



September 6, 2016

The Honorable Jerry Brown
Governor
State of California
State Capitol, Suite 1173
Sacramento, CA 95814

Re: Request for Veto: SB 959 (Lara) UC Service Contracting

Dear Governor Brown:

The San Francisco Chamber of Commerce, representing over 2,500 local businesses with over 200,000 employees in San Francisco and across the Bay Area, requests that you veto SB 959 (Lara) when it arrives on your desk. This measure would prohibit the University of California (UC) from entering into a contract for services unless the compensation a bidder pays its employees is the same level as the average compensation, including benefits, that UC employees earn who perform comparable work.

This legislation places prohibitive cost burdens on UC campuses, medical centers, and their vendors. It will increase operating costs at UC campuses and medical centers by over \$88.5 million per year. The bill also requires the creation of costly compliance procedures that will make it difficult for UC's service vendors to bid for contracts and manage their workforce. Small vendors in particular may not be able to navigate all of the new rules required by this bill.

Given these concerns, the San Francisco Chamber of Commerce requests your veto of SB 959 (Lara) when this bill comes to your desk.

Sincerely,

A handwritten signature in black ink that reads 'Jim Lazarus'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Jim Lazarus
Senior Vice President, Public Policy