

OFFICE OF THE GOVERNOR

OCT 0 8 2023

To the Members of the California State Senate:

I am returning Senate Bill 822 without my signature.

This bill creates the Interagency High Road Act and requires the Department of Industrial Relations (DIR) and the California Workforce Development Board (CWDB) to consult with stakeholders, including public input, on the development and evaluation of high road metrics. It also requires certain state agencies to enter into a memorandum of understanding (MOU) with the CWDB to incorporate high road evaluation metrics in the state agency's procurement processes, contracts, and incentive programs.

I strongly support efforts to maximize state and federal funding opportunities while delivering high quality jobs that increase opportunity for all communities and decrease disparities in historically disadvantaged areas. To further this work, I issued an Executive Order to accelerate clean infrastructure projects with an all-of-government strategy for planning and development and tracking progress toward equity goals that support disadvantaged communities – including good jobs. California's Infrastructure Strike Team is also driving collaboration across state agencies - including in the area of workforce training and development. Additionally, the Department of General Services and the Governor's Office of Business and Economic Development are supporting implementation of AB 2019 (2022), to advance equitable inclusion and utilization of small and diverse businesses in California's state procurement and contracting opportunities.

Additionally, I have signed several bills that ensure public contracting dollars are also investing in human infrastructure, including SB 150 that requires the Labor and Workforce Development Agency, Government Operations Agency, and

the State Transportation Agency to convene relevant stakeholders and draft recommendations to ensure that investments maximize benefits to marginalized and disadvantaged communities. The recommendations are due by March 30, 2024.

It is advisable to allow time for those policies to be implemented before adding more requirements that may duplicate efforts.

For these reasons, I cannot sign this bill.

Sincerely, Gavin