

**ASSEMBLY BILL**

**No. 229**

**Introduced by Assembly Member Pacheco**

January 30, 2003

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An act to amend Section 20111 of the Public Contract Code, relating to school district contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 229, as introduced, Pacheco. School districts: public project contracts.

Existing law requires the governing board of any school district to let contracts for public projects involving an expenditure of \$15,000 or more to the lowest responsible bidder who shall give security as the board requires, or else reject all bids.

This bill, instead, would require a public project contract involving an expenditure of \$50,000 or more to be competitively bid. The bill would require the Superintendent of Public Instruction to adjust the \$50,000 threshold annually, as specified, commencing January 1, 2004.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 20111 of the Public Contract Code is  
2 amended to read:  
3 20111. (a) The governing board of any school district, in  
4 accordance with any requirement established by that governing  
5 board pursuant to subdivision (a) of Section 2000, shall let any

1 contracts involving an expenditure of more than fifty thousand  
2 dollars (\$50,000) for any of the following:

3 (1) The purchase of equipment, materials, or supplies to be  
4 furnished, sold, or leased to the district.

5 (2) Services, except construction services.

6 (3) Repairs, including maintenance as defined in Section  
7 20115, that are not a public project as defined in subdivision (c) of  
8 Section 22002.

9 The contract shall be let to the lowest responsible bidder who  
10 shall give security as the board requires, or else reject all bids.

11 (b) The governing board shall let any contract for a public  
12 project, as defined in subdivision (c) of Section 22002, involving  
13 an expenditure of ~~fifteen thousand dollars (\$15,000)~~ *fifty thousand*  
14 *dollars (\$50,000)* or more, to the lowest responsible bidder who  
15 shall give security as the board requires, or else reject all bids. All  
16 bids for construction work shall be presented under sealed cover  
17 and shall be accompanied by one of the following forms of  
18 bidder's security:

19 (1) Cash.

20 (2) A cashier's check made payable to the school district.

21 (3) A certified check made payable to the school district.

22 (4) A bidder's bond executed by an admitted surety insurer,  
23 made payable to the school district.

24 Upon an award to the lowest bidder, the security of an  
25 unsuccessful bidder shall be returned in a reasonable period of  
26 time, but in no event shall that security be held by the school  
27 district beyond 60 days from the time the award is made.

28 (c) This section applies to all equipment, materials, or supplies,  
29 whether patented or otherwise, and to contracts awarded pursuant  
30 to subdivision (a) of Section 2000. This section shall not apply to  
31 professional services or advice, insurance services, or any other  
32 purchase or service otherwise exempt from this section, or to any  
33 work done by day labor or by force account pursuant to Section  
34 20114.

35 (d) Commencing January 1, 1997, the Superintendent of Public  
36 Instruction shall annually adjust the dollar amounts specified in  
37 subdivision (a) to reflect the percentage change in the annual  
38 average value of the Implicit Price Deflator for State and Local  
39 Government Purchases of Goods and Services for the United  
40 States, as published by the United States Department of



1 Commerce for the 12-month period ending in the prior fiscal year.  
2 The annual adjustments shall be rounded to the nearest one  
3 hundred dollars (\$100).

4 *(e) Commencing January 1, 2004, the Superintendent of Public*  
5 *Instruction shall annually adjust the dollar amounts specified in*  
6 *subdivision (b) to reflect the percentage change in the annual*  
7 *average value of the California Construction Index for the*  
8 *12-month period ending in the prior fiscal year. The annual*  
9 *adjustments shall be rounded to the nearest one hundred dollars*  
10 *(\$100).*

