



June 2, 2025

Assemblymember Berman  
1021 O Street, Suite 8130  
Sacramento, CA 95814

**RE: AB 538 (Berman) – Oppose (As Amended 05/23/2025)**

Dear Assemblymember Berman:

Associated Builders and Contractors of California (ABC CA) is a statewide organization representing working Californians in carpentry, construction, construction craft laborer, electrical, low voltage, painting, plumbing, pipefitting, and sheet metal who are building commercial, industrial and affordable housing projects, and we write to express our oppose position on AB 538 (Berman), a bill that requires the awarding body of a public works project, if a request for a certified copy of payroll records is made by the public through the awarding body and the body is not in possession of the records, to obtain those records from the relevant contractor and make them available to the requesting entity; requires the contractor to comply within 10 days of receiving a written notice from the awarding body requesting the records; and authorizes the Division of Labor Standards Enforcement (DLSE) to enforce certain penalties against a subcontractor or contractor if it fails to comply within 10 days.

Associated Builders and Contractors of California must respectfully oppose AB 538 (Berman). Contractors who bid on public works project must comply with an increasingly onerous body of regulations and requirements. In addition to complying with prevailing wage laws and other “high road” job standards, contractors must maintain detailed payroll records to demonstrate compliance. These records are already submitted to the Labor Commissioner and stored in an online database that is accessible to joint labor-management committees for review and enforcement purposes. AB 538 creates a duplicative and burdensome process that increases administrative costs for both contractors and public entities.



The bill also expands the risk of penalties, subjecting contractors to fines of \$100 per day per employee for noncompliance. There will be a disproportionate impact on some contractors and sub-contractors by the short 10-day response window, increasing their exposure to costly penalties for even minor delays.

For these reasons, Associated Builders and Contractors of California must oppose AB 538.

Sincerely,

A handwritten signature in black ink, appearing to read "Greg Gutierrez". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

Greg Gutierrez  
Chair of the Board