



**California Legislative Conference
of the Plumbing, Heating and Piping Industry
2017 End of Year Legislative Report**

1127 11th Street, Suite 747 - Sacramento, CA 95814
PHONE: (916) 443-3114 FAX: (916) 442-6437
www.clcaccess.com

Introduction

The California Legislature wrapped up the 2017 legislative session on October 15th which was the deadline for Governor Brown to sign or veto legislation.

Overall, 2017 was a positive legislative session with our biggest win coming in the form of extending the 5% retention cap on public works projects. That policy is something we have fought hard for and extending it for another 5 years was a priority. We also brought home victories in the areas of protecting and expanding prevailing wage and improving the skilled and trained workforce requirements as we expand the footprint of that policy.

In addition, we took the leading role in opposing many measures that would have been harmful to our contractors and the industry overall.

Enclosed is an overview of the pertinent legislation that was passed during the 2017 legislative session. All of the newly enacted laws will become operative January 1, 2018, unless otherwise noted.

If you have any questions or comments, or would like additional information, please contact our office. You can reach us by email bernacchi@politicogroup.com or by phone (916) 443-3114.

Complete text of legislation can be found on our website www.clcaccess.com Look under "Find a Bill" in our quick links and enter the bill number.

Codes & Standards

AB 55

AUTHOR: Thurmond D

TITLE: Hazardous materials management: stationary sources.

SUMMARY: Requires refineries who claim an exemption to the skilled and trained workforce requirements (declaring that they had entered into the contract prior to 2014), to file with the administering agency a complete copy of the contract and a second copy of the contract that has been redacted only to the extent necessary to protect sensitive information and that includes the identity of the contractor, the scope of the work covered by the contracts, the date of execution of the contract, and the term of the contract. Also requires the redacted copy to be a public record.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 608, Statutes of 2017.

AB 367

AUTHOR: Obernolte R

TITLE: Water supply: building permits.

SUMMARY: This bill exempts from the prohibition on the issuance of a building permit for any residential development when hauled water is used as a water source, a residence that will be rebuilt because of a fire and provides that this is declaratory of existing law.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 612, Statutes of 2017.

AB 1649

AUTHOR: Muratsuchi D

TITLE: Oil refineries: public safety.

SUMMARY: Requires the California Environmental Protection Agency (CalEPA) to coordinate the activities of state and local agencies with a regulatory role regarding refineries and requires CalEPA to convene at least two public meetings annually to provide members of the public with current information on refinery safety.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 590, Statutes of 2017.

AB 1671

AUTHOR: Caballero D

TITLE: Backflow protection and cross-connection controls: standards.

SUMMARY: Requires the State Water Resources Control Board (State Water Board) to, on or before January 1, 2020, adopt standards for backflow protection and cross-connection control.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 533, Statutes of 2017.

SB 541

AUTHOR: Allen D

TITLE: Water: school facility water capture practices.

SUMMARY: This bill requires the State Water Resources Control Board (SWRCB), in consultation with the regional water quality control boards, and the Division of the State Architect (within the Department of General Services), to recommend best design and use practices for storm water and dry weather runoff capture practices that can generally be applied to all new, reconstructed, or altered public schools, including school grounds.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 811, Statutes of 2017.

Collection & Lien - Prompt Pay

AB 92

AUTHOR: Bonta D

TITLE: Public contracts: payment.

SUMMARY: Extends, until January 1, 2023, the 5% cap on retention withholdings on California public works projects.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 37, Statutes of 2017.

AB 534

AUTHOR: Gallagher R

TITLE: Common interest developments: mechanics liens.

SUMMARY: This bill would make three modifications to the law so as to clarify and facilitate the operation of mechanic's liens in the context of work performed on the common areas of common interest developments (CIDs). (1) impute to all owners a CID association's authorization to perform work on a common area; (2) allow the claimant on a mechanic's lien to notify the association instead of every individual owner; and (3) clarify that an individual property owner within a CID can remove a mechanic's lien that applies to multiple units within a CID by obtaining and recording a lien release bond for that owner's pro rata share of the overall claim.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 44, Statutes of 2017.

AB 1223

AUTHOR: Caballero D

TITLE: Construction contract payments: Internet Web site posting.

SUMMARY: Require, within 10 days of making a construction contract payment, a state agency that maintains an Internet Web site to post on its Internet Web site the project for which the payment was made, the name of the construction contractor or company paid, the date the payment was made or the date the state agency transmitted instructions to the Controller or other payer to make the payment, the payment application number or other identifying information, and the amount of the payment.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 585, Statutes of 2017.

SB 387

AUTHOR: Jackson D

TITLE: The False Claims Act.

SUMMARY: Provides that the amount of civil penalties for submitting a false or fraudulent claim to the state or any of its political subdivisions shall be aligned with the Federal Civil Penalties Inflation Adjustment Act of 1990.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 121, Statutes of 2017.

Contractors` License Law

AB 1070

AUTHOR: Gonzalez Fletcher D

TITLE: Solar energy systems: contracts: disclosures.

SUMMARY: Requires Contractors' State License Board, in collaboration with the Public Utilities Commission, on or before July 1, 2018, to develop and make available on its Internet Web site a disclosure document that provides a consumer with accurate, clear, and concise information regarding the installation of a solar energy system, compile an annual report documenting consumer complaints relating to solar contractors and, develop standardized inputs and assumptions to be used in the calculation and presentation of electric utility bill savings to a consumer.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 662, Statutes of 2017.

AB 1278

AUTHOR: Low D

TITLE: Contractor licensing: judgment debtor prohibition.

SUMMARY: This bill specifies that if a judgment is entered against a licensee, then the qualifying person or personnel of record is automatically prohibited from serving as the qualifying individual or other personnel of record, unless the judgment is satisfied.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 506, Statutes of 2017.

AB 1357

AUTHOR: Chu D

TITLE: Home inspectors: roofing contractors: roof inspections.

SUMMARY: This bill exempts a licensed roofing contractor from the provisions relating to a home inspector which prohibits repairs to a structure on which the inspector, or the inspector's company has prepared a home inspection report in the past 12 months.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 508, Statutes of 2017.

SB 486

AUTHOR: Monning D

TITLE: Contractors' State License Law: letter of admonishment.

SUMMARY: This bill authorizes the Contractors State License Board (CSLB) to issue letters of admonishment to an applicant, licensee, or registrant rather than issuing a citation for minor violations.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 308, Statutes of 2017.

Environment & Energy

AB 398

AUTHOR: Garcia D

TITLE: Cap and Trade.

SUMMARY: Extends the state's Cap and Trade program until December 30, 2030, a key objective of Governor Brown, as cap and trade regulations promulgated under AB 32 were only authorized through December 31, 2020.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 135, Statutes of 2017.

AB 797

AUTHOR: Irwin D

TITLE: Solar thermal systems.

SUMMARY: This bill extends by two years, from August 1, 2018, to August 1, 2020, the California Solar Initiative Thermal Program rebates to customers of investor-owned utilities and broadens the program by replacing all references to "solar water heating systems" with reference to "solar thermal systems."

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 473, Statutes of 2017.

AB 1082

AUTHOR: Burke D

TITLE: Transportation electrification: electric vehicle charging infrastructure: school facilities and other educational institutions.

SUMMARY: Authorizes an electrical corporation to file with the California Public Utilities Commission a pilot program proposal for the installation of electric charging stations at school facilities and other educational institutions.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 637, Statutes of 2017.

AB 1083

AUTHOR: Burke D

TITLE: Transportation electrification: electric vehicle charging infrastructure: state parks and beaches.

SUMMARY: Authorizes an electrical corporation to file with the California Public Utilities Commission a pilot program proposal for the installation of electric charging stations at state parks and beaches.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 638, Statutes of 2017.

AB 1414

AUTHOR: Friedman D

TITLE: Solar energy systems: permits.

SUMMARY: This bill, until January 1, 2025, lowers the cap on local government permit fees for rooftop solar energy systems and extends the cap to cover solar thermal systems.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 849, Statutes of 2017.

AB 1452

AUTHOR: Muratsuchi D

TITLE: Parking: exclusive electric charging and parking on public streets.

SUMMARY: Authorizes local jurisdictions to designate on-street parking for the exclusive use of electric vehicle (EV) charging.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 635, Statutes of 2017.

General Industry

AB 73

AUTHOR: Chiu D

TITLE: Planning and zoning: housing sustainability districts.

SUMMARY: Allows a city or county to create a housing sustainability district to complete upfront zoning and environmental review in order to receive incentive payments for development projects that are consistent with the district's ordinance.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 371, Statutes of 2017.

AB 115

AUTHOR: Ting D

TITLE: Transportation.

SUMMARY: Provides various measures in order to accelerate projects under SB 1: (1) Expands the pilot program for the Construction Manager/General Contractor (CM/GC) on the state highway system to 12 additional projects; (2) Expands the pilot program for Design-Build on local streets and roads by six projects—three projects reserved for Riverside County Transportation Commission (RCTC); (3) Provides contracting flexibility to expedite delivery of SR-91 Toll Connector to I15 North; (4) Expands authority to use CM/GC off of the state highway system; and, (5) Authorizes "cost plus time" contracting authority for SB 132 projects. Also, clarifies which are appropriate recipient entities for new SB 1 State Local Partnership funds.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 20, Statutes of 2017.

AB 135

AUTHOR: Senate Budget Committee

TITLE: Transportation.

SUMMARY: Speeds up processing of SB 1-funded grant programs by (1) ensuring that cities and counties that receive monies from SB 1 but use their own funds to start a project before the SB 1 funds flow, can reimburse themselves when they receive their SB 1 apportionment, (2) allowing an implementing agency to expend its own funds on a project programmed by the CTC for a future year, and be reimbursed at a later time for eligible projects, (3) by authorizing the Secretary of Transportation to assume the federal government's responsibility for federal environmental review and clearance under the National Environmental Policy Act of 1969 (NEPA) for rail or transit projects.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 255, Statutes of 2017.

AB 168

AUTHOR: Eggman D

TITLE: Employers: salary information.

SUMMARY: Prohibits all employers, including the Legislature, the state, and local governments, from seeking salary history information from an applicant for employment.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 688, Statutes of 2017.

AB 450

AUTHOR: Chiu D

TITLE: Employment regulation: immigration worksite enforcement actions.

SUMMARY: Prohibits an employer from providing access to a federal government immigration enforcement agent to any non-public areas of a place of labor if the agent does not have a warrant.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 492, Statutes of 2017.

AB 1222

AUTHOR: Quirk D

TITLE: Vehicles: electronic wireless communications devices.

SUMMARY: This bill removes “specialized mobile radio device” and “two-way messaging device” as examples of an “electronic wireless communications device” that is prohibited from being used while driving.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 297, Statutes of 2017.

AB 1701

AUTHOR: Thurmond D

TITLE: Labor-related liabilities: original contractor.

SUMMARY: Extends joint and several liabilities for prime contractors to privately funded construction projects. Much like on public works, prime contractors will be liable for unpaid wages and fringe benefit payments. The law allows prime contractors to request relevant payroll records from subcontractors to limit their exposure.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 804, Statutes of 2017.

SB 1

AUTHOR: Beall D

TITLE: Transportation funding.

SUMMARY: Provides \$5.2 billion in new transportation revenue annually and makes adjustments for inflation every year.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 5, Statutes of 2017.

SB 5

AUTHOR: De León D

TITLE: California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

SUMMARY: This bill proposes the Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act (Act) of 2018, subject to voter approval in the June 2018 election. The bill proposes the issuance of \$4 billion in general obligation bonds to finance and build drought, water, park and outdoor access projects.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 852, Statutes of 2017.

SB 35

AUTHOR: Wiener D

TITLE: Planning and zoning: affordable housing: streamlined approval process.

SUMMARY: Creates a streamlined, ministerial approval process for infill developments in localities that have failed to meet their regional housing needs assessment numbers. Requires that projects built using this process are covered by prevailing wage and that larger projects must also be built by contractors utilizing a skilled and trained workforce.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 366, Statutes of 2017.

SB 103

AUTHOR: Senate Budget Committee

TITLE: Transportation.

SUMMARY: Provides additional clarifying statutory guidance for new programs under SB 1, including the Advanced Mitigation Program to facilitate mitigation of transportation projects, thereby accelerating delivery; and, sets out the framework for the Trade Corridor Enhancement program.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 95, Statutes of 2017.

SB 132

AUTHOR: Senate Budget Committee

TITLE: Transportation.

SUMMARY: Appropriates \$100 million from the State Highway Account to Caltrans for the UC Merced Campus Parkway Project; \$400 million from the Public Transportation Account to Caltrans for the extension of the Altamont Corridor Express to Ceres and Merced. Also, appropriates \$427 million from the State Highway Account to the Riverside County Transportation Efficiency Corridor for five projects in Western Riverside County.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 7, Statutes of 2017.

SB 373

AUTHOR: Cannella R

TITLE: Public contracts: design-build: Stanislaus Regional Water Authority.

SUMMARY: This bill allows the Stanislaus Regional Water Authority to utilize design-build to construct a surface water supply project.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 391, Statutes of 2017.

SB 496

AUTHOR: Cannella R

TITLE: Indemnity: design professionals.

SUMMARY: Leveraged into SB1 by the sole republican to vote for that measure, this bill provides that a design professional would have no duty to defend claims against other persons or entities until the design professional's degree of fault was determined by a court.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 8, Statutes of 2017.

Labor Relations

AB 1008

AUTHOR: McCarty D

TITLE: Employment discrimination: conviction history.

SUMMARY: Prohibits most public and private employers with at least five employees from asking job applicants about criminal convictions until after they have made a conditional offer of employment. We were successful in garnering amendments to the bill to ensure that the law does not apply to situations where state, federal, or local law either requires an employer to conduct criminal background checks or restricts employment based on criminal history.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 789, Statutes of 2017.

SB 63

AUTHOR: Jackson D

TITLE: Unlawful employment practice: parental leave.

SUMMARY: Expands the requirement to provide parental leave to from employers with 50 or more employees to employers with 20 or more employees.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 686, Statutes of 2017.

SB 306

AUTHOR: Hertzberg D

TITLE: Retaliation actions: complaints: administrative review.

SUMMARY: This bill grants the Labor Commissioner authority to seek an immediate and temporary injunction when workers face retaliation for reporting violations of the law. This bill also gives the Labor Commissioner authority to issue citations and penalties directly to enforce retaliation claims, rather than exclusively through the courts.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 460, Statutes of 2017.

SB 396

AUTHOR: Lara D

TITLE: **Employment: gender identity, gender expression, and sexual orientation.**

SUMMARY: This bill requires that employers with 50 more employees include, as a part of the existing sexual harassment training, training on harassment based on gender identity.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 858, Statutes of 2017.

Public Works

AB 28

AUTHOR: Frazier D

TITLE: **Department of Transportation: environmental review process: federal pilot program.**

SUMMARY: Extends, until January 1, 2020, the California Department of Transportation's (Caltrans) authority to waive its 11th Amendment right to sovereign immunity from lawsuits brought in federal court thereby allowing Caltrans to continue assuming the role of the United States Department of Transportation (U.S. DOT) for National Environmental Policy Act (NEPA) decision making.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 4, Statutes of 2017.

AB 199

AUTHOR: Chu D

TITLE: **Public works: private residential projects.**

SUMMARY: Requires private residential projects built on private property, paid for in whole or in part out of public funds, and built pursuant to an agreement with a successor agency to a redevelopment agency to require the payment of prevailing wages.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 610, Statutes of 2017.

AB 203

AUTHOR: O'Donnell D

TITLE: **School facilities: design and construction: report: regulations.**

SUMMARY: Requires the California Department of Education (CDE) and the Office of Public School Construction (OPSC) to develop regulations that will provide school districts with flexibility in designing instructional facilities. Requires the CDE to develop strategies to assist small school districts in navigating the school construction and funding processes.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 837, Statutes of 2017.

AB 262

AUTHOR: Bonta D

TITLE: Public contracts: bid specifications: Buy Clean California Act.

SUMMARY: Requires the Department of General Services to establish standards to be used in bid specifications on state public works projects. The bid specifications would provide the allowable greenhouse gas emission standard (based on the manufacturing and transporting of the materials) for carbon steel rebar, flat glass, mineral wool insulation and structural steel that can be used on that project. Bill was amended at our request to move away from being a bid preference requiring the contractor to search for products to be eligible and we had asphalt, brass pipe and pipe fittings, concrete, iron pipe and pipe fittings, steel line pipe and structural steel pipe removed as covered materials.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 816, Statutes of 2017.

AB 581

AUTHOR: McCarty D

TITLE: Apprenticeships on public works projects.

SUMMARY: Current law provides for apprenticeship programs within the Division of Apprenticeship Standards, which is within the Department of Industrial Relations. This bill would require an apprenticeship program, to be eligible to receive grant funds from the California Apprenticeship Council, to agree to keep adequate records that document the expenditure of those grant funds and make all records available to the department so that the department is able to verify that grant funds were used solely for training apprentices. The bill would also require the department to verify that grants made by the council are used solely for training apprentices.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 553, Statutes of 2017.

AB 591

AUTHOR: O'Donnell D

TITLE: School property: lease: county boards of education.

SUMMARY: Closes a loophole some school districts were using to circumvent the requirement that all contractors on school lease-leaseback projects utilize a skilled and trained workforce.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 125, Statutes of 2017.

AB 618

AUTHOR: Low D

TITLE: Job order contracting: school districts: community college districts.

SUMMARY: This bill authorizes community college districts to enter into job order contracts (JOC), an alternative construction contracting agreement currently available to school districts, until January 1, 2022.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 296, Statutes of 2017.

AB 851**AUTHOR: Caballero D****TITLE: Local agency contracts.**

SUMMARY: Extends the sunset date on the authority of counties to use construction manager at-risk (CM at-risk) contracting, extends CM at-risk contracting authority to the City of San Diego (San Diego) for specified projects, and allows the Santa Clara Valley Water District (District) to use the design-build procurement method for specified types of projects.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 821, Statutes of 2017.

AB 1066**AUTHOR: Aguiar-Curry D****TITLE: Public works: definition.**

SUMMARY: Expands the definition of the term “public works” to include tree removal work done in the execution of an existing public works project paid for in whole or in part out of public funds.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 616, Statutes of 2017.

AB 1424**AUTHOR: Levine D****TITLE: University of California: Best Value Construction Contracting Program.**

SUMMARY: Allows the University of California (UC) to use best value contracting for construction projects; and, when using best value contracting, requires prime contractors and all subcontractors to utilize a skilled and trained workforce.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 850, Statutes of 2017.

AB 1523**AUTHOR: Obernolte R****TITLE: San Bernardino County Transportation Authority: design-build.**

SUMMARY: This bill authorizes the San Bernardino County Transportation Authority (SBCTA) to use design-build contracting on one project in the City of San Bernardino.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 154, Statutes of 2017.

SB 96**AUTHOR: Committee on Budget and Fiscal Review****TITLE: State Government.**

SUMMARY: Requires that contractors and subcontractors engaged in the performance of a public work must be registered as a public works contractor for work on or after January 1, 2018, regardless of a contract date, and raises the registration fee from \$300 to \$400. Registration is only required for projects over \$25,000 for new construction; over \$15,000 for maintenance.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 28, Statutes of 2017.

SB 418

AUTHOR: Hernandez D

TITLE: Public contracts: skilled and trained workforce.

SUMMARY: Revises the definition of a “skilled and trained workforce” to allow for greater compliance by some crafts, doing so paves the way for expansion of the policy.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 393, Statutes of 2017.

SB 427

AUTHOR: Leyva D

TITLE: Public water systems: community water systems: lead user service lines.

SUMMARY: Requires all water systems in the state to compile an inventory of known lead user service lines in use in its distribution system and identify areas that may have lead user service lines in use in its distribution system. Also requires, by July 1, 2020, all water systems in the state to provide a timeline for replacement of known lead user service lines in use in its distribution system to the State Water Resources Control Board.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 238, Statutes of 2017.

SB 595

AUTHOR: Beall D

TITLE: Metropolitan Transportation Commission: toll bridge revenues.

SUMMARY: Requires the nine counties in the San Francisco Bay area to conduct a special election, to be known as Regional Measure 3, on a proposed increase in the amount of the toll rate charged on the state-owned toll bridges in that area to be used for specified projects and programs. Allows, the Bay Area Toll Authority (BATA) to select the amount of the proposed increase, not to exceed \$3, to be placed on the ballot for voter approval. If approved by the voters, the bill would authorize BATA, beginning 6 months after the election approving the toll increase, to phase in the toll increase over a period of time and to adjust the toll increase for inflation after the toll increase is phased in completely.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 650, Statutes of 2017.

SB 605

AUTHOR: Galgiani D

TITLE: Small Business Procurement and Contract Act: small business.

SUMMARY: This bill revises, beginning January 1, 2019, the definition of “small business” and “microbusiness” for purposes of the Small Business Procurement and Contract Act (Act) by increasing the dollar amount threshold for a small business to \$15 million and for a microbusiness to \$5 million and requires those dollar amounts to be adjusted to reflect changes in the California Consumer Price Index (CPI) biennially. In addition, this bill revises, beginning January 1, 2019, the definition of small business by specifying that, for the purposes of public works contracts and engineering contracts for public works projects, a “small business” means a business with 200 or fewer employees and average annual gross receipts of \$36 million or less over the previous three years.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 673, Statutes of 2017.

SB 622**AUTHOR: Wiener D****TITLE: Local Agency Public Construction Act: Golden Gate Bridge, Highway and Transportation District.****SUMMARY:** Requires a bridge and highway district to advertise for contracts for all vessel repair, maintenance, and alteration work if the estimated expenditure exceeds \$1,000,000, and for all other construction, repair, maintenance, and alteration work, and all similar work, if the estimated expenditure exceeds \$5,000, in at least one newspaper and one trade paper of general circulation.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 396, Statutes of 2017.

SB 634**AUTHOR: Wilk R****TITLE: Santa Clarita Valley Water Agency.****SUMMARY:** This bill reorganizes Castaic Lake Water Agency and Newhall County Water District into the Santa Clarita Valley Water Agency and applies the requirements of the Public Contract Code to the new agency.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 833, Statutes of 2017.

SB 793**AUTHOR: Hill D****TITLE: Competitive bidding: design-build and best value construction contracting.****SUMMARY:** This bill allows specified special districts to use design-build contracting for construction of buildings or other facilities in those districts, and expands a pilot program that allows seven counties to use best value contracting for specified projects until January 1, 2020.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 627, Statutes of 2017.

Tax & Fee**AB 1130****AUTHOR: Bocanegra D****TITLE: Heavy equipment rentals.****SUMMARY:** Would allow, but not mandate, the rental company to charge a fee to the rentee to cover the costs of administering the collection and payment of the property tax on heavy equipment. This charge would appear as an independent line item on a contract between parties. The dollar amount of that charge would be entirely negotiable, as a term of the rental contract, between the renter and rentee. More than anything, this provides a more transparent way for rental companies to manage their tax liability on each contract.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 505, Statutes of 2017.

AB 1158

AUTHOR: Chu D

TITLE: Carpet recycling.

SUMMARY: Creates an advisory committee to make recommendations on carpet stewardship plans. Establishes a minimum carpet recycling rate of 24% by 2020 and requires CalRecycle to establish a minimum percentage beginning January 1, 2023.

STATUS: Approved by the Governor. Chaptered by Secretary of State - Chapter 794, Statutes of 2017.

SB 2

AUTHOR: Atkins D

TITLE: Building Homes and Jobs Act.

SUMMARY: Imposes a \$75 fee on real estate transaction documents, excluding commercial and residential real estate sales, to provide funding for affordable housing.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 364, Statutes of 2017.

Workers` Compensation

SB 189

AUTHOR: Bradford D

TITLE: Workers` compensation: definition of employee.

SUMMARY: This bill lowers the ownership threshold for waiving workers` compensation coverage from 15% to 10%, and also creates specific waiving provisions for professional corporations, worker-owned cooperatives, and closely-held family businesses.

STATUS: Approved by the Governor. Chaptered by Secretary of State. Chapter 770, Statutes of 2017.