

## **Attention Public Works Contractors and Subcontractors: You Need to Register with the Department of Industrial Relations!**

*by Sean A. Cottle and Anthony A. Verdugo*

Currently, contractors and subcontractors that work on public works projects in California need to be registered with the California Department of Industrial Relations (the “DIR”) in order to bid and work on any new public works project. This requirement is a result of Senate Bill 854, which Governor Jerry Brown signed into law last year.

The DIR registration is an annual requirement with the current annual registration fee set at \$300. If, however, a contractor or subcontractor has more than one entity or business that bids on or performs public works projects, then each of those entities must be registered with the DIR.

To qualify for registration the contractor or subcontractor must:

- have worker’s compensation coverage for its employees;
- be licensed with the Contractor’s State License Board (if applicable to their trade);
- have no delinquent or unpaid wage or penalty assessments owed to any employee or enforcement agency (pursuant to a judgement or order);
- not be disbarred from performing public works projects by the state or federal government;  
*and*
- not have previously bid or worked in violation of the registration requirement.

Once a contractor or subcontractor successfully registers, the name of the contractor or subcontractor will be included in a searchable database of registered businesses on the DIR’s website so that awarding bodies can confirm that the contractor or subcontractor is registered before considering a bid or awarding a contract.

In addition, **beginning January 1, 2016** contractors and subcontractors on public works projects will be required to **electronically submit certified payroll records to the Labor Commissioner** for all new projects awarded on or after April 1, 2015, unless an exception applies. ■



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