of goods and services.
- 2) Exempts contracts with a federally recognized California Native American tribe from an existing law that requires a state agency offering a public contract to secure at least three competitive bids or proposals for each contract. This exemption parallels an existing exemption for state agency contracts with other public entities.
- 3) Authorizes a federally recognized California Native American tribe to include a subcontract with any subdivision, subsidiary, or business enterprise wholly owned by a federally recognized California Native American tribe for the purpose of fulfilling interagency agreements if the tribe provides a limited waiver of sovereign immunity and a justification of cost of service to show market equivalence of similar services.
- 4) Exempts California Native American tribes awarded a consulting services contract for tribal cultural resources from an existing law that prohibits a person or entity that has been awarded a consulting services contract from submitting a bid or being awarded a contract relating to services, goods, supplies or other action that is required or deemed appropriate in the end product of the consulting services contract.

EXISTING LAW:

- 1) Governs state acquisition of goods and services, including by establishing advertising and bidding requirements. Exempts certain consulting services contracts from these requirements, including contracts that can only be performed by a public entity, as defined. (Public Contracts Code Section 10335.5 (c).)
- 2) Requires a state agency to secure at least three competitive bids or proposals for each contract for services. Exempts certain contracts from this requirement, including a contract that is with another state agency, a local governmental entity, an auxiliary organization of the California State University, or an auxiliary organization of a California community college. Specifies, however, that these contracts shall not be used to circumvent competitive bidding requirements. (Public Contracts Code Section 10340.)
- 3) Prohibits a person, firm, or subsidiary thereof who has been awarded a consulting services contract from submitting a bid, or being awarded a contract for, the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or

otherwise deemed appropriate in the end product in the consulting services contract. Specifies, however, that this prohibition does not apply to any person, firm, or subsidiary thereof who is awarded a subcontract of a consulting services contract which amounts to no more than 10 percent of the total monetary value of the consulting services contract. (Public Contracts Code Section 10365.5.)

FISCAL EFFECT: This bill is keyed fiscal by Legislative Counsel.

COMMENTS:

Purpose of the bill. According to the author, “AB 2187 will help strengthen the state’s relationship with California’s tribes by making it easier for state agencies to work directly with tribal governments and their businesses. Right now, tribes are disproportionately disadvantaged when competing for state contracts. While the federal government already allows direct contracting with tribes, recognizing the importance of supporting their self-governance, California has no similar policy. This bill will address this inequity by ensuring that state contracting with tribal nations and their businesses is recognized as government-to-government negotiation. This change will give tribes access to more contracting opportunities, helping them support their local economies and their people.”

Background.

What problem does this bill solve? According to information provided by the author’s office, “This bill seeks to expand the participation of tribal governments and tribal business enterprises in the state’s procurement process by exempting California’s federally recognized tribes from state’s competitive bidding requirements. This will allow tribes to more easily provide services to the state and provide them with new financial opportunities to support their economies. Under this bill, tribes would be added to the existing list of exempt entities, such as state and local agencies, for certain procurement services that are essential to advancing the state’s environmental and policy goals.

Current law makes it difficult for tribal governments and tribally owned businesses to compete for state contracts. Tribes must enter the same competitive bidding process as large private companies, even though many tribal communities face long standing economic challenges that make it harder to compete on equal terms. Because the law does not recognize or consider the economic and historical barriers of tribes, their businesses are often unable to break into the state contracting market. This leaves tribes with fewer opportunities to grow their economies and support their communities. Without a more accessible pathway into state procurement, tribes remain at a significant disadvantage compared to private companies that have far greater capacity and resources.”

California Public Contracts Code. The Public Contract Code (PCC) establishes uniform contracting procedures designed to safeguard public funds and promote fairness in public procurement. It serves as the primary legal framework governing contracts between most public entities and their contractors. The PCC regulates the state’s acquisition of goods and services, largely by imposing competitive bidding requirements and related restrictions.

For instance, existing law generally requires a public agency to solicit at least three bids for each service contract and, with limited exceptions, bars a contractor awarded a prime contract from bidding on its component subcontracts. However, current law also provides exemptions from

these requirements. These exemptions apply to certain contracts, including those with other state agencies, local governmental entities, auxiliary organizations of the California State University, and auxiliary organizations of California community colleges—particularly when the contracts involve the provision of goods, services, or specified consulting services.

This bill would extend similar exemptions to federally recognized California Native American tribes, which are sovereign governments. California is home to 109 federally recognized Native American tribes. These sovereign nations range in size from five to over 5,000 members and are located across 34 counties. California has the largest Native American population in the country with more than 700,000 people in the state, according to the United States Census Bureau.

Double referral. This bill was dual referred to the Assembly Committee on Judiciary, which heard and passed this bill (12-0) on April 7, 2026.

In support. The Twenty-Nine Palms Band of Mission Indians writes, “The U.S. Department of the Interior has long recognized the importance of supporting tribal economic development through procurement opportunities. Under the Buy Indian Act, federal agencies such as the Bureau of Indian Affairs and the Bureau of Indian Education are required to prioritize contracting with American Indian and Alaska Native businesses whenever feasible. California, however, does not have a similar system in place, which limits how easily the state can partner with tribes. This bill helps address this gap by allowing state agencies to contract directly with federally recognized tribes and their tribally owned enterprises without going through the full competitive bidding process. This makes it easier for the state and local governments to work with tribes in areas where they have specialized expertise, such as in land management, cultural resource protection, and environmental stewardship. By expanding access to state procurement opportunities, AB 2187 would create new pathways for tribal nations to support their communities and advance long-term self-sufficiency. It would also allow the state to benefit from tribal knowledge in reaching the state's environmental and cultural goals.”

Prior legislation. AB 630 (Ramos), Chapter 137, Statutes of 2023. Removed requirements in existing law that limit the authority Department of Transportation to contract with federally recognized Indian tribes and entities they own.

AB 2387 (Pan), Chapter 504, Statutes of 2014. Exempted the Commission on Peace Officer Standards and Training (POST) from specified notification requirements when entering into personal services contracts, as specified; and exempts both POST and the Office of Emergency Services (OES) from the requirement of obtaining three competitive bids when those contracts are solely for the services of instructors for public safety training.

AB 906 (Pan), Chapter 744, Statutes of 2013. Prohibited a state agency from executing a personal services contract for non-cost savings reasons, except in specified sudden and unexpected situations, until it has certified that all employee organizations that perform the type of work being contracted out have been notified and required the DGS to establish the certification of notification process.

SB 1189 (Chesbro), Chapter 274, Statutes of 2004: Authorized Caltrans to contract with federally recognized Indian tribes for the performance of specified transportation duties.

REGISTERED SUPPORT / OPPOSITION:

Support

California Rural Indian Health Board, INC.
Habematolel Pomo of Upper Lake
Twenty-Nine Palms Band of Mission Indians

Opposition

None on file

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