



OFFICE OF THE GOVERNOR

OCT 13 2013

To the Members of the California State Assembly:


I am returning Assembly Bill 302 without my signature.

This measure seeks to codify a definition of the term 'de minimus' for purposes of what level of public subsidy triggers prevailing wage requirements on an otherwise private project.

Longstanding practice has been to view the subsidy in context of the project and use 2% as a general threshold for determinations. By codifying a standard that establishes 'de minimus' as less than 1% and less than \$25,000 few, if any, projects receiving public subsidies will be found to be exempt from prevailing wage requirements.

While I remain a staunch supporter of prevailing wages and the associated quality work and good paying jobs, I am concerned that this measure is too restrictive. Finally, there has been no showing that the current practice is unreasonable.

Sincerely,


Edmund G. Brown Jr.