



## OFFICE OF THE GOVERNOR

**SEP 28 2022**

To the Members of the California State Senate:

I am returning Senate Bill 1449 without my signature.

This bill would require the Office of Planning and Research to establish a grant program, upon appropriation of the Legislature, for the purpose of funding infrastructure projects related to the annexation of unincorporated areas matched on a dollar-for-dollar basis.

I commend the author for attempting to address the needs of residents living in unincorporated areas that lack city services and infrastructure. However, this bill seeks to remedy this issue by establishing a new grant program with significant cost pressures likely to be tens of millions of dollars annually that were not funded 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.

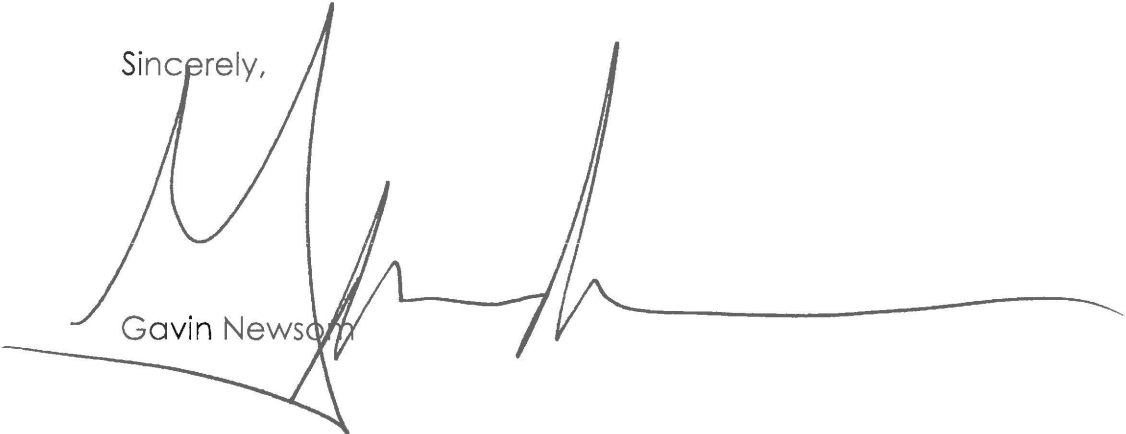
The Legislature sent measures with potential costs of well over \$20 billion in one-time spending commitments and more than \$10 billion in ongoing commitments not accounted for in the state budget. Bills with significant fiscal impact, such as this measure, should be considered and accounted for as part of the annual budget process.



For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom

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.