



September 14, 2022

The Honorable Gavin Newsom  
Governor, State of California  
1021 O St., Suite 9000  
Sacramento, CA 95814

**RE: Senate Bill 931 (Leyva) — Request for Veto**

Dear Governor Newsom:

California's hospitals recognize that their employees are vital to their mission of care, and hospitals are committed to protecting employee well-being. However, Senate Bill (SB) 931 would create a new punitive authority at the Public Employment Relations Board (PERB) and could expose public entities to significant new liabilities in an area of law where the interpretation and application remain uncertain and subjective. For that reason, on behalf of our more than 400 hospital and health system members, the California Hospital Association (CHA) must respectfully request your veto on SB 931.

SB 931 would authorize an employee organization to file a claim with PERB alleging a violation of Government Code Section 3550. That section was added in 2018 and says a public employer shall not "deter or discourage" union membership but does not define these terms. A confirmed violation would lead to a penalty of \$1,000 for each affected employee, up to \$100,000.

CHA is concerned that the lack of clarity in SB 931 creates ambiguity and an overly expansive interpretation of violations that are already prohibited under existing law, which could result in arbitrarily large penalties for public entities. More importantly, SB 931 would increase costs at each medical center and the University of California ranging from \$1.4 million to \$2.8 million annually, only further driving up health care costs.

Thank you for your consideration. If you have any questions on CHA's position on SB 931, please don't hesitate to contact me at [rberdugo@calhospital.org](mailto:rberdugo@calhospital.org).

Sincerely,

A handwritten signature in blue ink, appearing to read "Rony Berdugo", is written in a cursive style.

Rony Berdugo  
Legislative Advocate

cc: The Honorable Connie Leyva  
Stuart Thompson, Legislative Secretary, Office of the Governor