



SB 854 – Public Works Contractor Registration Program

All Information Contained Within this Document
Taken from a January 27, 2015 Webinar Hosted by
the State of California Labor Commissioner's Office

Public Works Under California Labor Code

- “Public works means: Construction, alteration, demolition, installation, or repair work done under contract and **paid for in whole or in part out of public funds...**” (Section 1720 (a)(1))
- “Except for public works projects of one thousand dollars or less, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the public work is performed...” (Section 1771)
- The new registration program applies to all public works, as defined by the Labor Code

New Public Works Contractor Registration Law

- Law in effect as of June 20, 2014
- Requires contractors to be in good standing
- Labor Commissioner's office responsible for registering contractors for public works
- Registration good for fiscal year; renewed annually
- Contractors must meet minimum qualification standards



Public Works Contractor Requirements



In order to register with DLSE, contractors must

- Certify or provide proof of workers compensation insurance
- Have no outstanding liabilities for wages, damages, interest, fines or penalties to an employee or the state
- Good standing: cannot be under federal or state debarment from performing public works
- Have a valid contractor's license if necessary for your trade
- **After registration becomes mandatory no bids or work without registration** – for first violation in 12 month period may pay \$2000 penalty to register

Important Dates

- July 1, 2014 – Registration and fees began
- **March 1, 2015 – Contractors must be registered in order to bid on public works projects**
- April 1, 2015 – Contractors must be registered to be awarded a public works project and to submit certified payroll records to the Labor Commissioner
- January 1, 2016 – All public works contractors must finish certified payroll records (online) to the Labor Commissioner with some exceptions



Labor Code Section 1771.1 (a)

- A contractor or subcontractor shall not be qualified to bid on, be listed in a bid proposal, subject to the requirements of Section 4104 of the Public Contract Code, or engage in the performance of any contract for public work, as defined in this chapter, unless currently registered and qualified to perform public work pursuant to Section 1725.5. It is not a violation of this section for an unregistered contractor to submit a bid that is authorized by Section 7029.1 of the Business and Professions Code or by Section 10164 of 20103.5 of the Public Contract Code, provided the contractor is registered to perform public work pursuant to Section 1725.5 at the same time the contract is awarded.

What if a contractor fails to register?

- **Ineligible to bid on public works** (with the exceptions for joint ventures and federally-funded projects if qualified at time of award)
- Ineligible to work on public works
- For first violation in 12-month period, may **pay \$2000** to register if otherwise qualified
- For inadvertent lapsed renewal, 90 day grace period to pay double fee to re-register
- Right to appeal if registration denied or revoked

What if a contractor fails to register? (continued)

- Inadvertent listing of unregistered subcontractor on bid doesn't invalidate bid and may be cured
- Failure to register is grounds for substituting subcontractors
- Contract with unregistered contractor or subcontractor subject to cancellation but not void
- Where project bid as private work but later found to be public work, may register without penalty



Electronic Certified Payroll Uploads for Contractors

- On DIR website at <https://apps.dir.ca.gov/eCPR/DAS/altlogin>
- Contractors must upload on all new public works projects beginning April 1, 2015
- Contractors must upload on all public works projects, new or ongoing, beginning January 1, 2016
- Exceptions for projects monitored by:
 - DIR-approved legacy Labor Compliance Programs
 - Project Labor or Stabilization Agreements

For more information

- Contact: SB854@dir.ca.gov
- Visit: <http://www.dir.ca.gov/Public-Works/PublicWorks.html>

