
THIRD READING

Bill No: AB 339
Author: Ortega (D)
Amended: 8/29/25 in Senate
Vote: 21

SENATE LABOR, PUB. EMP. & RET. COMMITTEE: 4-1, 7/9/25
AYES: Smallwood-Cuevas, Cortese, Durazo, Laird
NOES: Strickland

ASSEMBLY FLOOR: 51-11, 6/2/25 - See last page for vote

SENATE APPROPRIATIONS COMMITTEE: 5-2, 8/29/25
AYES: Caballero, Cabaldon, Grayson, Richardson, Wahab
NOES: Seyarto, Dahle

SUBJECT: Local public employee organizations: notice requirements

SOURCE: Service Employees International Union, California
American Federation of State, County and Municipal Employees
California Federation of Labor Unions

DIGEST: This bill requires public agencies regulated by the Meyers-Milias-Brown Act (MMBA) to give a recognized employee organization no less than 45 days' written notice regarding contracts to perform services that are within the scope of work of job classifications represented by the recognized employee organization.

ANALYSIS:

Existing law:

- 1) Authorizes counties to contract for special services on behalf of the following public entities: the county, any county officer or department, or any district or court in the county. Special services or special skills contracts shall be with

persons specially trained, experienced, expert and competent to perform the special services. (Government Code §31000)

- 2) Authorizes counties to contract with temporary help firms for temporary help to assist county agencies, departments, or offices during any peak load, temporary absence, or emergency other than a labor dispute, provided the board determines that it is in the economic interest of the county to provide such temporary help by contract, rather than employing persons for such purpose. Use of temporary help under this section shall be limited to a period of not to exceed 90 days for any single peak load, temporary absence, or emergency situation. (Government Code §31000.4)
- 3) Authorizes cities to contract with any specially trained and experienced person, firm, or corporation for special services and advice in financial, economic, accounting, engineering, legal, or administrative matters. (Government Code §37103)
- 4) Authorizes the legislative body of any public or municipal corporation or district to contract with and employ any persons for special services and advice in financial, economic, accounting, engineering, legal, or administrative matters if such persons are specially trained, experienced, and competent to perform the special services required. (Government Code §53060)
- 5) Provides several statutory frameworks under California law to provide public employees collective bargaining rights, govern public employer-employee relations, and limit labor strife and economic disruption in the public sector through a reasonable method of resolving disputes regarding wages, hours and other terms and conditions of employment between public employers and recognized public employee organizations or their exclusive representatives. These include the MMBA which provides for public employer-employee relations between *local* government employers and their employees, including some, but not all public transit districts. (Government Code §3500 et seq.)
- 6) Establishes PERB, a quasi-judicial administrative agency charged with administering certain statutory frameworks governing employer-employee relations, resolving disputes, and enforcing the statutory duties and rights of public agency employers and employee organizations. (Government Code §3541)

This bill:

- 1) Requires the public agency to give the recognized union no less than 45 days' written notice before issuing a request for proposals, request for quotes, or renewing or extending an existing contract, to perform services that are within the scope of work of the job classifications represented by the recognized employee organization.
- 2) Requires the written notice to include all of the following:
 - a) The anticipated duration of the contract.
 - b) The scope of work under the contract.
 - c) The anticipated cost of the contract.
 - d) The draft solicitation, or if not yet drafted, any information that would normally be included in a solicitation.
 - e) The reason the public agency believes the contract is necessary.
- 3) Provides that if an emergency or other exigent circumstance prevents the public agency from providing the required amount of notice the public agency shall provide as much advance notice as is practicable under the circumstances.
- 4) Declares that this bill's provisions do not apply to any of the following:
 - a) A contract for construction, alteration, demolition, installation, repair, or maintenance work that is subject to Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code or a contract for highly specialized data, software, or services related to that construction, alteration, demolition, installation, repair, or maintenance work.
 - b) A contract for services described in Section 4525 or 4529.10 or that is related to the planning, design, administration, oversight, review, or delivery of public works, residential, commercial, or industrial buildings, or other infrastructure projects subject to adopted uniform codes or standards.
- 5) Provides that nothing in this bill exempts contracts from the notice, meet and confer, or other requirements of applicable law.
- 6) Prohibits anyone from interpreting this bill to affect existing bargaining rights and obligations under the Myers-Milias-Brown Act that this bill's provisions did not create.

- 7) Declares that this bill's provisions shall not diminish any rights of an employee or recognized employee organization provided by a memorandum of understanding.
- 8) States that this bill's provisions shall not invalidate any provision of a memorandum of understanding in effect on the bill's operative date.
- 9) Provides that no reimbursement shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code for costs mandated by the state pursuant to this act.
- 10) Recognizes, however, that a local agency or school district may pursue any remedies to obtain reimbursement available to it under Part 7 (commencing with Section 17500) and any other law.

Background:

Need for this bill? According to the author:

“Local governments use a procurement process, often involving RFPs and requests for qualifications (RFQs), for externally contracted services. This process is distinct from formal competitive bidding and can have different requirements regarding public bidding laws and disclosure. Additionally, proposals submitted in response to an RFP or RFQ are typically exempt from disclosure under the California Public Records Act.

When local governments decide to contract out the work of their public employees, the MMBA and the Public Employment Relations Board (PERB) case law requires the agency to notify the union and bargain over either the decision or its impacts. However, very few local governments comply with this requirement. Unions are unaware that their bargaining unit work has been contracted out until it's too late to meaningfully engage their existing bargaining rights.”

Related/Prior Legislation:

AB 2557 (Ortega, 2024) would have placed requirements on local governmental agencies related to contracting out services, as specified. *This bill died in the Senate Appropriations Committee.*

AB 2561 (McKinnor, Chapter 409, Statutes of 2024) required a public agency to present the status of vacancies and recruitment and retention efforts during a public hearing before the governing board at least once per fiscal year and entitles the

union for a bargaining unit to make a presentation at the public hearing, as specified.

AB 2489 (Ward, 2024) would have required a local government that wants to contract for special services or temporary help already performed by union employees to notify, in writing, the exclusive representative of the workforce, at least 10 months before beginning a procurement process to contract for special services that are currently, or were in the previous 10 years, performed by employees of the county, any county officer or department, or any district court in the county represented by an employee organization, of its determination to begin that process. *This bill died in the Assembly Appropriations Committee.*

AB 1250 (Jones-Sawyer, 2017) would have prohibited a county from contracting for personal services currently or customarily performed by that county's employees unless it made specified findings. *The Senate Rules Committee held this bill in committee.*

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee:

- By imposing specified duties on local officials, this bill creates a state-mandated local program. To the extent the Commission on State Mandates determines that the provisions of this bill create a new program or impose a higher level of service on local agencies, local agencies could claim reimbursement of those costs. The magnitude is unknown, but potentially in excess of \$50,000 annually (General Fund).
- This bill would not have a fiscal impact to the Public Employment Relations Board.

SUPPORT: (Verified 8/29/25)

Service Employees International Union, California (Co-source)
American Federation of State, County and Municipal Employees (Co-source)
California Federation of Labor Unions (Co-source)
American Federation of State, County and Municipal Employees Local 57
California Nurses Association
California Professional Firefighters
California Safety and Legislative Board, Smart – Transportation Division
California School Employees Association
California Teachers Association

Center for Biological Diversity
Central Coast Alliance United for a Sustainable Economy
Courage California
Echo Park United Methodist Church
Equal Rights Advocates
Greenpeace USA
IATSE Local 33
LA Plaza United Methodist Church
Los Angeles Alliance for a New Economy
Los Angeles Black Worker Center
Lutheran Office of Public Policy - California
National Union of Healthcare Workers
Orange County Employees Association
Peace Officers Research Association of California
Professional Engineers in California Government
Public Advocates INC.
Santa Barbara County Action Network
Techequity Action
UAW Region 6
Union of American Physicians and Dentists
Urban Habitat

OPPOSITION: (Verified 8/29/25)

Abrazar, INC.
Advocate Association of California Water Agencies
American Council of Engineering Companies
American Institute of Architects California
American Society of Civil Engineers, Region 9
American Staffing Association
Aresis Ensemble (City Garage)
Associated General Contractors
Association of California Healthcare Districts
Association of California Water Agencies
Association of Community Human Service Agencies
Bay Area Air Quality Management District
Bay Area Bioscience Education Community
Bowman Consulting Group Ltd.
Building a Generation
C&A: Social Impact Consulting
CalChamber

California & Nevada Civil Engineers and Land Surveyors Association
California Alliance of Child and Family Services
California Animal Welfare Association
California Association for Local Economic Development
California Association of Joint Powers Authorities
California Association of Public Hospitals & Health Systems
California Association of Recreation & Park Districts
California Association of Recreational Park Districts
California Association of Sanitation Agencies
California Association of Social Rehabilitation Agencies
California Behavioral Health Association
California Behavioral Health Planning Council
California Building Officials
California Chapters of the American Public Works Association
California Contract Cities Association
California Geotechnical Engineering Association
California Geotechnical Engineers Association
California Landscape Contractor's Association
California Park & Recreation Society
California Parks and Recreation Society
California Special Districts Association
California Staffing Professionals
California State Association of Counties
California State Sheriffs' Association
California Transit Association
California-Nevada Section, American Water Works Association
CalNonprofits
Ceres Community Project
Children's Institute
City of Bakersfield
City of Barstow
City of Beaumont
City of Chino Hills
City of Colton
City of Concord
City of Eureka
City of Fortuna
City of Foster City
City of Hesperia
City of Hughson

City of Indian Wells
City of Inglewood
City of Kerman
City of Kingsburg
City of La Habra
City of La Mirada
City of La Puente
City of La Verne
City of Laguna Niguel
City of Lakeport
City of Lakewood
City of Lincoln
City of Livermore
City of Lomita
City of Los Banos
City of Madera
City of Manteca
City of Martinez
City of Merced
City of Montclair
City of Norwalk
City of Orinda
City of Palm Desert
City of Paramount
City of Pittsburg
City of Redwood City
City of Riverside
City of San Bernardino
City of San Jose
City of Simi Valley
City of Sunnyvale
City of Upland
City of Vernon
City of Vista
City of Waterford
City of Whittier
Coachella Valley Water District
Coastal Nonprofit Consulting
Collective Resilience
Community Bridges

Conejo Recreation and Park District
Contra Costa Water District
County Health Executives Association of California
County of Butte
County of Contra Costa
County of Fresno
County of Humboldt
County of Kern
County of Kings
County of Lake
County of Los Angeles
County of Madera
County of Merced
County of Orange
County of Placer
County of Riverside
County of Sacramento
County of San Benito
County of San Bernardino
County of San Joaquin
County of San Luis Obispo
County of San Mateo
County of Santa Clara
County of San Joaquin
County of Siskiyou
County of Sutter
County of Tulare
County of Ventura
Creative Alternatives
Cucamonga Valley Water District
Desert Water Agency
Dietz Hydroseeding Co.
Duc Learning Center
El Dorado Irrigation District
Elsinore Valley Municipal Water District
Families Forward
Family Services Association
Federal Technology Solutions INC.
Five Keys
Geri's Screenprinting, LLC

Hayward Area Recreation and Park District
Healthcare Services, INC.
Helix Water District
Hinderliter, De Llamas & Associates
Immigrant Legal Defense
Jewish Family Service of San Diego
Jurupa Community Services District
Kidstream Children's Museum
Las Virgenes Municipal Water District
League of California Cities
Meet Each Need With Dignity
Mel Smith Electric, INC.
Mend-meet Each Need With Dignity
Mendocino; County of
Merced County Board of Supervisors
Mountain Homeless Coalition
National Security Systems
Natures Image, INC.
Nbs
Nevada County
Newport Beach; City of
Norwalk; City of
Oceanside; City of
Office of Samoan Affairs
Olivenhain Municipal Water District
Open Heart Kitchen
Orange County Business Council
Orange County Sanitation District
Otay Water District
Oxnard Performing Arts Center Corporation
Path
Peninsula Family Service
Placer County Board of Supervisors
Public Risk Innovation, Solutions, and Management
Queen of Hearts Therapeutic Riding Center, INC.
Raíces y Cariño
Richmond Community Foundation
Rural County Representatives of California
Sacra/Profana
Sacramento Area Sewer District

San Diego Humane Society
San Francisco Study Center
Silicon Valley Council of Nonprofits
South San Joaquin Irrigation District
Tahoe City Public Utility District
The Ace Agency
The Aresis Ensemble INC.
The Can Man
The Nonprofit Partnership
Town of Apple Valley
Town of Truckee
Transportation California
Tree People
Turning Point
Urban Counties of California
Valley Center Municipal Water District
Visitability
Vista Irrigation District
Water Replenishment District
Waymakers
West Valley Water District
Yorba Linda Water District

ARGUMENTS IN SUPPORT:

According to California Federation of Labor Unions:

“Contracting out by local government has eliminated good union public sector jobs that provide a path to the middle class. Large-scale privatization has led to the decline of public sector union density and a reduction in working conditions and lower wages. Contracting out practices that fail to adhere to responsible contracting standards further undermine collective bargaining rights of public sector workers while simultaneously reducing the quality of essential services and increasing the cost of public service delivery.”

ARGUMENTS IN OPPOSITION:

According to the County of Los Angeles:

“AB 339 undermines timely service delivery and creates disincentives for finalizing labor agreements. It applies to contracts overlapping with represented job classifications, impacting a vast majority of LA County contracts. It also

expands obligations under the Meyers-Milius-Brown Act (MMBA), interfering with longstanding contracting practices and provisions in Memoranda of Understanding (MOUs), ultimately harming public services.

The bill's lack of a clear definition for emergencies weakens emergency contracting authority and creates inefficiencies. In disasters, such as the January wildfires in Los Angeles, AB 339 would delay recovery, increase costs, and worsen community suffering."

ASSEMBLY FLOOR: 51-11, 6/2/25

AYES: Addis, Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Jackson, Kalra, Krell, Lee, Lowenthal, McKinnor, Muratsuchi, Ortega, Papan, Pellerin, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Schiavo, Schultz, Sharp-Collins, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Zbur, Rivas

NOES: DeMaio, Dixon, Ellis, Flora, Gallagher, Jeff Gonzalez, Hadwick, Hoover, Macedo, Patterson, Tangipa

NO VOTE RECORDED: Alanis, Carrillo, Castillo, Chen, Davies, Hart, Irwin, Lackey, Nguyen, Pacheco, Patel, Petrie-Norris, Blanca Rubio, Sanchez, Solache, Ta, Wallis

Prepared by: Glenn Miles / L., P.E. & R. / (916) 651-1556
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