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# JEDE AMENDMENTS

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**AB 1037 Grayson): Amended Assembly 4/20/21  
Submitted by: Toni Symonds, JEDE Committee Staff**

## Version 3

### Proposed Amendments

1. Set a minimum state financial contribution to ensure these requirements are not inadvertently triggered.
2. Narrow the scope to projects in which the state is the developer.
3. Require DGS to prepare guidance for the State Administrative Manual and the State Contracting Manual, as appropriate.
4. Set a January 1, 2023, as the due date for the guidance.
5. Require the guidance to apply to DGS, CalFire, Caltrans, Parks and Recreation, High Speed Rail, Corrections, Department of Military Affairs, and Department of Water Resources.

**For reference:** This is Government Code Section 14615.1.

14615.1. (a) Where the Legislature directs or authorizes the department to maintain, develop, or prescribe processes, procedures, or policies in connection with the administration of its duties under this chapter, Chapter 2 (commencing with Section 14650), Section 6611 of the Public Contract Code, or Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, the action by the department shall be exempt from the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340), Chapter 4 (commencing with Section 11370), Chapter 4.5 (commencing with Section 11400), and Chapter 5 (commencing with Section 11500)). This section shall apply to actions taken by the department with respect to the State Administrative Manual and the State Contracting Manual.

(b) To the extent permitted by the United States and California Constitutions, subdivision (a) also applies to actions taken by the department prior to January 1, 1999, with respect to competitive procurement in the State Administrative Manual and the State Contracting Manual.

### Proposed Amendment Language

**SECTION 1.** The Legislature finds and declares all of the following:

(a) According to the Legislative Analyst's Office budget outlook, the budget for the 2021–22 fiscal year is expected to have a windfall, but it is also expected to see an operating deficit growing to around seventeen billion dollars (\$17,000,000,000) by the 2024–25 fiscal year.

(b) According to the 2021 Five-Year Infrastructure Plan, the state's investments in infrastructure can be leveraged to create jobs that contribute to expediting California's economic recovery.

(c) According to the 2021 Five-Year Infrastructure Plan, building resilience into decisions related to both built and natural infrastructure is critical to California's future and will require strategic investments in the state's capital assets and natural systems.

(d) As the state distributes federal infrastructure funding or leverages state funds for new civil infrastructure projects in an effort to climb out of the COVID-19-induced recession, it should seek to maximize taxpayer dollars and drive the best possible value for its investments.

(e) Digital construction management technologies empower governments and asset owners to accelerate civil infrastructure project delivery time, reduce cost and waste, develop more sustainable infrastructure, improve worker safety, enable remote work, and enhance resiliency.

(f) According to the United States Department of Transportation Federal Highway Administration, digital construction management technologies have been successfully utilized by various state departments of transportation, including those in Michigan, Minnesota, Florida, Texas, Pennsylvania, North Carolina, Wisconsin, and Iowa. The Michigan Department of Transportation has saved approximately twelve million dollars (\$12,000,000) in added efficiencies and 6,000,000 pieces of paper annually by using electronic document storage for its one-billion-dollar (\$1,000,000,000) construction programs, while reducing its average contract modification processing time from 30 days to 3 days.

(g) California government departments responsible for developing infrastructure projects have implemented these tools, but have done so inconsistently across projects and agencies, without standards or uniform policies.

(h) The lack of uniformity can lead to incomplete and inaccurate contract records and missing information from completed projects, including from contractors, that could assist in the development of future projects, as well as maintenance and operations.

(i) It is the intent of the Legislature to promote the use of digital construction management technologies on civil infrastructure projects within California to reduce delivery time, reduce cost and waste, develop more sustainable infrastructure, improve worker safety, enable remote work, and enhance resiliency.

**SEC. 2.** Chapter 14.1 (commencing with Section 5960) is added to Division 6 of Title 1 of the Government Code, to read:

#### **CHAPTER 14.1.** Digital Construction Technologies for Infrastructure Projects

**5960.** (a) Pursuant to Section 14615.1, the department (DGS) shall develop guidance, policies, and procedures for the integration and deployment of digital construction technologies for use on a ~~(1) A civil infrastructure project with a state project cost of fifty million dollars (\$50,000,000) or more that receives any state funding and begins preconstruction activities after January 1, 2022, shall deploy~~ Guidance shall include digital construction management technologies from preconstruction to asset life cycle. The guidance, policy, and procedures, shall be included in the State Administrative Manual and the State Contracting Manual, as appropriate, on or before January 1, 2023. *[The Committee and Author will continue to work on a potentially lower trigger dollar amount]*

~~(2) Among other considerations, the guidance shall include how a state department shall~~ To the extent practicable, an agency that awards funding for a civil infrastructure project described in subdivision (a) shall require that any bid or proposal for the civil infrastructure project contract include a digital construction management plan that describes how the bidder, if successful, would utilize digital construction management technology to significantly reduce project cost, improve project delivery times, or increase project quality.

(b) Guidance developed pursuant to this chapter shall apply to DGS, CalFire, Caltrans, Parks and Recreation, High Speed Rail, Corrections, Department of Military Affairs, and Department of Water Resources undertaking a civil infrastructure project meeting the requirements of subdivision (a).

~~Each state agency that constructs or manages a civil infrastructure project shall develop a comprehensive multiyear and multidiscipline plan to fully integrate and deploy digital construction management technologies across the an agency by January 1, 2025. The digital construction management technology agency plan shall include, but not be limited to, all of the following:~~

~~(1) An identification of gaps that exist in current deployment and integration of digital construction management technologies.~~

~~(2) Plans to increase collaboration and data sharing and accessibility among contractors, subcontractors, departments within the agency, and other state or local governmental agencies when appropriate.~~

~~(3) Plans to leverage data collected during the deployment of digital construction management technologies across the asset lifecycle, including in operations and maintenance.~~

~~(4) A proposal to incorporate the use of these tools through procurement or contracting, including strategies to ensure small businesses are not adversely impacted.~~

(c) For purposes of this chapter:

(1) “Digital construction management technologies” means cloud-based mobile platforms on construction sites by owners and contractors for the collection and organization of and managed accessibility to, accurate data and information related to a construction project, including for project site preparation, field execution, construction project management, document management, coordination and collaboration among stakeholders, reducing the embodied carbon of construction materials, inspection, and commissioning and handover to owner.

(2) “Civil infrastructure” means structures and equipment constructed and managed by a governmental agency and that are integral to the operation of transportation structures, easements, rights-of-way, and other forms of interest in roadways and water conveyances. “Civil infrastructure” includes airports, ports, roads, highways, bridges, water, stormwater systems, and rail and transit.