

UNITED CONTRACTORS

2026 LEGISLATIVE SCORECARD: UCON'S ADVOCACY AT WORK

By Eddie Bernacchi, Politico Group, UCON Chief Lobbyist

United Contractors (UCON) represents union-signatory construction employers across California, relentlessly advocating for our members and the future of union contractors. Our annual Legislative Scorecard highlights the critical legislation we supported or opposed this year and showcases the return on investment (ROI) of UCON's advocacy in Sacramento. Thank you to UCON's Legislative Advisory Committee for your work in steering our positions throughout the legislative year.

IN BRIEF:

The 2026 California Legislative Session was another highly successful year for United Contractors (UCON), delivering significant legislative victories and reinforcing the strength and effectiveness of UCON's advocacy program on behalf of California's union-signatory construction industry.

Among the year's most significant accomplishments were four major industry priorities: AB 1198, which modernizes prevailing-wage requirements on large public works projects; AB 2059, which provides important reforms to vehicle-miles-traveled requirements for transportation projects in nonmetropolitan counties; SB 33, which permanently preserves UCON-sponsored public works claims resolution protections for change orders and extra work; and SB 342, which establishes a more balanced and equitable approach to contractor licensing lapses.

Beyond these major victories, UCON successfully opposed numerous proposals that would have increased costs, expanded contractor liability, imposed additional regulatory burdens, or restricted infrastructure development. Equally important were the amendments secured to other legislation, protecting contractors from potentially harmful provisions while preserving reasonable regulatory and enforcement requirements.

Together, these accomplishments demonstrate the breadth, strength, and effectiveness of UCON's legislative program—not only in advancing policies that benefit our contractors, but also in defending their interests and protecting construction opportunities throughout California.

The following scorecard highlights the results of these efforts and the significant work undertaken on behalf of UCON members during the 2026 legislative session.

✓ Indicates favorable/successful outcome for UCON
✗ Indicates unfavorable outcome

LEGISLATION SUPPORTED BY UCON

SB 33 (Cortese)—Public Contracts: Claim Resolution
Permanently extends California's public works claim-resolution process by eliminating the January 1, 2027 sunset. The law preserves an established framework requiring public agencies to timely review contractor claims, pay undisputed amounts, and use a structured process to resolve disputes before they escalate into costly litigation.
✓ **STATUS:** Approved by the Governor—Chapter 99

AB 1198 (Haney)—Public Works: Prevailing Wages
Beginning July 1, 2027, requires contractors on covered public works projects valued at $35 million or more to pay applicable prevailing-wage rate changes that take effect while the work is being performed. The reform helps protect union-signatory contractors from being undercut on long-term or phased projects when newly collectively bargained wage increases take effect after the project was originally advertised for bid.
✓ **STATUS:** Approved by the Governor—Chapter 513

AB 2059 (Wilson)—California Environmental Quality Act: Transportation Impacts: Vehicle Miles Traveled: Mitigation
Establishes a more workable vehicle-miles-traveled (VMT) review process for transportation projects in nonmetropolitan counties. The law directs Caltrans to develop guidance for VMT mitigation and provides a presumption of less-than-significant transportation impacts for qualifying projects with at least 70% of their footprint in nonmetropolitan counties, subject to the bill's conditions and deadlines. This can reduce uncertainty for rural transportation improvements.
✓ **STATUS:** Approved by the Governor—Chapter 576

SB 342 (Umberg)—Contractors: Unlicensed Work
Allows contractors to keep or recover payment for work performed while properly licensed even if there was a licensing lapse during a portion of the project, so long as they were licensed at project commencement. The reform creates a more balanced remedy than prior law, which could allow for disgorgement or bar recovery of all compensation regardless of the duration or scope of the licensing issue.
✓ **STATUS:** Approved by the Governor—Chapter 967

AB 1436 (Ávila Farías)—State Air Resources Board: Air Pollution Regulations: Private Fleets: Exception
Would have prevented the California Air Resources Board from enforcing regulations that compel private fleets to comply with vehicle-emission requirements before obtaining any federally required Clean Air Act waiver or authorization. The proposal sought regulatory certainty for contractors operating medium- and heavy-duty fleets.
✗ **STATUS:** Failed Legislative Deadline—Dead

AB 1704 (González, Mark)—Greenhouse Gases: Embodied Carbon Building Materials
Would have required the California Air Resources Board to determine whether lower-embodied-carbon building materials are cost-effective during their first two years of use compared with conventional materials before implementing specified building-material carbon requirements.
✗ **STATUS:** Failed Legislative Deadline—Dead

AB 1185 (Carrillo)—Public Contracts: Retention Proceeds
An Associated General Contractors of California-sponsored measure that would have prohibited state agencies from withholding retention from progress payments on public works contracts. The measure was intended to improve contractor cash flow and reduce the amount of earned funds held until project completion.
✗ **STATUS:** Failed Legislative Deadline - Dead

✓ Indicates favorable/successful outcome for UCON
✗ Indicates unfavorable outcome

LEGISLATION SUPPORTED BY UCON (CONT.)

AB 1941 (González, Mark)—Organized Metal Theft
Creates new criminal penalties targeting organized metal-theft operations involving coordinated theft, trafficking, financing, or possession of stolen metal from railroads, utilities, public works, and other covered sources. The law is intended to address the growing problem of copper wire, construction materials, and infrastructure theft affecting contractors and project owners.
✓ **STATUS:** Approved by the Governor—Chapter 838

AB 2044 (Petrie-Norris)—Building Standards: Approval or Adoption: Cost of Compliance Estimate
Strengthens cost transparency in California's building-code process by requiring state agencies proposing new building standards to complete a cost-of-compliance estimate. The California Building Standards Commission may not approve a proposed standard when the required cost analysis is missing, helping ensure the financial impact on construction is evaluated before new mandates are adopted.
✓ **STATUS:** Approved by the Governor—Chapter 136

SB 769 (Caballero)—Golden State Infrastructure Corporation Act
Would have established the Golden State Infrastructure Corporation, a nonprofit public financing entity within the State Treasurer's Office, to help finance major infrastructure projects throughout California. The corporation would have been authorized to issue revenue bonds, secure financing and provide alternative funding mechanisms to support the development and construction of critical infrastructure, including transportation, energy, water and other public works projects. The legislation was intended to expand infrastructure financing opportunities, accelerate project development and create additional construction opportunities without making the state directly liable for the corporation's financial obligations.
✗ **STATUS:** Vetoed by Governor

LEGISLATION OPPOSED BY UCON

AB 1576 (Ortega)—Workers' Compensation: Subsequent Injuries Payments
Would have altered how California determines eligibility and calculates disability benefits for workers who have a preexisting disability and suffer a subsequent injury on the job. Under current law, these workers may qualify for additional compensation through California's Subsequent Injuries Benefits Trust Fund (SIBTF), which is financed through assessments paid by employers as part of the workers' compensation system. The proposed changes to disability evaluations could have increased eligibility or benefit amounts. UCON opposed the proposal because increased benefit payments could raise the costs of this employer-funded program, potentially increasing workers' compensation assessments paid by construction contractors in the future.
✓ **STATUS:** Failed Legislative Deadline—Dead

AB 1635 (Arambula)—Pit Dewatering Prohibition
Would have prohibited dewatering of mining pits in areas with subsurface river flow or groundwater less than 50 feet below the surface. UCON opposed restrictions that could affect aggregate and construction-material operations.
✓ **STATUS:** Failed Legislative Deadline—Dead

LEGISLATION OPPOSED BY UCON (CONT.)

AB 1675 (Lee)—Corporation Tax Law: Expenditures: No Tax Breaks for ICE Contractors Act of 2026
Would have denied California corporate income tax credits to businesses contracting directly or through subcontracts with the U.S. Department of Homeland Security for services involving Immigration and Customs Enforcement (ICE) or Customs and Border Protection (CBP). The restrictions would have applied to tax years 2027 through 2031 and could have affected construction contractors performing federal construction, maintenance or infrastructure projects, even when the work was unrelated to immigration enforcement. UCON opposed the proposal because it would have penalized otherwise lawful federal contracting activities by eliminating state tax benefits available to other businesses.

STATUS: Failed Legislative Deadline—Dead

AB 1898 (Schultz)—Workplace Artificial Intelligence Tools
Would have required employers to notify workers whenever artificial intelligence tools were used for employment decisions or workplace monitoring and to maintain annual disclosures regarding those tools. The proposal created significant new compliance obligations and potential litigation exposure for employers using emerging AI technologies.

STATUS: Failed Legislative Deadline—Dead

AB 2070 (Ellis)—Employees: Meal Periods: Construction Industry
Would have extended construction-industry meal-period scheduling flexibility currently available under qualifying collective bargaining agreements to nonunion employers. UCON opposed eliminating this competitive advantage for union-signatory contractors.

STATUS: Failed Legislative Deadline—Dead

AB 2381 (Johnson)—Local Agency Public Construction Act: Municipal Water Districts: Sanitation Districts: Lowest Responsible Bidder
Would have raised the competitive-bidding threshold for municipal water districts and sanitation districts from $35,000 to $220,000, with future inflation adjustments. UCON opposed the measure because it would have significantly reduced the volume of public work subject to competitive bidding requirements and allowed the covered agencies to perform more of the work with their in-house employees.

STATUS: Failed Legislative Deadline—Dead

AB 2435 (Chen)—Professional Engineering, Geology, Geophysics, and Land Surveying: Practice without a License: Administrative Penalties
Would have authorized administrative citations and penalties ranging from $500 to $20,000 per violation for the unlicensed practice of professional engineering, land surveying, geology and geophysics. While intended to strengthen enforcement against unlicensed professional services, the legislation failed to clearly distinguish between unlawful professional practice and legitimate construction activities performed by licensed contractors. UCON and industry partners opposed the bill unless amended because the expanded penalties could have exposed contractors and their employees to enforcement for using standard construction technologies, such as GPS equipment, robotic total stations, drones, laser scanning, machine-control systems, building information modeling (BIM) software, and digital mapping tools. These technologies are routinely used for grading, earthwork calculations, construction layout, as-built coordination and other activities within the scope of a contractor's license. UCON sought protections ensuring that licensed contractors and their employees could continue using these tools without being accused of practicing engineering or land surveying without a license, provided they were not offering or performing services requiring separate professional licensure.

STATUS: Failed Legislative Deadline—Dead

✓ Indicates favorable/successful outcome for UCON
✗ Indicates unfavorable outcome

LEGISLATION OPPOSED BY UCON (CONT.)

AB 2465 (Ortega)—State Government: Benefits
Would have prohibited businesses involved in immigration enforcement from receiving California state grants, loans and tax credits. UCON opposed the legislation because it could have penalized construction contractors engaged in otherwise lawful federal contracting activities by restricting access to state financial assistance and tax benefits, while creating additional compliance burdens and uncertainty for affected firms.
✓ **STATUS:** Vetoed by Governor

AB 2560 (Schultz)—Climate Action Plan for Transportation Infrastructure: Goals
Would have codified California's Climate Action Plan for Transportation Infrastructure (CAPTI) goals in state law and required major state transportation funding programs to apply those goals where feasible when evaluating and prioritizing projects. The legislation emphasized public transit, rail, bicycle and pedestrian infrastructure, reducing vehicle travel, and limiting highway expansion that generates additional traffic. UCON opposed the proposal because it could have shifted transportation funding away from highway expansion, road improvements and freight infrastructure projects needed to accommodate population growth, reduce congestion and support goods movement. These restrictions could have delayed or prevented important transportation construction projects and reduced infrastructure investment opportunities throughout California.
✓ **STATUS:** Failed Legislative Deadline—Dead

SB 247 (Smallwood-Cuevas)—State Agency Contracts: Bid Preference: Equity Metrics
Would have required state agencies to award bid preferences on major infrastructure contracts based on newly created workforce equity metrics. UCON opposed the proposal because the framework could disadvantage union-signatory contractors that obtain workers through collectively bargained hiring halls and could conflict with existing apprenticeship, prevailing-wage and Skilled and Trained Workforce requirements.
✓ **STATUS:** Failed Legislative Deadline—Dead

SB 310 (Wiener): Failure to Pay Wages:—Penalties
Would have created a new private right of action allowing employees to sue directly to recover statutory penalties related to wages. UCON opposed the measure because it would have significantly expanded employer litigation exposure and allowed wage claims to bypass industry exemptions under the Private Attorneys General Act (PAGA).
✓ **STATUS:** Failed Legislative Deadline—Dead

SB 1241 (Smallwood-Cuevas)—Skilled and Trained Workforce Requirements
Originally proposed a significant expansion of California's skilled and trained workforce (STW) enforcement framework, including new complaint-driven enforcement, lower debarment thresholds, increased penalties for administrative violations, expanded contractor exposure, and enforcement even when a public agency failed to identify a project as subject to STW requirements. Industry engagement removed or narrowed several of the most onerous provisions, but concerns remained regarding expanded enforcement authority, compliance burdens, penalty exposure, and the lack of a practical off-ramp for otherwise compliant union-signatory contractors. Industry amendments removed the bill's expanded debarment provisions tied to reporting violations, eliminated the proposed "regardless of intent" misrepresentation standard, narrowed documentation requests to information applicable to the contractor, preserved substantial-compliance plans, and added due-process protections before a public entity could disqualify a contractor. Despite these improvements, broader concerns with the proposed expansion of STW enforcement remained.
✓ **STATUS:** Failed Legislative Deadline—Dead

LEGISLATION AMENDED TO ADDRESS UCON CONCERNS

AB 1331 (Elhawary)—Workplace Surveillance
Restricts employer use of workplace surveillance tools in specified private areas and gives employees the right, with limited exceptions, to leave employer surveillance devices behind when entering a workplace bathroom. UCON sought to protect legitimate construction-industry safety, security, and operational practices from unnecessarily broad restrictions.

AMENDMENTS SECURED: Industry amendments narrowed the bill's restrictions to prohibit monitoring or surveillance of employees in workplace bathrooms. Employees may leave employer surveillance tools outside the bathroom, and an employer is not in violation if an employee voluntarily chooses to bring such a device into the bathroom.

STATUS: Approved by the Governor—Chapter 851

AB 1838 (Berman)—Public Contracts: Local Agencies: Responsive Bidders
Requires disclosures of specified wage-and-hour violation history when bidding on local public works contracts, with potential bid disqualification and an appeal process. Industry amendments addressed duplicative screening and procedural safeguards.

AMENDMENTS SECURED: Industry changes included exemptions for projects covered by project labor agreements or qualifying prequalification procedures and a formal review process before disqualification.

STATUS: Approved by the Governor—Chapter 551

AB 1859 (Ortega)—Public Works
Would have given joint labor-management committee representatives reasonable access to public works jobsites to monitor prevailing-wage and apprenticeship compliance. The proposal raised questions about jobsite access and safety responsibilities. The measure ultimately failed to advance.

AMENDMENTS SECURED: Negotiated amendments addressed concerns regarding jobsite safety requirements and use of personal protective equipment, responsibility for accidents involving committee representatives, and jobsite removal for safety violations.

STATUS: Failed Legislative Deadline—Dead

AB 1883 (Bryan)—Workplace Surveillance Tools
As introduced, would have broadly restricted workplace surveillance technologies, potentially affecting routine construction operations. Industry amendments substantially narrowed the bill to address specific uses of sensitive employee data.

AMENDMENTS SECURED: Restrictions were narrowed to neural-data collection and emotional-state inference or prediction; the private right of action was removed.

STATUS: Approved by the Governor— Chapter 853

SB 909 (Smallwood-Cuevas)—Public Works
Increases funding for public works enforcement by raising the Department of Industrial Relations (DIR) public works contractor registration fee cap and directing a portion of public works penalties to the State Public Works Enforcement Fund. The bill specifically redirects 50% of collected penalties to DIR for enforcement activities, rather than 100% to the State General Fund, as under current law, helping fund enforcement staff and reducing the need for future private-right-of-action proposals that would shift enforcement authority to outside attorneys.

AMENDMENTS SECURED: Industry amendments replaced the bill's elimination of the $800 public works contractor registration fee cap with a new hard statutory cap of $1,000 and removed all automatic annual fee increases tied to the Bureau of Labor Statistics Consumer Price Index. These amendments preserve legislative oversight of future fee increases by requiring any additional increases to be approved by the Legislature, while still providing DIR with additional resources to support public works enforcement activities.

STATUS: Approved by the Governor—Chapter 660

Indicates favorable/successful outcome for UCON
Indicates unfavorable outcome

LEGISLATION AMENDED TO ADDRESS UCON CONCERNS (CONT.)

SB 1263 (McGuire): Contractors—Disaster Debris Removal
Establishes licensing and safety requirements for contractors performing hazardous-material debris removal, including wildfire ash and contaminated soil, on residential and commercial properties damaged by declared natural disasters. The legislation requires contractors performing this work to hold an A (General Engineering), B (General Building), C-12 (Earthwork and Paving), or C-21 (Building Moving/Demolition) license, or a C-49 (Tree and Palm) license for tree removal only. Contractors must also obtain the required hazardous substance removal certification and comply with applicable worker safety requirements.

AMENDMENTS SECURED: UCON supported the legislation after requested amendments expressly included C-12 and C-21 contractors among those authorized to perform hazardous-material debris removal, protecting their ability to compete for disaster cleanup projects.

STATUS: Approved by the Governor—Chapter 688

UCON remains steadfast in its advocacy for union-signatory contractors, ensuring that our members' interests are protected in an increasingly complex legislative landscape. This scorecard reflects our commitment to your success and the ongoing battle to create a more favorable business environment for union contractors. Thank you for your support!

EDDIE BERNACCHI
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Eddie is a twenty-year veteran of the public affairs and lobbying industry. Under Eddie's leadership, United Contractors has secured some of the construction industry's most significant political achievements including legislation regarding prompt-payment protections, indemnity reform, change-order payment protections, wrap insurance disclosure, increased transportation funding, licensing enforcement, workers comp reform, union-contractor market-share expansions and more.

For additional information, contact Gus Flores, UCON Director of Government Relations, gflores@unitedcontractors.org