

**Fact Sheet on California Attorney General Opinion Regarding
“Piggyback Contracts”**

- On January 24, 2006, the Attorney General (“AG”) issued Opinion 05-405 affirming that school districts may continue to use “piggyback contracts” to buy portable and relocatable classrooms.
- The Opinion also held that school districts may not use piggyback contracts to “acquire factory-built modular building components for installation on a permanent foundation.”
- “Piggyback contracts” are contracts by school districts to buy personal property outside of the competitive bid process. Instead of sponsoring a competitive bid, the school district is allowed to “piggyback” onto a pre-existing supply contract held by a different public entity, and to purchase items under the same terms. The practice is authorized by Public Contract Code Section 20118.
- The Opinion makes clear in a number of ways that school districts may continue to use piggyback contracts to buy portable and relocatable classrooms:
 - The Opinion specifically excludes “portable” and “relocatable” classrooms from its scope.
 - The Opinion restricts only the acquisition of “modular building components” used to construct a building onsite, not the acquisition of fully-built classrooms.
 - The Opinion applies only to classrooms built on a “permanent foundation.”
 - The Opinion applies to classrooms intended to be permanently affixed to realty, not to classrooms intended to be removed or relocated.

* This document is for informational purposes only and does not constitute an offer of legal services.