



**Chair**  
Supervisor Liz Kniss  
**Executive Director**  
Jolena L. Voorhis

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September 12, 2011

Honorable Edmund G. Brown, Jr.  
Governor, State of California  
State Capitol  
Sacramento, California 95814

**Re: SB 293 (Padilla) – Payment Bonds: Laborers  
REQUEST FOR VETO**

Dear Governor Brown:

The Urban Counties Caucus (UCC), a coalition of California's most populous counties, is in opposition to SB 293, which is pending on your desk. This bill would, among other things, cap retention on public works projects at five percent. While there are other provisions in the bill, UCC is only opposed to the five percent provision.

Under existing law, local public agencies are required to retain at least 5 percent on public works projects, but often counties require up to 10% to protect taxpayers and the county to ensure that a project is delivered on time. Counties are required to accept the lowest responsible bidder when awarding contracts. In this economy, we are experiencing many new bidders that may not have experience and we cannot afford failures or the strong possibility that a contractor may abandon a project. Currently, local governments are provided flexibility which often changes project by project and without this flexibility this bill will result in a strong potential for loss of limited taxpayer funds for projects.

Counties are partners with the state and are entering significant new duties under realignment. This bill would restrict flexibility instead of providing local governments with the necessary tools to deliver projects and protect taxpayer funding. In addition, this bill has been introduced nine times before and has been vetoed by three Governors. It does not matter what fiscal times we are in this bill is unnecessary and unduly restrictive for local governments.

For the above reasons, the Urban Counties Caucus urges you to **VETO** SB 293. If you have any questions please do not hesitate to contact me at (916) 327-7531.

Sincerely,

A handwritten signature in black ink, appearing to read "Jolena L. Voorhis".

Jolena L. Voorhis  
Executive Director

cc: Senator Padilla  
David Lanier, Governor's Office

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