



OFFICE OF THE GOVERNOR

SEP 28 2022

To the Members of the California State Senate:

I am returning Senate Bill 1309 without my signature.

This bill would authorize additional sports arena billboards to be constructed until January 1, 2028, if authorized by local ordinance or other discretionary approval.

While I appreciate that revenues generated by these billboards provide certain local economic benefits, this bill disregards recent correspondence from the Federal Highway Administration (FHWA), which indicates that the state's transportation funding is at risk due to federal regulations restricting the use of this kind of advertisement.

Caltrans has been officially notified that the existing arena billboards do not comply with federal law and exemptions in state law do not provide Caltrans with the ability to maintain effective control of outdoor advertising. The potential impact to California of falling out of FHWA compliance could be a reduction of over \$400 million of federal transportation funding annually.

For this reason, I am unable to sign this bill. However, I fully support modernizing federal requirements and encourage supporters of this legislation to work with my Administration on those efforts.

Sincerely,

Gavin Newsom

