



OFFICE OF THE GOVERNOR

OCT 12 2019

To the Members of the California State Senate:

I am returning Senate Bill 598 without my signature.

This bill establishes the Open Financial Statement Commission within the State Treasurer's Office and requires the Commission to report to the Legislature regarding how and whether to transition to state and local agencies' financial reporting to a machine-readable format.

Although improving public agencies' financial reporting processes for transparency is vital, this bill imposes additional unbudgeted costs for the state and contains implementation provisions that are problematic.

Sincerely,

Gavin Newsom