



OFFICE OF THE GOVERNOR

SEP 18 2022

To the Members of the California State Senate:

I am returning Senate Bill 1406 without my signature.

SB 1406 would allow state employee supervisors to request binding arbitration as part of the grievance process. Current law allows managers and supervisors to pursue resolution of disagreements through a four-step grievance process and pursue a claim with the State Personnel Board. SB 1406 would add a costly step to this process.

Additionally, SB 1406 would permit excluded employees to arbitrate the Department of Human Resources' (CalHR) authorizing statutes, regulations, policies, and/or practices before non-governmental entities. This could lead to conflicts with the statutory authority delegated to CalHR and the Legislature's authority. These are the same concerns I had with previous, nearly-identical bills, SB 179 (2019), and SB 76 (2021) which I also vetoed.

Sincerely,

Gavin Newsom

