



March 29, 2017

Mr. Anthony Rendon
Speaker of the Assembly
P.O. Box 942849, Room 219
Sacramento, CA 94249

Dear Speaker Rendon:

We understand that the California State Assembly is considering a proposal to punish certain companies, and by extension, their employees, for working for the United States government. The specific proposal to which we refer is one that would forbid California's pension funds from investing in companies that participated in the construction of border security projects along the southern border of the United States.

It is not our place to criticize or to defend the decision to call for the construction of that public infrastructure. We do, however, have a direct, immediate and vigorous interest in defending our member's wholly legitimate interest in performing lawful public work for the federal government.

Construction professionals, including craft workers, are no different from anyone else. They have children to clothe and educate, and mortgages to pay. And our members rightly strive to provide them with steady employment. Nothing could be less fair than discriminating against these good men and women because you disagree with federal border security policy. While you are welcome to dispute the wisdom of that policy, and to express your views, you are not welcome to take our members hostage.

You would be equally well advised to appreciate that such discrimination is unlawful. The courts have long recognized that state and local jurisdictions cannot lawfully discriminate against the federal government or those with whom it deals. Nor do they have the right to obstruct federal policy. As surely as you can count on the federal courts to strike down other unlawful forms of discrimination and obstruction, you should count on the courts to strike down the measure that the California State Assembly is now considering.

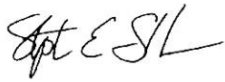
The proposed litmus test for anyone hoping to receive investments from California's pension funds would also increase your costs of doing business and disserve your taxpayers. Indeed, it would be likely to limit the number of companies competing for and performing your work at least as much as it limited the number competing for and performing federal contracts along the

southern border. It would also be shortsighted. Once the California State Assembly adopted such a test, other jurisdictions would have relatively free rein to use their pension systems to influence your decision making. Any jurisdiction that disagreed with any one or more of your public policies would be far less reticent to discriminate against any firm working for you. The rash action that the California State Assembly is considering would put you on a slippery slope that California would be well advised to avoid.

We harbor no doubt that state and local officials should have complete freedom to air their views of the value and wisdom of federal investments in infrastructure and public works. At the same time, there is no place for unfair, unlawful and unwise discrimination against the good men and women in the construction industry. They are not pawns. They are entitled to pursue their livelihoods as fully and freely as anyone else, and without being drawn into disputes that are not of their making.

We therefore urge you to oppose and reject any effort to blacklist or otherwise punish construction companies for pursuing and performing lawful work for the United States government.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen E. Sandherr". The signature is written in a cursive, slightly stylized font.

Stephen E. Sandherr