

OFFICE OF THE GOVERNOR

SEP 2 8 2022

To the Members of the California State Senate:

I am returning Senate Bill 1313 without my signature.

This bill prohibits the County of Los Angeles from offering separate health benefit plan options that are less advantageous than those offered to its employees that are not members of a union.

The State of California stands firmly against employee discrimination in all forms. This bill, however, suggests the final outcome of good faith bargaining between parties is inherently unfair because unrepresented workers may have access to better benefits. If enacted, it would upend existing collectively bargained contracts by effectively codifying the setting of local employee benefits which is best addressed through the collective bargaining process.

Additionally, if determined to be a state mandate, this bill would result in additional costs to the state in the hundreds of millions of dollars not accounted for in the budget. With our state facing lower-than-expected revenues over the first few months of this fiscal year, it is important to remain disciplined when it comes to spending, particularly spending that is ongoing. We must prioritize existing obligations and priorities, including education, health care, public safety and safety-net programs.

The Legislature sent measures with potential costs of well over \$20 billion in one-time spending commitments and more than \$10 billion in ongoing commitments not accounted for in the state budget. Bills with significant fiscal

impact, such as this measure, should be considered and accounted for as part of the annual budget process.

For these reasons, I cannot sign this bill.

Sincerely, Gavin Ne