

ASSEMBLY BILL

No. 3458

Introduced by Assembly Member Speier

February 23, 1996

An act to amend Section 10335 of the Public Contract Code, relating to state legal services.

LEGISLATIVE COUNSEL'S DIGEST

AB 3458, as introduced, Speier. State legal services: contracts.

Under existing law, state contracts for the procurement of materials, supplies, equipment, or services, with specified exceptions, are not effective unless reviewed and approved by the Department of General Services.

Existing law prohibits state agencies from employing any legal counsel other than the Attorney General, except for specified agencies, unless the agency has first obtained the written consent of the Attorney General.

This bill would provide that, in approving a contract for legal services, the department would have to require the state agency to demonstrate that the Attorney General has consented to the employment of outside counsel. The bill would also prohibit a state agency from expending more than 10% of its annual budget for legal services that are provided by sources other than the Attorney General or state agency legal counsel.

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 10335 of the Public Contract
2 Code is amended to read:

3 10335. ~~The provisions of this~~ (a) *This* article shall
4 apply to all contracts entered into by any state agency for
5 services to be rendered to the state, whether or not the
6 ~~same involves~~ *services involve* the furnishing or use of
7 equipment, materials, or supplies or are performed by an
8 independent contractor. Except as provided in Section
9 10351, all contracts subject to ~~the provisions of~~ this article
10 are of no effect unless and until approved by the
11 department. ~~Every such~~ *Each* contract shall be
12 transmitted with all papers, estimates, and
13 recommendations concerning it to the department and,
14 if approved by the department, shall be effective from
15 the date of approval. This article shall apply to any state
16 agency ~~which~~ *that* by general or specific statute is
17 expressly or impliedly authorized to enter into the
18 transactions referred to in this section. This article shall
19 not apply to contracts covered under Article 5
20 (commencing with Section 10355), contracts for the
21 construction, alteration, improvement, repair, or
22 maintenance of real or personal property, contracts for
23 architectural and engineering services subject to ~~the~~
24 ~~provisions of~~ Chapter 10 (commencing with Section
25 4525) of Division 5 of Title 1 of the Government Code, ~~or~~
26 to contracts ~~which~~ *that* are expressly excepted from ~~the~~
27 ~~provisions of~~ Section 10295, ~~or~~ contracts of less than one
28 thousand dollars (\$1,000) in amount, or to contracts of less
29 than five thousand dollars (\$5,000) where only per diem
30 or travel expenses, or a combination thereof, are to be
31 paid.

32 (b) *In exercising its authority under this article with*
33 *respect to contracts for the services of legal counsel, other*
34 *than the Attorney General, entered into by any state*
35 *agency that is subject to Section 11042 or Section 11043 of*
36 *the Government Code, the department, as a condition of*
37 *approval of the contract, shall require the state agency to*
38 *demonstrate that the consent of the Attorney General to*



1 *the employment of the other counsel has been granted*
2 *pursuant to Section 11040 of the Government Code. This*
3 *consent shall not be construed in a manner that would*
4 *authorize the Attorney General to establish a separate*
5 *program for reviewing and approving contracts in the*
6 *place of, or in addition to, the program administered by*
7 *the department pursuant to this article.*

8 *(c) No state agency shall expend more than 10 percent*
9 *of its annual budget for legal services that are provided*
10 *by sources other than the Attorney General or state*
11 *agency legal counsel.*

