



## OFFICE OF THE GOVERNOR

OCT 07 2023

To the Members of the California State Senate:

I am returning Senate Bill 773 without my signature.

This bill would require counties to consider an expanded definition of income for purposes of calculating total monthly household income for CalWORKS Permanent Homeless Assistance (HA) Program eligibility. The California Department of Social Services (CDSS) would be required to collect statewide data regarding HA and convene a statewide stakeholder advisory group.

I appreciate the author's intent to get more people at risk of homelessness into permanent housing. My Administration has made significant investments to combat homelessness and provide housing supports. However, this bill would result in an ongoing annual fiscal impact to the state of more than a million dollars a year. These costs must be considered alongside other budgetary priorities as part of the annual budget process.

In partnership with the Legislature, we enacted a budget that closed a shortfall of more than \$30 billion through balanced solutions that avoided deep program cuts and protected education, health care, climate, public safety, and social service programs that are relied on by millions of Californians. This year, however, the Legislature sent me bills outside of this budget process that, if all enacted, would add nearly \$19 billion of unaccounted costs in the budget, of which \$11 billion would be ongoing.

With our state facing continuing economic risk and revenue uncertainty, it is important to remain disciplined when considering bills with significant fiscal implications, such as this measure.



For this reason, I cannot sign this bill.

Sincerely,

A handwritten signature in black ink, appearing to be 'Gavin Newsom', written over the printed name. The signature is stylized and cursive, with a long horizontal stroke at the end.

Gavin Newsom