

Introduced by Senator PriceFebruary 18, 2011

An act to add Section 185034.4 to the Public Utilities Code, relating to high-speed rail.

LEGISLATIVE COUNSEL'S DIGEST

SB 735, as introduced, Price. High-speed rail: contracts.

Existing law, the California High-Speed Rail Act, creates the High-Speed Rail Authority to develop and implement a high-speed rail system in the state, with specified powers and duties. Existing law, pursuant to the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, approved by the voters as Proposition 1A at the November 4, 2008, general election, provides for the issuance of \$9.95 billion in general obligation bonds for high-speed rail and related purposes. Under federal law, funding is made available for allocation nationally to high-speed rail and other related projects.

This bill would require the authority, in awarding contracts for the construction of the high-speed rail system, to require that 25% of the workforce used at each worksite be from the local workforce. The bill would require the authority to also grant an additional contract price preference of 2.5% of the bid amount to qualified state-certified microbusinesses that are local to a worksite. The bill would require the Department of Housing and Community Development to evaluate the effect of these requirements and to submit quarterly reports to the authority in that regard. The bill would require the authority to include the findings of the department in its business plan.

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 185034.4 is added to the Public Utilities
2 Code, to read:
3 185034.4. (a) (1) The authority, in awarding contracts for the
4 construction of the high-speed rail system, shall require that 25
5 percent of the workforce used at each worksite be from the local
6 workforce.
7 (2) The authority, in awarding contracts for the construction of
8 the high-speed rail system, shall grant an additional price
9 preference of 2.5 percent of the bid amount to qualified
10 state-certified microbusinesses that are local to a worksite.
11 (b) The Department of Housing and Community Development
12 shall evaluate the effect of the requirements in subdivision (a), and
13 shall submit quarterly reports to the authority in that regard. The
14 findings of the department shall be included in the authority's
15 business plan prepared pursuant to Section 185033.
16 (c) As used in this section, the following terms have the
17 following meanings:
18 (1) "Local workforce" means residents of the local workforce
19 development area in which the worksite is located.
20 (2) "Local workforce development area" means one of 49 such
21 areas in the state with a local board designated by the Governor
22 pursuant to Section 14200 of the Unemployment Insurance Code.
23 (3) "Microbusiness" means a microbusiness as defined in
24 paragraph (2) of subdivision (d) of Section 14837 of the
25 Government Code.