

AB 2361 (WEBER): UNIVERSITY OF CALIFORNIA: OUTSOURCE CONTRACTS

POSITION: The Chamber's Public Policy Sub-Committee on Education & Workforce voted to OPPOSE this bill on August 7, 2018. The Chamber's Public Policy Committee voted to OPPOSE the bill on September 11, 2018.

STATUS: AB 2361 was introduced February 13, 2018. The bill passed the Assembly floor on May 31, 2018 and passed the Senate floor on August 24, 2018. It was enrolled and presented to the Governor on August 30, 2018. Governor Jerry Brown has until September 30 to sign or veto the bill.

SUMMARY

AB 2361 requires that a contractor agree to provide the University of California (UC) with specified information regarding each active outsource contract in order to qualify as the lowest responsible bidder or the best value awardee, or otherwise to perform any service work for the university; it requests UC to report through a publicly accessible website that information and; requires the Legislature to deduct a certain amount from the UC's General Fund appropriation should UC fail to report the information.

INDUSTRIES IMPACTED

University of California

SUPPORTERS

- American Federation of State, County, and Municipal Employees
- AFL-CIO
- AFSCME

OPPONENTS

- University of California
- California Chamber of Commerce

ARGUMENTS IN FAVOR

- This bill will inform the Legislature about UC's compliance in meeting its minimum wage requirements and provide information about the extent to which UC contractors provide employees with health and retirement benefits

ARGUMENTS IN OPPOSITION

- Its requirements will lead to progressively more service work being insourced by the university as a result of fewer bidders being willing to work for the university.
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MORE INFORMATION

- This bill subjects UC to a penalty should it fail to post the required information or if it contracts with a contractor who is prohibited from working with the UC pursuant to this bill.
- This appears to be overly punitive and unnecessary as the Legislature has the authority to modify UC's General Fund appropriation through the budget process.