

Date of Hearing: April 8, 2026

ASSEMBLY COMMITTEE ON EDUCATION  
Darshana Patel, Chair  
AB 1860 (McKinnor) – As Introduced February 11, 2026

**SUBJECT:** County offices of education: school facilities: design-build: public contracts

**SUMMARY:** Authorizes county offices of education (COEs), with the approval of its governing board, to procure design-build and alternative design-build contracts. Requires the components of the Local Agency Public Construction Act to apply to COEs in the same manner it is applied to school districts. Specifically, **this bill:**

- 1) Authorizes a COE, with the approval of its governing board, to procure design-build contracts for projects in excess of \$1 million, awarding the contract to either the low bid or best value.
- 2) Authorizes a COE, with the approval of its governing board, to procure alternative design-build contracts for projects in excess of \$5 million, awarding the contract to either the low bid or best value.
- 3) Requires the components of the Local Agency Public Construction Act to COEs in the same manner it is applied to school districts, including the letting of contracts by COE governing boards involving an expenditure of \$50,000 for specified purposes (including the purchase of equipment, materials, or supplies to be furnished, sold, or leased to the COE) to the lowest responsible bidder, and competitively bid any public works contract over \$15,000 and award the contract to the lowest responsible bidder.

**EXISTING LAW:**

- 1) Authorizes a superintendent of schools for each county to be elected by the qualified electors thereof at each gubernatorial election or to be appointed by the county board of education, and the manner of the selection shall be determined by a majority vote of the electors of the county voting on the question. (California Constitution, Article IX, Section 3)
- 2) Establishes county boards of education, consisting of five or seven regular members to be determined by the county committee on school district organization. Requires each regular member of the county board of education to be an elector of the trustee area that the regular member represents, and to be elected by the electors of the trustee area. Requires, in chartered counties, the manner of selection of the county board of education to be prescribed in the county charter, or by the county board of supervisors. Requires, in a county unified school district or in a unified or elementary school district that includes all of the territory over which a county superintendent of schools has jurisdiction, the governing board of the district to serve as the county board of education. (Education Code (EC) 1000)
- 3) Establishes a process for a school district governing board to enter into a design-build contract for both the design and construction of education facility projects over \$1 million. (EC 17250.20)

- 4) Finds and declares that the design-build method of project delivery, using a best value procurement methodology, has reported benefits, including reduced project costs, expedited project completion and design features that are not achievable through the traditional design-bid-build method. (EC 17250.10)
- 5) Specifies the elements required to be included in a design-build request for proposal (including significant factors, subfactors, methodology, rating and weighting schemes for evaluating proposals) and establishes, among others, prequalification, bonding and labor compliance program requirements. Prohibits a design-build entity from being prequalified or short-listed unless the entity provides an enforceable commitment to the school district that that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades. (EC 17250.15 – 17250.40)
- 6) Establishes a process for a school district governing board to enter into an alternative design-build contract for both the design and construction of education facility projects over \$5 million. (EC 17250.61)
- 7) Specifies the elements required to be included in an alternative design-build request for proposal (including significant factors, subfactors, methodology, rating and weighting schemes for evaluating proposals) and establishes, among others, prequalification, bonding and labor compliance program requirements. Prohibits an alternative design-build entity from being prequalified or short-listed unless the entity provides an enforceable commitment to the school district that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades. (EC 17250.60 – 17250.69)
- 8) Authorizes the school district, in each alternative design-build request for proposals, to identify specific types of contractors that must be included in the design-build entity statement of qualifications and proposal. (EC 17250.65)
- 9) Establishes the Local Agency Public Construction Act, which includes:
  - a) Requires the governing board of a school district to competitively bid and award to the lowest bidder contracts involving the following:
    - i) An expenditure of \$50,000 or more for the purchase of equipment, materials, or supplies, services (except for construction services), and repairs. (Public Contract Code (PCC) 20111)
    - ii) 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 22002)

**FISCAL EFFECT:** This bill has been keyed as a possible state-mandated local program by the Office of Legislative Counsel.

**COMMENTS:**

***Need for the bill.*** According to the author, “AB 1860 would authorize design-build and progressive design-build for COE, align COE authority with K–12 districts and community colleges, and improve project coordination, reduce delays, and increase efficiency. This bill would also preserve all applicable prevailing wage and labor standards, such as public works contractor registration, apprenticeship utilization, and the use of a skilled and trained workforce. In addition, AB 1860 would ensure long-term workforce development in the skilled trades on COE projects by continuing to provide meaningful on-the-job training hours and prevent dishonest contractors who cut corners on wages, safety, or training from bypassing apprenticeship obligations.”

***Key provisions of the bill.*** This bill has four components: 1) would make COEs eligible to use the design-build procurement process, 2) would make COEs eligible to use alternative design-build procurement process, 3) would assign the county office of education governing board, rather than the county superintendent of schools, the authority to approve both procurement processes, and 4) would add COEs to the Public Contract Code “Local Agency Public Construction Act” and would assign the county office of education governing board, rather than the county superintendent of schools, the authority to approve the various contracts and procurement processes included in the PCC.

***Design-build.*** This bill would authorize COEs to utilize design-build in the same manner as school districts.

Under a design-build process, a K-12 school district or other public or private agency issues a bid for both design and construction of a facility. A general contractor may collaborate with an architect/engineer to submit a proposal, or a general contractor may submit the proposal and subcontract with an architect/engineer. The school district must also establish a process to prequalify design-build entities using a standard questionnaire developed by the Department of Industrial Relations. In addition to K-12 schools and California Community Colleges (CCC) districts, a number of design-build authorizations have been given to various cities and counties, state building projects, and transit districts.

Rather than selecting the contractor based solely on the lowest offer, a school district may use criteria in addition to cost, which may include qualification, experience, proposed design approach, life cycle costs, project features, and project functions. Based on the criteria selected by a governing board, the proposals are scored and awarded to the bidder whose proposal is considered to be the best value to the school district. Under a design-bid-build process, the architect works independently on the design of the facility. Once construction begins, any problems identified by the contractor must be resolved, frequently with the school district acting as the mediator. Under design-build, the architect and contractor are working together from the beginning of the project, thereby reducing conflicts, delays, and additional costs during the construction phase. Design-build contracting can expedite the construction of a project, avoid conflicts between architects/engineers and contractors, and according to experiences from school and community college districts, reduce costs by reducing change orders once construction begins. Design-build for school districts is only for projects over \$1 million, and requires the use of a skilled and trained workforce to perform all work on the project or contract that falls within an apprenticeable occupation in the building and construction trades.

***History of design-build contracting.*** AB 1402 (Simitian), Chapter 421, Statutes of 2001, established a process called “design-build” that enables a school district to issue a bid for both the design and construction of projects over \$10 million and authorizes school districts to consider factors other than cost. AB 1402 had an initial sunset of January 1, 2007, and required the Legislative Analyst's Office to submit a report with information on the experiences of districts that used the design-build process and make recommendations to the Legislature. In 2007, the sunset was extended to January 1, 2014, and the threshold for eligible projects was reduced from \$10 million to \$2.5 million. In 2015, AB 1358 (Dababneh), Chapter 752, Statutes of 2015, aligned the process for school districts awarding contracts through the design-build method with the design-build process established for state and local agencies, reduced the threshold for participation from \$2.5 million to \$1 million, and extended the sunset date to January 1, 2025. SB 956 (Cortese), Chapter 177, Statutes of 2024, removed the sunset on the authority of a school district to utilize design-build contracts for certain public works projects.

***Alternative design-build.*** This bill would authorize COEs to utilize alternative design-build in the same manner as school districts.

Alternative design-build is a project delivery process in which both the design and construction of a project are procured from a single design-build entity based on its proposed design cost, general conditions, overhead, and profit as a component of the project price. This procurement method is sometimes also referred to as progressive design-build. Projects include all construction, alteration, demolition, installation, repair, and maintenance work that is subject to a skilled and trained workforce (including subcontractors, unless the school district has entered into a project labor agreement) for public works projects over \$5 million. Current law authorizes school districts to use this procurement method.

The alternative design-build procurement method differs from design-build as follows:

- For projects using best value rather than lowest bidder, a proposing design-build entity’s design cost, general conditions (project specific costs), overhead (administrative), and profit as a component of the project price are added to the initial evaluation.
- After a contract has been awarded, and presumably after a design has started or has been completed, the contract is subject to further negotiations and changes up to the sum of the costs of construction subcontracts.
- A school district is authorized to review subcontractor bids received by the design-build entity through an open book evaluation, and allows the school district to require the design-build entity to repeat the subcontractor bidding process if the school district determines that the costs of the construction subcontracts exceed the anticipated value of the project or if the school district determines any individual subcontract is unreasonable.

Any district choosing to utilize the alternative design-build method must submit a report to the appropriate policy and fiscal committees of the Legislature by January 1, 2028, with specified information about the projects awarded using this method.

Authorization for the alternative design-build procurement method for school districts was introduced by AB 902 (O’Donnell) of the 2021-22 Session, and adopted via AB 185 (Committee

on Budget), Chapter 57, Statutes of 2022. Alternative design-build is authorized for school districts until January 1, 2029.

***County superintendents of schools and county boards of education.*** Due to the independent constitutional and statutory duties required of the county superintendent and the county board, the interaction between the county and the county superintendent is very different from the relationship between a school district board and a district superintendent who is an employee of the board. The relationship between the county superintendent and the county board of education is not analogous to the relationship between a school district superintendent and the school district governing board. According to the California Attorney General, “[a] county superintendent is vested with the broad authority to carry on, and expend for, activities and programs that he or she determines to be necessary or desirable to meet the needs of the community, so long as the activities or programs are not in conflict with or inconsistent with the law.” (101 Ops.Cal.Atty.Gen. 56 (2018)). At the COE level, the practice is for the county superintendent to approve contracts as the person managing the day-to-day operations of the COE, rather than the county governing board.

Unlike a school district superintendent, a county superintendent is not an employee of the county board. The county superintendent and the county board have separate duties and responsibilities. This is true whether the superintendent is separately elected, as in most counties, or appointed by the county board of the board of supervisors. (The county boards in Sacramento, Santa Clara, and San Diego counties and the City and County of San Francisco appoint the county superintendent, and the board of supervisors in Los Angeles County appoints the county superintendent and the county board, based on the county charters.) In counties with only one school district, the county board members also serve as the district board members and may hire a district superintendent. COEs have many functions which must be carried out by employees and the county superintendent of schools is the sole employer of those employees.

County superintendents of schools are established in the California Constitution. To be elected or appointed county superintendent in Class I through Class VIII counties, a person must hold an administrative credential issued by the Commission on Teacher Credentialing and must file an affidavit to that effect with the nominating papers. County boards of education are established in the Education Code and must live in and be elected by voters in trustee areas.

This bill would stipulate that the county board of education, rather than the county superintendent of schools, approve contracts for design-build, alternative design-build, and all contract types included in the Local Agency Public Construction Act. ***The Committee may wish to consider*** that this change in contract approval authority would be a significant shift in authority from current customs and practice.

***Local Agency Public Construction Act.*** Current law establishes the Local Agency Public Construction Act, which regulates, among other things, the letting of contracts by school district governing boards involving an expenditure of more than \$50,000 for specified purposes, including the purchase of equipment, materials, or supplies to be furnished, sold, or leased to the school district, services other than construction services, and repairs, including maintenance, as defined. The Act requires a school district governing board to let any contract involving an expenditure of \$15,000 or more 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.”

The act further requires a prospective bidder for a construction contract for certain school facility projects to submit a prequalification questionnaire and financial statement, under oath, as part of the bidding process, and requires each prospective bidder to submit a bid by completing and executing a standardized proposal form. That act applies these requirements only to public projects, as defined, for which the governing board of the school district uses state general funds, the Leroy F. Greene School Facilities Act of 1998, or from future state school bonds, that involve a projected expenditure of \$1 million or more, as specified.

This bill would apply all provisions of the Local Agency Public Construction Act to COEs in the same manner that it is applied to school districts. *The Committee may wish to consider* that in order to authorize COEs utilization of design-build and alternative design-build, it is unnecessary to add them to the Local Agency Public Construction Act.

***Arguments in support.*** The District Council 16, International Union of Painters and Allied Trades, writes, “County Offices of Education (COE) are responsible for building and maintaining some of the most complex and specialized educational facilities in the state. However, COE lack access to modern project delivery tools widely used across public education. Without design-build authority, COE face delays, higher costs, and fragmented oversight of projects. As COE construction needs grow, there is a risk that some contractors could exploit gaps in procurement authority to undercut wages, safety laws, and apprenticeship standards.

AB 1860 would authorize design-build and progressive design-build for COE, align COE authority with K–12 districts and community colleges, and improve project coordination, reduce delays, and increase efficiency. This bill would also preserve all applicable prevailing wage and labor standards, such as public works contractor registration, apprenticeship utilization, and the use of a skilled and trained workforce. In addition, AB 1860 would ensure long-term workforce development in the skilled trades on COE projects by continuing to provide meaningful on-the-job training hours and preventing dishonest contractors who cut corners on wages, safety, or training from bypassing apprenticeship obligations.”

***Arguments in opposition.*** The California County Superintendents write, “As currently written AB 1860 would rewrite the longstanding governance and legal structures for county superintendents of schools and county boards of education, as defined by the State Constitution and California Education Code. We oppose AB 1860 for two reasons: 1. AB 1860 transfers longstanding governance authorities, such as contracting for goods and services, from county superintendents to county boards of education. 2. AB 1860 is overly broad, as it unnecessarily imposes the “Local Agency Public Construction Act” of the Public Contract Code to COEs — something that is not necessary to authorize design-build delivery to COEs.

Importantly, these two concerns can be addressed by amendments that preserve the author’s intent of authorizing the design-build delivery method for county offices of education. We provided these amendments to the author’s office and this committee on March 27, 2026. Addressing these two concerns would result in a “neutral” position by our organization. As a preliminary matter, if the goal of the bill is to subject county offices of education to progressive contract structures for construction, including specifically the requirement to use a skilled and trained workforce under the design-build delivery method, then the bill as written is too broad.

See Section 4 of AB 1860. Alternative construction delivery methods are primarily authorized by the Education Code, not the Public Contract Code.

Incorporating county offices of education to the Local Agency Public Construction Act—either the Part or the Article (it’s unclear what the bill intends)—is not required to render alternative construction delivery methods applicable to county offices, including skilled/trained workforce requirements, which live in the Education Code. Leaving the language as it is currently written, however, will have wide-sweeping effects that go beyond construction contracts into contracts for any goods or services for the county office of education. This raises serious concerns for our members. The solution, as we proposed in our recommended amendments, is to omit Section 4 of the bill altogether.”

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

- Authorize county superintendents of schools, rather than county boards of education, to utilize design-build and alternative design-build. Clarify that county superintendents of schools have exclusive authority to award design-build or alternative design-build contracts on behalf the COE and county board of education.
- To meet the intent of the bill to authorize county superintendents to use design-build and alternative design-build amending the PCC is unnecessary and will be removed from the bill. The authorizations necessary for county superintendents to use design-build and alternative design-build are included in the EC (EC 17250.10-17250.52 for design-build, and EC 17250.60-17250.69 for alternative design-build)

***Related legislation.*** SB 956 (Cortese), Chapter 177, Statutes of 2024, removes the sunset on the authority of a school district to utilize design-build contracts for certain public works projects.

AB 1433 (Rendon), Chapter 581, Statutes of 2023, expands the requirement of general contractors and specified subcontractors to complete and submit a prequalification questionnaire and financial statement prior to bidding on school construction projects to include projects using state General Fund resources.

AB 185 (Committee on Budget), Chapter 57, Statutes of 2022, authorized the alternative design-build until January 1, 2029, a procurement method which authorizes the governing board of a school district to procure alternative design-build contracts for public works projects in excess of \$5 million, awarding the contract to either the low bid or the best value, as provided.

AB 902 (O’Donnell) of the 2021-22 Session would have established an alternative design-build pilot project for the procurement of school construction contracts. This bill was held in the Senate Appropriations Committee.

AB 137 (Committee on Budget), Chapter 77, Statutes of 2021, authorized the Department of General Services (DGS) to use progressive design-build for three state capital outlay projects.

SB 743 (Hertzberg), Chapter 275, Statutes of 2019, requires the Los Angeles Unified School District to meet certain requirements and include those requirements as terms and conditions in a

design-build contract for the purpose of meeting contracting provisions related to the California Environmental Quality Act (CEQA).

SB 544 (McGuire), Chapter 395, Statutes of 2017, requires school districts to award contracts for the provision of child nutrition program supplies to the most responsive and responsible party and requires price to be the primary consideration, but not the only determining factor.

AB 1358 (Dababneh), Chapter 752, Statutes of 2015, aligns the process for school districts awarding contracts through the design-build method with the design-build process established for state and local agencies, lowered the threshold for projects eligible to use design-build to \$1 million, and extended the authorization for school districts to use design-build contracting to January 1, 2025.

SB 785 (Wolk), Chapter 931, Statutes of 2014, aligned the design-build process for the DGS, the California Department of Corrections and Rehabilitation, and several local agencies.

SB 1509 (Simitian), Chapter 736, Statutes of 2012, extended the sunset for K-12 and CCC authorization to use design-build from January 1, 2014, to January 1, 2020.

AB 1402 (Simitian), Chapter 421, Statutes of 2001, established, until January 1, 2007, the authorization for school districts to use the design-build contracting method for projects over \$10 million and authorized school districts to consider factors other than cost.

## **REGISTERED SUPPORT / OPPOSITION:**

### **Support**

American Council of Engineering Companies of California  
California Federation of Labor Unions, AFL-CIO  
California State Association of Electrical Workers  
California State Pipe Trades Council  
District Council 16, International Union of Painters and Allied Trades  
State Building and Construction Trades Council  
Western States Council Sheet Metal, Air, Rail and Transportation

### **Opposition**

Alameda County Office of Education  
California County Superintendents  
County School Facilities Consortium

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