



OFFICE OF THE GOVERNOR

OCT 11 2019

To the Members of the California State Senate:

I am returning Senate Bill 468 without my signature.

The bill creates the California Tax Expenditure Review Board to comprehensively assess specified major tax expenditures and make recommendations to the Legislature.

I support greater transparency with respect to tax credits, exemptions, and other expenditures and believe these items should be scrutinized periodically to justify their overall cost to the state's revenue base. However, creating a new board to accomplish that goal is unnecessary. The Department of Finance is currently required to publish tax expenditure reports and existing law requires new income tax expenditures to specify goals, performance indicators, and data collection requirements.

For these reasons, I am returning this bill without my signature.

Sincerely,

Gavin Newsom