
SENATE COMMITTEE ON APPROPRIATIONS

Senator Sabrina Cervantes, Chair
2025 - 2026 Regular Session

AB 2187 (Ramos) - Public contracts: contracts for services

Version: February 19, 2026

Urgency: No

Hearing Date: August 3, 2026

Policy Vote: G.O. 14 - 0

Mandate: No

Consultant: Janelle Miyashiro

Bill Summary: AB 2187 exempts federally recognized California Native American tribes from certain requirements governing public contracts for goods and services, as specified.

Fiscal Impact:

- Unknown, potentially significant state procurement cost pressures (General Fund and various special funds). Exempting federally recognized tribes from certain public contracting requirements removes standard oversight by the Department of General Services (DGS). Foregoing this review process could result in unforeseen liability or financial exposure for the state, with the actual fiscal impact depending on the specific scope of each contract.
- DGS does not anticipate any significant administrative costs resulting from the implementation of this bill.

Background: The Public Contract Code (PCC) establishes uniform contracting procedures designed to safeguard public funds and seeks to promote fairness in public procurement. It serves as the primary legal framework governing contracts between most public entities and their contractors, largely through the imposition of competitive bidding requirements and related restrictions on the acquisition of goods and services.

Existing law generally requires state agencies to solicit at least three bids for each service contract and, with limited exceptions, prohibits a contractor awarded a prime contract from bidding on its component subcontracts. However, current law also provides exemptions from these requirements for 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 where such contracts involve the provision of goods, services, or specified consulting services.

Proposed Law:

- 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.
- 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.

- 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.
- 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.

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