



# Fact Sheet

## AB 1409

### as Amended

#### Who is the Sponsor of the proposal?

Construction Industry Force Account Council  
California State Council of Laborers

Contact:

Eddie Bernacchi, Politico Group 916-444-3770

Jose Mejia, 916-447-7018

#### What is the background of this proposal?

The Uniform Public Construction Cost Accounting Act is a program created in 1983 which allows, among other benefits, local agencies to perform public project work up to \$30,000 with its own work force if the agency elects to follow the cost accounting procedures set forth in the Cost Accounting Policies and Procedures Manual of the California Uniform Construction Cost Accounting Commission.

The Act is enacted under Public Contracts Code Section 22000 through 22045 (hereafter abbreviated as PCC 22000-22045).

In addition to the increased force account limit, the Act provides for alternative bidding procedures when an agency performs public project work by contract.

- (a) Public projects of \$30,000 or less may be performed by negotiated contract or by purchase order (PCC 22032(a)).
- (b) Public projects of \$125,000 or less may be let to contract by the informal procedures set forth in the Act (PCC 22032(b)).
- (c) Public projects of more than \$125,000 shall be let to contract by formal bidding procedures (PCC 22032(c)).

Every five years, the Commission considers whether there have been material changes in public construction costs and make recommendations to the State Controller regarding adjustments to the bidding procedure monetary limits (PCC 22020).

Being subject to The Uniform Public Construction Cost Accounting Act is a voluntary decision and the program is available to all local agencies and cities, both general law and charter.

To become subject to the Act, the governing body of the agency must elect by resolution to become subject to the Act and file a copy of the resolution with the State Controller's Office and to withdraw from being subject to the Act the agency must filing a resolution of this election with the State Controller's Office (PCC 22030).

The goal of the Act is to ensure that all agencies that voluntarily choose to utilize the Act follow the accounting procedures within the Act.

#### What specifically will this bill do?

This bill would end confusion between sections of the Uniform Public Construction Cost Accounting Act regarding whether an agency can utilize other aspects of the Public Contract Code while voluntarily being subject to the Act.

The bill would delete Section 22031 of the Public Contract Code within the Uniform Public Construction Cost Accounting Act and in doing so; clarify that agencies that have voluntarily chosen to utilize the act must follow all of the procedures within the act.

Section 22030 of the Public Contract Code within the Uniform Public Construction Cost Accounting Act states that *"In the event of a conflict with any other provision of law relative to bidding procedures, this article shall apply to any public agency which has adopted a resolution and so notified the Controller."* This Language is in conflict with Public Contract Code Section 22031 within the Uniform Public Construction Cost Accounting Act which states that *"nothing in this article shall prohibit a board of supervisors or a county road commissioner from utilizing, as an alternative to the procedures set forth in this article, the procedures set forth in Article 25 (commencing with Section 20390) of Chapter 1."*

AB 1409 would provide clarity within the provisions of the Uniform Public Construction Cost Accounting Act while allowing counties who wish to utilize other aspects of the Public Contract Code to do so. Counties who wish to utilize Public Contract Code Section 20390 will be able to do so while counties who chose to utilize the Uniform Public Construction Cost Accounting Act are free to do so as well.

AB 1409 allows counties to make their own decisions in regards to how they want to perform highway and road construction projects while protecting the integrity of the Uniform Public Construction Cost Accounting Act.

#### Which code sections does this bill affect?

Section 22031 of the Public Contract Code. Within the Uniform Public Construction Cost Accounting Act.



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**Support:**

Construction Industry Force Account Council (sponsor)  
California State Council of Laborers (sponsor)  
California-Nevada Conference of Operating Engineers  
Associated General Contractors of California  
State Building and Construction Trades Council of California  
Southern California Contractors Association  
Engineering & Utility Contractors Association  
Engineering Contractors' Association  
Flasher/Barricade Association  
Golden State Builders Exchange  
Marin Builders' Association  
California Chapter of the American Fence Contractors'  
Association California Fence Contractors' Association  
Construction and General Laborers' Local 185  
Eagle Peak Rock and Paving  
Blaisdell Construction  
Martin General Engineering, Inc.  
PCI  
Stimpel-Wiebelhaus Associates, Inc.  
Northern California District Council of Laborers

**Oppose:**

No formal opposition to the amended version of the bill.

**Who is the staff contact for this bill?**

John G. Vigna, Legislative Aide  
Office of Assemblymember John A. Perez  
916.319.2046/[John.Vigna@asm.ca.gov](mailto:John.Vigna@asm.ca.gov)