

Message From The Chair



Cathy Allen, C.A.S.H. Chair

New Rules for Labor Compliance Programs

As the year draws to a close, it is a good time to reflect on the wide variety of challenges and opportunities that the school facilities community has faced in 2011. In 2011, the state sold infrastructure bonds including \$1 billion for school facilities, the American Jobs Act proposed federal funding for school maintenance and energy efficiency, seismic safety in schools became a hot button issue, and program reform was the focus of the Superintendent of Public Instruction's "Schools of the Future Initiative." On the legislative front, C.A.S.H. took positions on a host of school facilities bills as we always do. In my final Message from the Chair of 2011, I would like to focus on one bill that will have significant implications for schools - SB 436 (Solorio) relating to new requirements for Labor Compliance Programs (LCP).

Brief History

LCP's for school construction began in 2002 with the signing of AB 1506 (Wesson), which required LCPs for school construction projects funded under Propositions 47 and 55. In 2009, SBX2 9 (Padilla) was signed, which

required the Department of Industrial Relations (DIR) to perform prevailing wage monitoring and enforcement for all school construction projects that receive State bond funds including Proposition 1D, and specifies that prevailing wage monitoring and enforcement must be directly administered by the DIR and not by a third party administrator. On August 2, 2010, DIR approved regulations that created a new unit within DIR called the Compliance Monitoring Unit (CMU) to provide prevailing wage monitoring and enforcement for all bond-funded public works projects, and were in effect through November 4, 2010 when the Office of Administrative Law (OAL) accepted the DIR's request to repeal the SBX2 9 regulations. On September 30, 2011, AB 436 was signed which amends the provisions of SBX2 9, and on October 31, 2011, the DIR submitted regulations to the OAL to implement the bill.

C.A.S.H.'s Position

C.A.S.H. has been a consistent supporter of the application of prevailing wage on public school projects. C.A.S.H. supported AB 1506, we did not oppose SB2X 9, and worked collaboratively with DIR in the development of implementing regulations. C.A.S.H. did not oppose AB 436 as it relates to the issue of prevailing wage applicability for public works projects nor the enforcement provisions contained in the bill, but did express opposition to specific components of the bill. C.A.S.H.'s primary objective is and has been to ensure that school districts have clear guidelines, sufficient funding and maximum flexibility to implement LCP programs.

Implementation Committee Discussion

Under the leadership of former C.A.S.H. chair and new Assistant



REGISTER

Volume XXXII, Number 11
November/December 2011

© 2011 The Coalition for Adequate School Housing

ISSN: 1081-9088

Publisher: Coalition for Adequate School Housing • Editor: Greg Golik

The CASH Register is published eleven times a year (January through November) by the Coalition for Adequate School Housing (C.A.S.H.) and distributed to C.A.S.H. members. Over 1,000 rapidly growing school districts, county offices of education, architects, attorneys, bond counsel, financial institutions, developers, contractors, consultants, inspectors, licensed professionals, manufacturers of portable classrooms, maintenance suppliers and others who are concerned about school construction issues hold C.A.S.H. memberships.

The CASH Register solicits articles on school facility-related topics from the membership. If you are interested in submitting an article, please send it or a letter of inquiry to: Editor, CASH Register editorial office, 1130 K Street - Suite 210, Sacramento, CA 95814. Sorry, we are unable to return or acknowledge unpublished manuscripts. The views expressed herein are those of the authors and not necessarily those of the Coalition for Adequate School Housing, its board, staff or general membership.

Executive Officer (AEO) Bill Savidge, the State Allocation Board's (SAB) Implementation Committee met on Thursday November 17, 2011 for the first time in nine months to discuss the proposed regulations to implement AB 436 (Solorio), and met a second time on December 2, 2011 to continue its discussion.

Mr. Savidge stated at the beginning of the meeting that AB 436 is important legislation, that its timely implementation will go far to clear up much of the current confusion surrounding implementation of LCPs, and that the Committee's goal is a uniform LCP policy for all school districts. As the primary agencies responsible for administering the revised LCP program, representatives of the Department of Industrial Relations (DIR) and the Office of Public School Construction provided an overview of their individual and coordinated plans to implement the regulations once they are approved by the OAL.

I had the opportunity to participate in the discussion as a member of the Committee to represent C.A.S.H. Many questions and comments were raised by committee members; some easier to answer than others. C.A.S.H. has posted a list of frequently asked questions and additional information on the website at <http://www.cashnet.org/news/2011/OPSCandDIRLCPQA.doc>. While it is anticipated that the OPSC's SB 436 regulations will be presented to the SAB at their December 14, 2011 meeting and, if approved by the OAL, would go into effect on January 2, 2012, C.A.S.H. recognizes that many issues remain unclear and have scheduled workshops in January to help school districts and others understand these new requirements relating to Labor Compliance Programs. These workshops will be held January 10, 2012 at the Sacramento Doubletree and January 18, 2012 at the Ontario Airport Radisson.

State Budget

Finally, we wait for the Governor's proposed budget to be rolled out in January. Once again, school districts will be asked to cut where there is nothing left to cut; continue to serve students with fewer resources and construct and maintain school facilities with less money and more mandates. How we continue to do what we do, in truly trying circumstances, is a testament to the strong leadership and fortitude found in those that weather the storm, find new ways to survive and yet continue to show and give support to our mission. The future is indeed unknown and bound to be full of additional challenges. Through it all, the family within C.A.S.H. remains strong and will continue to be an advocate for safe and adequate school facilities in California. It is with these words that I want to sincerely thank each and every one of you for the work you do and the support you give and to wish you all a truly wonderful holiday season.

See you next year! 