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California State Senate

SENATOR BRIAN DAHLE

FIRST SENATE DISTRICT



VICE CHAIR

ENERGY, UTILITIES & COMMUNICATIONS

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BUDGET & FISCAL REVIEW SUBCOMMITTEE #2 ON RESOURCES, ENVIRONMENTAL PROTECTION, & ENERGY

GOVERNANCE & FINANCE

NATURAL RESOURCES & WATER

TRANSPORTATION

September 26, 2023

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

RE: Request for Veto of SB 525 (Durazo)

Dear Governor Newsom:

I respectfully request your veto of Senate Bill 525, which will further undermine healthcare affordability by unreasonably raising the minimum wage for healthcare workers to \$25 an hour. When I saw this bill on the Senate Floor, I spoke about how this will negatively impact our healthcare delivery system and potentially force many (already strained) entities to shut their doors.

California's healthcare industry has been the epicenter of the state's response to COVID 19. Healthcare centers and hospitals have had to meet greater demand with fewer resources and less financial flexibility. The numerous costly mandates have forced many hospitals and clinics to close, hence the focus this year on providing relief to distressed hospitals. This measure will pile on to these existing onerous and costly regulations, which will make it even harder for the healthcare industry to provide the best care for patients.

Additionally, this bill would significantly increase healthcare costs for all Californians as providers will be forced to pass the increased costs on to consumers. The last thing policy makers should be doing is foisting significant new costs on the industry. This will only result in putting Californians at risk of not receiving critical life-saving care.

For these reasons, I respectfully request your veto of this measure.

Sincerely,

Brian Dahle, Senator 1s Senate District