



CITY COUNCIL

Linda Maio

CONSENT CALENDAR

June 13, 2017

TO: Honorable Mayor and Members of the City Council

FROM: Councilmembers Maio, Hahn, and Bartlett

SUBJECT: Support of Assembly Bill 1701 (Thurmond)

RECOMMENDATION:

Support Assembly Bill 1701, which would hold a direct contractor jointly liable with a subcontractor for unpaid wages and benefits, and send letters expressing the City Council's support to Assemblymember Tony Thurmond and the Senate Labor and Industrial Relations Committee.

BACKGROUND:

From the Legislative Counsel's Digest (direct link:

http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB1701):

Under existing law, an action may be brought for nonpayment of wages, fringe benefits, or health and welfare or pension fund contributions.

Assembly Bill 1701 would require a direct contractor, as defined, making or taking a contract in the state for the erection, construction, alteration, or repair of a building, structure, or other work, to assume, and be liable for, specified debt owed to a wage claimant that is incurred by a subcontractor, at any tier, acting under, by, or for the direct contractor for the wage claimant's performance of labor included in the subject of the original contract. The bill would authorize civil actions to enforce this liability, as provided. The bill would provide that this remedy is in addition to any other remedy provided by law.

FINANCIAL IMPLICATIONS:

None.

CONTACT:

Councilmember Linda Maio, District 1, 510-981-7110

ATTACHMENT:

1. Suggested Text of Letters to Assemblymember Thurmond and Members of the Senate Labor and Industrial Relations Committee:

Dear Members of the Senate Labor and Industrial Relations Committee:

The City of Berkeley strongly supports Assembly Bill 1701, which would hold a direct contractor jointly liable with a subcontractor for unpaid wages and benefits. Employees of subcontractors can be disadvantaged by the often ephemeral nature of subs. Having the contractor be responsible would result in more fair compensation to workers. We urge you to support Assembly Bill 1701.

Respectfully,
Berkeley City Council

Dear Assemblymember Thurmond:

We write to express our strong support for Assembly Bill 1701, and to thank you for sponsoring legislation that would hold a direct contractor jointly liable with a subcontractor for unpaid wages and benefits. The City Council has already authored and sent a letter to members of the Senate Labor and Industrial Relations Committee, urging strong support of Assembly Bill 1701. We thank you again for your representation and advocacy in the State Assembly, and for your commitment to the well-being of the people of California.

Respectfully,
Berkeley City Council