

Date of Hearing: June 29, 2022

ASSEMBLY COMMITTEE ON ACCOUNTABILITY AND ADMINISTRATIVE REVIEW

Cottie Petrie-Norris, Chair

SB 34 (Umberg) – As Amended June 13, 2022

SENATE VOTE: 30-4

SUBJECT: Public contracts: authorized agent: limitations

SUMMARY: Voids a contract that was entered into because of a violation of anti-corruption laws for public agents, as specified. The bill would specify that these provisions apply to contracts executed on or after to January 1, 2023, including contracts negotiated prior to that date.

Specifically, **this bill:**

Clarifies that a contract entered into by a public agent who is in violation of Penal Code § 68 or Penal Code § 86 is void.

EXISTING LAW: Existing law governs the bidding and awarding of public contracts by public entities, as defined.

Existing law makes it a crime for a public official, as specified, to ask, receive, or agree to receive, any bribe, upon an understanding that their official vote, opinion, judgment, or action will be influenced thereby.

Penal Code § 68 specifies anti-corruption laws for agents of the State of California relating to accepting bribes in exchange for actions taken in their official capacity and levies fines and punishments, as specified.

Penal Code § 86 specifies anti-corruption laws for members of California State Legislature relating to accepting bribes in exchange for actions taken in their official capacity and levies fines and punishments, as specified.

FISCAL EFFECT: Unknown

COMMENTS:

According to the author, “SB 34 declares that certain contracts would be considered void if they were formed in connection to a bribe of a public official.

SB 34 comes as a response to recent political and legal malfeasance. In May of 2022, the mayor of Anaheim, Harry Sidhu, announced he would be stepping down from public office, having been accused by the FBI of solicitation, bribery, and obstruction of justice. The majority of the accusations have been centered on the city’s plan to sell public land to the Los Angeles Angels. Investigators have alleged that the mayor of Anaheim hoped to solicit \$1 million in campaign contributions from the Angels in exchange for assistance in the deal.

Current law governs the bidding and awarding of public contracts by public entities. Existing law also makes it a crime for a public official to ask, receive, or agree to receive, any bribe, upon an understanding that their judgement, or action will be influenced. SB 34 declares a contract void if it was entered into while committing the above crime.

It is my hope that SB 34 is one small step towards restoring the trust and faith of Anaheim residents in their public officials.”

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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