

OFFICE OF THE GOVERNOR

SEP 2 5 2022

To the Members of the California State Senate:

I am returning Senate Bill 1234 without my signature.

SB 1234 would, subject to an appropriation by the Legislature and any potential draw down of federal matching funds, expand eligibility for the Family Planning, Access, Care and Treatment (Family PACT) program's sexually transmitted disease (STD)-related services to individuals who are not at risk for pregnancy, and those who are not in need of contraceptive services. The bill would require the Department of Health Care Services to report on utilization, costs and other information to the Legislature on or before January 1, 2026. Lastly, the bill would remove the requirement that a STD home test kit be sent by the enrolled Medi-Cal or Family PACT provider to a Medi-Cal-enrolled laboratory.

While I support the author's efforts to reduce STDs and reinfections in California, SB 1234 would expand Family PACT services beyond the federal definition of family planning thereby creating a state-only program that creates significant ongoing General Fund cost pressure not accounted for 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 fiscal impact, 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,

Gavin Newsg