

SCGMA 2022 CA Legislative Scorecard

The last actions of the 2022 California legislative session took place on September 30th, which was the deadline for Governor Newsom to sign or veto legislation. SCGMA again had a highly effective legislative session pursuing industry measures, including making 5% retention on public works a permanent policy; tightening up contractors' state licensing law to ensure compliance with permitting and workers compensation insurance requirements; securing relief for employers who paid out COVID-19 Supplemental Paid Sick Leave; and providing increased access to payroll information for our industry labor compliance programs.

2022 was also a challenging year as it related to general employer legislation, due to the legislature's continued push for employment laws that circumvent the sanctity of our industry collective bargaining agreements. Protecting the wage, hour and working conditions that the industry jointly negotiates has become the highest priority when reviewing legislation. State mandated deviations from those pacts takes away from the union construction industry's ability to not only compete for work, but also recruit workers, and organize contractors.

In reviewing the scorecard, it is important to remember that both houses of California's legislature have 2/3 democratic supermajorities, making it difficult to stop progressive and environmentally slanted bills that adversely impact our contractors. Despite that fact, SCGMA was again successful in defeating or amending numerous measures that would have been harmful to our contractors and the industry overall.

Below is a summary of the key bills SCGMA took strong positions on this year and the outcome.

- ✔ = Positive Outcome
- ✘ = Negative Outcome

LEGISLATION SUPPORTED BY SCGMA

- ✔ **AB 152 (Committee on Budget) COVID-19 Supplemental Paid Sick Leave Relief Grant Program**
Establishes the COVID-19 Relief Grant Program within the Governor's Office of Business and Economic Development (GO-Biz) to assist qualified businesses with grants up to \$50,000 to reimburse COVID 19 Supplemental Paid Sick Leave provided between January 1, 2022, through December 31, 2022.
Status: [Signed by Governor](#)
- ✔ **AB 1747 (Quirk) Enforcement of Building Permits**
Provides that willful or deliberate disregard of any state or local law relating to the issuance of building permits constitutes a cause for disciplinary action against a licensed contractor by the Contractors State License Board.
Status: [Signed by Governor](#)
- ✔ **AB 2173 (Petrie-Norris) Public Works 5% Retention Cap**
SCGMA sponsored measure that removes the sunset clause on the 5% retention cap policy related to public works projects, thereby permanently establishing it as state law.
Status: [Signed by Governor](#)

- ✔ **SB 216 (Dodd) Contractors - Mandatory Workers' Compensation Insurance Coverage**
Requires, regardless of whether or not they have employees, Concrete contractors (C-8), Heating, Ventilating and Air-Conditioning contractors (C-20,) Asbestos Abatement contractors (C-22), and Tree Service contractors (D-49) to have a Certificate of Workers' Compensation Insurance on file with the Contractors State License Board (CSLB). The bill also, beginning January 1, 2026, extends this requirement to all licensure classifications under the jurisdiction of the CSLB.
Status: [Signed by Governor](#)

- ✔ **SB 954 (Archuleta) Industry Access to Certified Payroll Records**
Current law requires contractors and subcontractors performing on public works projects to furnish electronic certified payroll records to the Labor Commissioner. This bill requires the Department of Industrial Relations to establish an online database of all submitted electronic certified payroll records and would limit access to the database to only multiemployer Taft-Hartley trust funds and industry joint labor-management committees. The bill stipulates that the database contain only non-redacted information that may be legally provided to multiemployer Taft-Hartley trust funds and joint labor-management committees. Access to this information in real-time has been a priority for industry labor compliance programs.
Status: [Signed by Governor](#)

LEGISLATION OPPOSED BY SCGMA

- ✘ **AB 1041 (Wicks) Employment Leave - Designated Person**
Expands the list of individuals for which an employee can take leave under the California Family Rights Act (CFRA) to include a "designated person", by the employee. The law allows an employer to limit the employee to one designated person per 12-month period. The California Family Rights Act (CFRA) allows eligible workers to take up to 12 weeks of unpaid, job-protected leave during a 12-month period. Employers must grant the time off for certain family or medical reasons (for example, for the birth of a new child, or to care of a family member suffering from a serious medical condition).
Status: [Signed by Governor](#)

- ✔ **AB 1400 (Kalra) Single Payer Healthcare**
Would have created a publicly financed, "single payer" healthcare system called CalCare, which would cost close to \$400 billion annually, and was to be paid for by new taxes levied upon Californian residents and businesses. If passed the measure would have eliminate the industry's existing health and welfare trusts.
Status: [Held - Failed Passage](#)

- ✔ **AB 1874 (Smith) Contractors - Unlicensed Work**
Would have authorized a person who is not licensed as a contractor to advertise for construction work and perform a work of improvement if the total cost of labor on the project is less than \$500 and the person states in the advertisement that they are not a licensed contractor.
Status: [Held - Failed Passage](#)

- ✘ **AB 2243 (Garcia) Occupational Safety and Health Standards - Heat Illness**
Requires the Division of Occupational Safety and Health (Cal/OSHA) to submit to the Occupational Safety and Health Standards Board a proposal to consider revising the current Cal/OSHA heat illness standard, and statutorily revises the timeline for employers to distribute their already required "Heat Illness Prevention Plan" to both new and incumbent employees.
Status: [Signed by Governor](#)

- ☑ **AB 2454 (Jones-Sawyer) Public Works Bid Protests - Joint Labor-Management Committees**
In a move away from current practice which allows only bidders to file bid protests on public works projects, this measure would have authorized joint labor management committees to protest the award of public works contracts simply on the basis that the committee does not believe that the lowest responsible bidder is, in fact, responsible. In practice, this nebulous criterion would enable a joint labor management committee to protest awards where their signatory members are not aligned with the winning bidder, or if there is a jurisdictional dispute between crafts. The effect would have been harassment of contractors and significant delays and, in some cases, cancellations of public works projects.
Status: **Held - Failed Passage**

- ☑ **AB 2932 (Low) 32 Hour Workweek**
Would have required that work in excess of 32 hours in a workweek be compensated at the rate of no less than 1 1/2 times the employee's regular rate of pay. The bill would have also required the compensation rate of pay at 32 hours to reflect the previous compensation rate of pay at 40 hours and would have prohibited an employer from reducing an employee's regular rate of pay as a result of this reduced hourly workweek requirement.
Status: **Held - Failed Passage**

- ☑ **SB 778 (Becker) Buy Clean California Act - Concrete**
Would have forced an awarding authority to require a successful bidder for a state contract to provide the global warming potential (GWP) of each concrete product used on the project. Would require the supplier of each concrete product used, to provide the contractor with an Environmental Product Declaration showing the GWP of the concrete product supplied. This bill also requires the Department of General Services, in consultation with the State Air Resources Board, to establish and publish the GWP benchmarks for classes of concrete in order to require, by Jan 1, 2025, that awarding authorities set acceptable levels of CO2 emissions for projects. Once those levels were set, the law would place penalties on contractors who exceeded the limits.
Status: **Held - Failed Passage**

- ☒ **SB 1044 (Durazo) Employment - Emergency Conditions**
Prohibits an employer, in the event of a state of emergency or an emergency condition, from taking or threatening adverse action against any employee for refusing to report to, or leaving, a workplace within the affected area because the employee feels unsafe. An emergency condition is defined as either a condition of disaster or extreme peril to the safety of persons or property caused by natural forces or a criminal act or an order to evacuate a workplace, worksite, or worker's home, or the school of a worker's child due to a natural disaster or a criminal act. The bill specifies that an emergency condition does not include a health pandemic.
Status: **Signed by Governor**

- ☒ **SB 1162 (Limón) Pay Transparency - Pay Data Reporting**
Requires employers with 15 or more employees to disclose, in job postings, a "pay scale" which the law defines as the "salary or hourly wage range that the employer reasonably expects to pay for the position." The law further adds a requirement that employers provide the pay scale to current employees upon request. In addition, the law imposes requirement that employers with 100 or more employees report to the state within each job category, for each combination of race, ethnicity, and sex, the median and mean hourly rate paid.
Status: **Signed by Governor**

LEGISLATION AMENDED TO ADDRESS SCGMA CONCERNS

☑ **AB 1949 (Low) Bereavement Leave**

Requires employers with five or more employees to provide employees, with at least 30 days of service, up to five unpaid days of bereavement leave upon the death of a family member. Upon introduction, we worked with the author to ensure the leave was “unpaid leave” and that the proposed law was not changed to “paid leave” throughout the legislative process.

Status: [Signed by Governor](#)

☑ **AB 2188 (Quirk) Discrimination in Employment: Use of Cannabis**

Prohibits employers from discriminating in hiring, firing, or setting conditions of employment based upon a person’s use of cannabis away from the workplace; or an employer-required drug screening test that has found the person to have non-psychoactive cannabis metabolites in their hair, blood, urine, or other bodily fluids. We were successful in securing amendments to ensure that the measure does not apply to the construction industry.

Status: [Signed by Governor](#)

☑ **SB 700 (Durazo) State Contract Act - High Road Employment Program**

Would have established the High Road Employment Program (program) within the Labor and Workforce Development Agency, which requires each bidder for a contract with the state to submit a very onerous High Road Employment Plan to the Department of General Services to be eligible for the contract. We were able to secure amendments to exempt public works from the program.

Status: [Held - Failed Passage](#)

☑ **SB 1364 (Durazo) University of California Contracts**

Would have required anyone who contracts with the University of California (UC) to provide detailed payroll information to the UC and any labor organization that represents UC employees who perform similar services. We were able to secure amendments that would exempt construction contractors signed to a valid CBA from having to comply with the bill.

Status: [Vetoed by Governor](#)