



OFFICE OF THE GOVERNOR

SEP 28 2020

To the Members of the California State Senate:

I am returning Senate Bill 1351 without my signature.

This bill would allow the issuance of up to \$5 billion of revenue bonds, backed by revenue from Senate Bill 1 (Beall), Chapter 5, Statutes of 2017, to accelerate transportation projects in the State Highway Operation and Protection Program. While I appreciate the Legislature's intent, the California Department of Transportation (Caltrans) has already significantly increased the number of projects going to construction through project savings and other administrative actions and does not need this tool to accelerate transportation maintenance projects.

Bonding against these future revenues runs counter to the pay-as-you-go principle established by Senate Bill 1 and risks locking California into long-term debt obligations to finance maintenance repairs. Caltrans will need these revenues in the future to keep our roads and bridges safe.

Sincerely,



Gavin Newsom

