

April 27, 2021

The Honorable Maria Elena Durazo California State Senate State Capitol, Room 5066 Sacramento, CA 95814

Subject: SB 270 (Durazo) – Paperwork Penalties for Public Employers **OPPOSED**

Dear Senator Durazo,

We, the undersigned organizations, write today to respectfully **OPPOSE** your **SB 270**, which would create new types of damages in litigation against California's public agencies while those public agencies, and much of the legislature, are actively calling for federal stimulus to help public agencies continue to provide services to the general public as we enter year two of the COVID-19 pandemic.

We do not disagree with the assertion that public agencies should make a good faith effort to comply with provisions of current law that require the production of information on new hires to labor union representatives. We also are not aware of any information suggesting that there is a widespread record of public agency failure to comply. In instances where a problem exists, there are remedies that can be pursued with relative ease.

New Damages and More Litigation

Creating new financial damages to be paid by public agencies that fail to comply with a mostly bureaucratic task will only increase compliance and litigation costs in public agency budgets and divert those funds away from public benefit. We would oppose this type of diversion of important public funds in good times, and we certainly object during the current pandemic, economic insecurity, and public agency budget instability. In addition, allowing unions to recover attorney's fees for bringing such claims will only encourage unions to threaten to bring lawsuits rather than encourage them to work cooperatively with public agencies. Unfortunately, in this scenario, attorneys make money to the detriment of the general public.

Unfair Rules for Public Agencies

SB 270 contains a limited right to cure the violation that doesn't apply uniformly. Moreover, public employers would be limited in the number of times they could exercise their right to cure in a 12-month

period. After correcting three data errors in a 12-month period a public employer would be subject to an unfair labor practice claim and subject to unspecified civil penalties. Some public agencies are quite large and have dozens of unions for which they must file regularly, but agency would only be allowed to cure data errors three times in the year. The limitation is arbitrary and would mostly result in large public agencies being vulnerable to sizeable civil penalties for data errors that cannot be cured.

Diverting Funds from Public Benefit

California is entering the second year of the COVID-19 pandemic and public agency budgets – especially local public agencies – are stressed under the combined weight of limited resources and increased demand for public services. SB 270 will divert much needed public resources away from public benefit and into the state's general fund and the legal fees of union lawyers. There continues to be a lack of data suggesting that there is even a meaningful problem that needs to be addressed. When this bill was advanced last year (SB 1173) the analyses contained only anecdotal evidence of problems with timely and accurate reporting.

There is no data supporting the need for this bill, the "right to cure" contained in the bill is illusory, and the legislation would divert much needed funds away from public benefit in the middle of a pandemic. For these reasons, and more, we respectfully **OPPOSE** your **SB 270**.

Sincerely,

Samel.

Jen Hamelin Public Risk Innovation, Solutions, And Management (PRISM)

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Dillon Gibbons California Special Districts Association

Amber King Association of California Healthcare Districts

Bijan Mehryar League of California Cities

Paul Smith Rural County Representatives of California

Cc: Members, Senate Appropriations Committee

Jatin Jane Borges

Faith Borges California Association of Joint Powers Authorities

Jean Kinney Hurst Urban Counties of California

Geoff Neill California State Association of Counties

Chris Reefe California School Boards Association