

KEVIN KILEY

MEMBER FOR THE 6TH ASSEMBLY DISTRICT



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Kiley calls for investigation of influence-peddling at Governor's Office during State of Emergency

SACRAMENTO – Today Assemblyman Kevin Kiley (R-Rocklin) called for a legislative investigation into Governor Gavin Newsom's no-bid contracts awarded during the COVID-19 State of Emergency.

This morning CapRadio reported the following concerning findings in their story, "[Investigation: Big Newsom Donors — Including Blue Shield — Received No-Bid Contracts During COVID-19 Response](#)":

- An “overlap of at least a half-dozen companies that made substantial contributions to Newsom and received no-bid contracts from the state, influential appointments, or other opportunities related to the state’s pandemic response.”
- “The contributions range from tens of thousands to hundreds of thousands of dollars. The contracts range from \$2 million to over \$1 billion — including the one awarded to Blue Shield for vaccine distribution made public Monday, worth up to \$15 million.”
- A list of major Newsom donors who have received no-bid contracts or other opportunities during the pandemic:
 - Blue Shield of California - Contributed over \$300,000 since 2018, received a \$15 million no-bid contract
 - UnitedHealth - Contributed over \$200,000 since 2018, subsidiary received multiple no-bid contracts totaling over \$400 million.
 - Bloom Energy - Contributed nearly \$100,000 since 2018, received a \$2 million no-bid contract
 - BYD - Contributed \$40,000, received a no-bid contract totaling over \$1 billion
 - FivePoint - Contributed over \$50,000, CEO received appointment to task force
 - Pacific6 - Contributed nearly \$50,000, state approved reopening of a hospital they operate

This report highlights a concerning trend of the Newsom Administration taking actions under the color of emergency powers that result in major benefits to California's most politically active special interest groups. Similarly, despite a consensus among health experts that schools should be open, Newsom has deferred to the preference of the California Teachers Association and imposed the nation's most severe school closures.

"This Governor has repeatedly used extraordinary emergency powers to reward special interest allies as millions of Californians have paid the price. It's hard to imagine a worse betrayal of the public trust," Kiley said.

Kiley is calling for more legislative oversight over the no-bid contract process, including an immediate investigation of the following:

- The communications between the Governor, his staff, and the vendors who received no-bid contracts or other benefits
- What opportunities were given to other vendors to fill these contracts
- What considerations were involved in the process for selecting vendors for these contracts
- The performance of the selected vendors in fulfilling their obligations since receiving the contracts
- The terms negotiated between these vendors and the Newsom Administration

Assemblyman Kevin Kiley represents the 6th Assembly District, which includes the Sacramento, Placer, and El Dorado County communities of Cameron Park, El Dorado Hills, Fair Oaks, Folsom, Granite Bay, Lincoln, Loomis, Orangevale, Penryn, Rocklin, Roseville, and Sheridan.

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