STATE CAPITOL P.O. BOX 942849 SACRAMENTO, CA 94249-0115



Attorney General Rob Bonta Office of the Attorney General 1300 I Street Sacramento, CA 95814 March 4, 2024

Dear Attorney General Bonta,

We write to bring to your attention allegations of "pay-to-play" politics in the crafting of <u>Assembly Bill 1228</u> and to ask that you initiate an independent and unbiased investigation into the matter.

AB 1228, passed last year, establishes the Fast Food Council and increases the minimum wage for certain fast-food employees by 25%. Exempt from this increase are employees of any restaurant "that on September 15, 2023, operates a bakery that produces for sale ... bread as a stand-alone menu item." The carveout, which was demanded by the Newsom administration, puzzled industry experts, as it appears to lack any justification based on the unique characteristics of such restaurants.

According to a report published by Bloomberg, one of the primary beneficiaries of this exemption is Greg Flynn, a billionaire owner of two dozen California Panera Bread locations. Disturbingly, Bloomberg reported that in the months surrounding the passage AB 1228, Flynn, a longtime acquaintance of Gov. Newsom, contributed tens of thousands of dollars to the governor's reelection campaign.

As elected representatives, it is our duty to ensure state government serves the people's interests, not special interests. The appearance that campaign donations influenced a decision impacting the livelihoods of countless Californians is deeply troubling.

Governor Newsom has described the exemption as "part of the sausage-making" of legislation. If he is unable to provide a better justification for this carveout, it raises serious questions about the integrity of his administration.

The public deserves to know if this exemption was granted based on Mr. Flynn's bankrolling of Gov. Newsom's reelection campaign. Our democratic system of government is based on the principle of equal treatment under the law, and even the appearance of corruption undermines our constituents' trust in their leaders. We urge you to launch a thorough investigation to determine if there was any guid pro guo or impropriety in the decision-making process.

Thank you for your attention to this matter. We trust that you will take appropriate action to uphold the integrity of our state's governance.

Sincerely,

Assembly Republican Leader James Gallagher

Senate Minority Leader Brian Jones

Asm. Meghan Dahle 1st Assembly District

Asm. Laurie Davies 74th Assembly District

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Asm. Diane Dixon 72nd Assembly District

Asm. Bill Essayli 63rd Assembly District

Sen. Brian Dahle 1st Senate District

Sen. Roger Niello 6th Senate District

Sen. Kelly Seyarto 32nd Senate District

Sen. Scott Wilk 21st Senate District



Asm. Vince Fong 32nd Assembly District

Asm. Josh Hoover 7th Assembly District

Asm. Tom Lackey 34th Assembly District

Asm. Devon Mathis 33rd Assembly District

Asm. Jim Patterson 8th Assembly District Ja Fatt

Asm. Joe Patterson 5th Assembly District

Asm. Kate Sanchez 71st Assembly District