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September 13, 2011

The Honorable Jerry Brown
Governor, State of California
State Capitol Building, First Floor
Sacramento, CA 95814

**RE: SB 922 (Steinberg). Public contracts: public entities: project labor agreements. (as enrolled)
Request for Veto**

Dear Governor Brown:

The League of California Cities requests that you veto SB 922, by Senator Darrell Steinberg, which would set standards for the use of project labor agreements (PLA) during public works projects and would prohibit public agencies from having a provision, initiative, or ordinance that bans the consideration of a PLA. In addition, SB 922 would withhold state funding for projects in charter cities that have such a ban on PLAs that would comply with the new standards.

There is convincing evidence offered by both the proponents and opponents of PLAs. Cities are weighing both sides of the issue and making a decision on if and how to use PLAs based on what is best for their city. There is no doubt that this issue is complicated and evolving. There is no need for the state to reach into local charter provisions, initiatives, and ordinances to dictate PLA provisions. Even if there was a need, the state should only take this action after careful and thoughtful consideration. SB 922 was gut and amended the last week of session and heard in hastily called committee hearings.

In addition, the language included in the new Section 2502 would withhold state financing of projects in a city that prohibits the governing body from considering a PLA. The proponents of SB 922 consider this an "incentive"; charter cities consider it coercion. In many cases, charter amendments and ordinances are a result of action by the voters. Therefore, it is highly possible that this bill will thwart the will of the voters, and withhold funding in parts of the state in great need of economic growth supplied by infrastructure projects.

With the current economic conditions in California, governments should be doing everything in their power to make projects cost effective. The state should be looking for ways to provide flexibility for cities to use the most cost effective means to complete projects and put Californians to work, not creating more requirements.

For these reasons, the League opposes SB 922. If you have any questions regarding the League's position on this bill, please do not hesitate to contact me at (916) 658-8249.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Whiting". The signature is enclosed in a thin black rectangular border.

Jennifer Whiting
Legislative Representative