



OFFICE OF THE GOVERNOR

OCT 13 2019

To the Members of the California State Assembly:

I am returning Assembly Bill 625 without my signature.

For state contracts related to public transit services or the collection and transportation of solid waste, this bill would extend a ten percent preference to a bidder that agrees to retain the employees of the prior contractor or subcontractor for at least 90 days.

This bid preference would significantly limit the state's contracting authority and could hinder competition. Further, the potential fiscal impact of a bid preference can be substantial and, like new spending on programs, needs to be considered comprehensively as part of the annual budget process.

Sincerely,

Gavin Newsom

