



## OFFICE OF THE GOVERNOR

**SEP 19 2022**

To the Members of the California State Assembly:

I am returning Assembly Bill 2548 without my signature.

This bill, starting in the 2024-25 fiscal year and upon appropriation by the Legislature, would increase the initial newborn recipient seed deposit for the California Kids Investment and Development Savings (CalKIDS) Program from at least \$25 to at least \$100.

CalKIDS is an important tool that gives California's kids a jump start on saving for college or career training. I appreciate the author's leadership and partnership to establish this program and his advocacy to expand it. While I appreciate the intent of the bill, it creates an estimated \$33.8 million in ongoing cost pressures not contemplated in the budget.

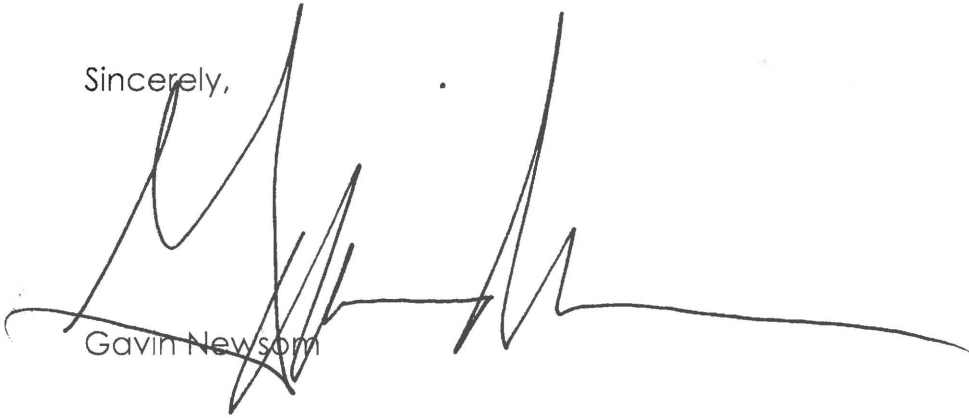
With our state facing lower-than-expected revenues over the first few months of this fiscal year, it is important to remain disciplined when it comes to spending, particularly spending that is ongoing. We must prioritize existing obligations and priorities, including education, health care, public safety and safety-net programs.

The Legislature sent measures with potential costs of well over \$20 billion in one-time spending commitments and more than \$10 billion in ongoing commitments not accounted for in the state budget. Bills with significant cost



pressures, such as this measure, should be considered and accounted for as part of the annual budget process. For these reasons, 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 somewhat illegible due to overlapping lines and a long horizontal stroke extending to the right.

Gavin Newsom