

Date of Hearing: March 18, 2026

ASSEMBLY COMMITTEE ON EDUCATION
Darshana Patel, Chair
AB 1809 (Fong) – As Introduced February 10, 2026

[Note: This bill is double referred to the Assembly Higher Education Committee and will be heard by that Committee as it relates to issues under its jurisdiction.]

SUBJECT: Public contracts: school and community college districts

SUMMARY: Removes the sunset provision for school district and community college utilization of job order contracting (JOC), thereby making the authorization permanent. Specifically, **this bill:**

- 1) Removes the sunset provision for school district and community college utilization of JOC if only if the school district has entered into a project labor agreement (PLA) or agreements that will apply to all public works awarded through JOC and to all other public works of the school district that exceed a monetary threshold set by the school district, regardless of what contracting procedure is used to award that work, thereby making the authorization permanent.
- 2) Requires the duration of any task order procurement contract issued, as specified, to not exceed five years. Requires any individual task order or job order issued pursuant to these contracts to remain valid and enforceable despite the expiration of the term of the task order procurement contract or JOC pursuant to which the individual task order or job order was validly issued.
- 3) Removes a requirement for the school district to prepare an execution plan for all modernization projects that may be eligible for JOC. Removes a requirement for the school district to select from that plan a sufficient number of projects to be initiated as job order contracts during each calendar year and to determine for each selected project that JOC will reduce the total cost of that project. Removes a requirement for JOC to not be used if the school district finds that it will increase the total cost of the project.

EXISTING LAW:

- 1) Authorizes JOC for school districts until January 1, 2027. (Public Contract Code (PCC) 20919.20 et seq.)
- 2) Authorizes JOC for community college districts until January 1, 2027. (PCC 20665.20 et seq.)
- 3) Restricts JOC to school districts that have entered into PLAs that will apply to all public works awarded through JOC and to all other public works of the school district that exceed a monetary threshold set by the school district through at least January 1, 2027, regardless of what contracting procedure is used to award that work. (PCC 20919.23)
- 4) Restricts JOC to community college districts that have entered into PLAs that will apply to all public works awarded through JOC and to all other public works of the community

college district that exceed a monetary threshold set by the school district through at least January 1, 2027, regardless of what contracting procedure is used to award that work. (PCC 20665.23)

- 5) Requires an entity awarded a JOC in excess of \$25,000 to provide an enforceable commitment to the school district or community college that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the job order contract that falls within an apprenticeable occupation in the building and construction trades. This provision is not applicable if the JOC is subject to a PLA that will bind all contractors and subcontractors performing work on the JOC to use a skilled and trained workforce to perform the JOC. (PCC 20665.23 and 20919.23)
- 6) Requires the governing board of a school district to competitively bid and award to the lowest bidder contracts involving the following:
 - a) An expenditure of \$50,000 or more for the purchase of equipment, materials, or supplies, services (except for construction services), and repairs; and
 - b) An expenditure of \$15,000 or more for a public contract project defined as construction, reconstruction, erection, alteration, renovation, improvement, demolition, repair, painting or repainting of any publicly owned, leased, or operated facility. (PCC 20111 and 22002)
- 7) Establishes alternative methods for awarding school construction contracts, including lease-leaseback, design-build, best value, and job order contracting. (Education Code (EC) 17406 and 17250.10, PCC 20119 and 20919.20)
- 8) Authorizes contracting for services customarily performed by classified school employees only based on specified conditions. (EC 45103.1)
- 9) Requires continuing contracts for work to be done, services to be performed, or for apparatus or equipment to be furnished, sold, built, installed, or repaired for the district, or for materials or supplies to be furnished or sold to the district may be made with an accepted vendor as follows: for work or services, or for apparatus or equipment, not to exceed five years; for materials or supplies, not to exceed three years. (EC 17596)
- 10) Authorizes the governing board of the Los Angeles Unified School District (LAUSD) to award multiple task order procurement contracts for the repair and renovation of school buildings and grounds, each not exceeding \$3 million, through a single request for bid. States that task order procurement contracts may include, but are not limited to, services, repairs, including maintenance, and construction, paid for with moneys from the LAUSD's general fund, a local school construction bond, or federal or state funds. Requires the scope of a contract awarded to be limited to the purposes authorized by its funding source. Requires the contracts to be awarded to the lowest responsible bidder, and to be based primarily on plans and specifications for typical work.
 - a) Requires, before entering into a task order procurement contract, the LAUSD to ensure that it is in compliance with the requirement of contracting for services customarily performed by classified school employees only when based on specified conditions, including cost savings to the school district;

- b) Requires a task order procurement contract to only be awarded to supplement existing personnel and to not be used to supplant existing personnel;
- c) Requires a task order procurement contract to not include services currently or customarily performed by represented employees who are in the LAUSD's Collective Bargaining Unit B, C, D, G, F, or S; and
- d) Authorizes the LAUSD to utilize task order procurement contracting only if the school district has entered into a PLA. (PCC 20118.6)

FISCAL EFFECT: Unknown

COMMENTS:

Need for the bill. According to the author, “AB 1809 removes the sunset for school districts and community college districts to use JOC, thereby allowing the use of JOC indefinitely. JOC was initially authorized as a pilot for the LAUSD over 20 years ago and subsequently extended to all school districts and community college districts. JOC enables school and community college districts to secure contracts for maintenance or repair work for any of the districts’ facilities based on specific tasks and agreed upon prices. When services are needed, repair can begin immediately without going out for bid for each project, which saves districts time and money, and enables districts to address potentially hazardous conditions immediately. JOC has been reauthorized four times since 2003. It is time to stop wasting legislative resources by making it permanent.”

Public project competitive bidding. Current law establishes the Local Agency Public Construction Act, which requires the governing boards of school districts to let contracts involving an expenditure in excess of \$50,000 for specified purposes (including the purchase of equipment, materials, or supplies to be furnished, sold, or leased to the school district) to the lowest responsible bidder. School districts are also required to competitively bid any public works contract over \$15,000 (relating to construction, renovation, demolition, repair work, and painting, but excluding maintenance work) and award the contract to the lowest responsible bidder. Under this process for school construction, a school district would first hire an architect to design a school facility and then issue a bid for the construction phase, awarding the contract to the lowest responsible bidder. This process is commonly called “design-bid-build.”

Alternative methods for awarding contracts include: (a) design-build, with a school district issuing a request for proposal for both the design and construction of projects for projects in excess of \$1 million; (b) best value, allowing school districts to consider factors other than cost; and (c) JOC, based on prices for specific construction tasks.

Job order contracting. JOC is a procedure that allows for the awarding of contracts based on prices for specific construction tasks, rather than bids for a specific project. A catalog or book identifies all work that could be performed, typically maintenance or modernization, and the unit prices for each of those tasks. The tasks are based on accepted industry standards, and prices include the cost of materials, labor, and equipment for performing the work, but exclude overhead and profit. A prequalified contractor, rather than bid a total price for the project, will bid an adjustment factor to the preset unit prices, which reflects all the contractor’s costs

(indirect and direct), and profit not included in the preset unit prices. Task orders are the individual projects assigned under a JOC. A unique aspect of JOC is that the contracts are awarded prior to when the services are needed, whereas other contract types are typically awarded at the time when services are needed.

Selection of the contractors is based on the lowest responsible bidder; however, a school district may select more than one contractor. When the school district has a project that requires the tasks for which a contractor has been awarded, the school district will provide a job order with the details of the job. JOC allows a school district to identify contractors for specific tasks and lock in the price for up to \$5 million of work.

This process is intended to reduce costs and accelerate completion of smaller projects; it is not generally viewed as an appropriate method of contracting for large, complex construction projects that require extensive or innovative design or are likely to encounter changes and revisions during constructions.

Current law authorizes JOC for school districts and community colleges until January 1, 2027. This bill would remove the authorization end date for JOC, thereby making the authorization permanent.

This bill also removes a requirement for the school district to prepare an execution plan for all modernization projects that may be eligible for JOC. This requirement was put in place to provide information to the school district to compare the price of JOC versus standard contracts to ensure the most cost-effective delivery method was chosen. According to the sponsor, since the school district typically determines that JOC will be used before a contract is executed, this requirement is no longer useful.

The bill also proposes to remove a requirement for JOC to not be used if the school district finds that it will increase the total cost of the project. ***Staff recommends that the bill be amended to*** not remove this requirement, thereby continuing the requirement in existing law prohibiting the use of JOC if the school district finds that it will increase the total cost of the project.

“Individual” or “daughter” contracts. JOC is considered a master contract and contains “individual” or “daughter” contracts for each job or task. Current law authorizes continuing contracts for work, services, materials, or equipment not to exceed five years, and for materials or supplies not to exceed three years. The duration of those contracts is five years under current law, however, it is silent as to whether it also applies to the individual contracts. Some school districts expressed concern over this point and sought clarity as to the maximum duration of individual contracts.

This bill clarifies that the term for an individual contract under the Master JOC contract is five years, consistent with EC 17596. This is to ensure that a contractor is able to complete work being done under an individual contract even if the primary contract expires.

Project labor agreements. Current law requires the school boards utilizing JOC to have a PLA in place. The term “project labor agreement” describes a category of agreements between a construction project’s managers and its workers. Individual agreements within this class vary widely. They are pre-hire collective bargaining agreements, meaning they are signed before the project is started, and before workers are hired. They include an agreement by the union

signatories to not conduct any strikes or work stoppages, while the contractors and their subcontractors agree to no lockouts during the length of the construction project.

Other provisions commonly found in a PLA include:

- A requirement that new employees, within a certain period of time, pay dues to the union for representing their interests before the employer;
- A requirement that contractors use a local, centralized union job referral system;
- Management rights, including hiring, promotion, transfer, discipline or discharge of employees, and the right to reject any job applicant referred by a union;
- A uniform workday, workweek, overtime, holiday and payday schedules;
- Standardized work rules and regulations posted on the job site; and
- Standardized and often very quick dispute resolution procedures to resolve employee, contractor and/or inter-union disputes.

LAUSD task order procurement pilot program. The LAUSD is authorized to have a pilot program, extended until January 1, 2034, to award multiple annual task order procurement contracts for the purposes that include services, repairs, and construction, each not exceeding \$3 million, through a single request for bid. The pilot authorization from 2019 resembles JOC, but whereas JOC issued for capital infrastructure – new construction and modernization projects that are funded with state or local bonds, developer fees or other types of property assessments – the pilot authorizes the LAUSD to award multiple contracts through a single request for bid for services, maintenance and repair work that are funded by the district’s general funds, a local school construction bond, or federal or state funds. The LAUSD is required to adhere to all existing public procurement laws and maintain a project labor agreement.

As a condition of the pilot, LAUSD is required to submit a report, prepared by an independent third party, to the appropriate policy and fiscal committees of the Legislature by January 15, 2023. The LAUSD chose Sjoberg Evashenk Consulting, Inc. to conduct the review and paid \$78,625 in district funds for the report.

The third-party review found that LAUSD implemented and followed robust and compliant processes and practices over its task order contracting method, such as requiring bidders to be prequalified, obtaining appropriate approvals for and publishing invitations for bids, advertising the protest process, evaluating bids, and ensuring key information was posted to the website. From Section 4 of the report, “Overall, our review found the task order contracting program has proven to be an efficient and effective process allowing LAUSD to supplement staff and make needed repairs, complete maintenance, and provide services at its many facilities for the safety of students and employees.”

Current law allows contracting for work customarily performed by classified employees only to achieve cost savings and only if specified conditions are met, including, in part, the following: the contractor’s wages are at the industry’s level and do not undercut school district pay rates,

the contract does not cause the displacement of school district employees, the services contracted are not available within the district, the services are needed for emergency appointments, and the contractor has equipment, materials or support services that could not feasibly be provided by the school district in the location where services are to be performed. The LAUSD pilot reiterates these requirements.

Arguments in support. The LAUSD writes, “The JOC statute was first enacted as a Los Angeles Unified pilot in 2004 and expanded to all school districts in 2016. The Community College statute was first enacted in 2018. Without legislative action, the current authorizations are set to sunset on January 1, 2027. Assembly Bill 1809 permanently authorizes school districts and community colleges to award job order procurement contracts for public works projects for the purpose of performing services, repairs, and construction.

To ensure public trust, school district and community colleges are required to adhere to all existing public procurement laws and maintain a project labor agreement. Contracts are awarded to the most qualified bidder who is licensed, bonded, and general liability insured. The bidder agrees to a fixed period, fixed unit price, and indefinite quantity contract for public works or maintenance projects.

This bill also clarifies that “individual” contracts issued under a “master” contract are valid for five years, as is the case for other public works contracts.”

Arguments in opposition. The Western Electrical Contractors Association writes, “Under existing law, a school district or community college district may only use JOC if it has entered into a PLA that applies broadly to district public works above a locally determined threshold. This mandate excludes many qualified contractors who choose not to operate under PLAs, thereby reducing the bidder pool and limiting school districts’ access to the full construction marketplace. JOC is intended to provide flexibility, efficiency, and cost-effectiveness for routine construction work. Conditioning its use on a PLA requirement runs counter to those goals by: discouraging participation by experienced merit shop contractors; reducing competitive pressure that helps control project costs; and limiting opportunities for small and locally owned businesses. Extending the sunset without addressing this structural barrier would continue to disadvantage a significant portion of the construction industry.”

Recommended Committee Amendments. *Staff recommends that the bill be amended* as follows:

- Maintain, rather than remove, the final sentence of subdivision (b) of PCC 20919.23, therefore continuing to prohibit the use of a JOC if the school district finds that the contract will increase the total cost of the project.

Related legislation. AB 439 (Wendy Carrillo), Chapter 523, Statutes of 2023, extends the pilot program authorizing the Los Angeles Unified School District (LAUSD) to award multiple annual task order procurement contracts for the purposes that include services, repairs, and construction until January 1, 2034.

AB 846 (Low), Chapter 303, Statutes of 2021, extends the existing authority for school and community college districts to administer JOC, an alternative construction contracting agreement, until January 1, 2027.

AB 618 (Low), Chapter 296, Statutes of 2017, authorizes community college districts to enter into JOC, an alternative construction contracting agreement then only available to school districts, until January 1, 2022.

AB 1431 (Gomez), Chapter 753, Statutes of 2015, extends the authority to utilize JOC to all school districts.

AB 2580 (Furutani), Chapter 825, Statutes of 2012, extends the sunset date on the LAUSD JOC pilot project from December 1, 2012, to December 31, 2020.

AB 2362 (Horton), Chapter 570, Statutes of 2006 extends the sunset date on the LAUSD project from December 1, 2007, to December 1, 2012.

AB 14 (Horton), Chapter 889, Statutes of 2003, authorizes the LAUSD to engage in JOC as an alternative to traditional competitive bidding for smaller modernization and maintenance contracts.

REGISTERED SUPPORT / OPPOSITION:

Support

California Association of School Business Officials (CASBO)
Gordian Group; the
Los Angeles Unified School District

Opposition

Western Electrical Contractors Association

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