

## **Target Area Contract Preference Act (TACPA)**

### **Purpose and Description**

The TACPA program was established in 1983 to stimulate economic growth and employment opportunities in designated distressed areas throughout the state of California. The Procurement Division (PD), Dispute Resolution Unit (DRU) within the Department of General Services (DGS) oversees the TACPA preference program and evaluates all TACPA applications. DGS derives its authority from California Government Code, Title I, Division 5, Chapter 10.5, Section 4530 et seq., and California Code of Regulations, Title II, Division 2, Chapter 3, Subchapter 9, Article 1, Sections 1896.30 - 1896.41.

### **Solicitation Limits**

The state agency conducting the competitive solicitation is responsible for including the preference option information and request forms, in any solicitation for a contract in excess of \$100,000. However, DGS-PD recommends that state agencies include the preference option information and request of forms for any solicitation estimated to be over \$85,000. Let it be noted, for any contract in which the worksite is fixed by the provisions of the contract, the TACPA preference option does not apply.

### **Worksite**

To qualify for a TACPA preference, the firm must be located directly in a California eligible distressed area(s), located directly adjoining/adjacent, or contiguous to a valid TACPA Census Tract & Block Group boundary (GC 4532).

### **Manufactured Goods**

Whenever the state prepares a solicitation for a contract for goods, the state shall award a 5% preference to Californian-based companies who demonstrate and certify under penalty of perjury that at least 50% of the labor hours required to manufacture the goods and perform the contract, shall be accomplished at an identified worksite(s) located in, adjacent, or contiguous to a distressed area (GC 4533).

### **Services**

In evaluating proposals for contracts for services, the state shall award 5% preference submitted by California-based companies who demonstrate and certify under penalty of perjury that not less than 90% of the total labor hours requires to perform the contract shall be accomplished at an identified worksite(s) located in, adjacent, or contiguous to a distressed area (GC 4534).

## **Workforce**

Bidders may also apply for an additional workforce preference of 1% to 4% if the bidder certifies under penalty of perjury to hire persons with high risk of unemployment equal to 5% to 20% of its workforce during the period of the contract performance (GC 4533.1).

## **Compliance and Enforcement**

The DGS-PD-DRU monitors compliance of all contracts awarded based on the approval of TACPA worksite(s) and workforce preference. Bidders that have requested and have been given preference shall submit monthly performance reports demonstrating compliance with worksite(s) and workforce requirements (if requested). Bidders who fail to comply may be assessed a penalty fee or may be ineligible to directly or indirectly transact with the state for a period up to 36 months (GC 4535.1).

## **Related Web Links:**

- California Government Code, Title I, Division 5, Chapter 10.5, Section 4530 et seq., ([CHAPTER 10.5. Target Area Contract Preference Act \[4530 - 4535.3\]](#))
- The Department of General Services (DGS), Procurement Division (PD), Dispute Resolution Unit's (DRU), ([TACPA Program](#))
- TACPA Location finder, ([TACPA Map](#))

## **To apply for TACPA preferences the following links/forms must be utilized:**

- [TACPA Preference Request Form STD 830](#)
- [Manufacturer's Summary of Contract Activities and Labor Hours DGS/PD 525](#) (Goods)
- [Bidder's Summary of Contract Activities and Labor Hours DGS/PD 526](#) (Goods and Services)