

OFFICE OF THE GOVERNOR

OCT 0 7 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 1123 without my signature.

This bill requires the California State University (CSU) system to grant an employee a leave of absence with pay for one semester of an academic year, or an equivalent duration in a one-year period, following the birth of a child or in connection with the adoption or foster care placement of a child by the employee.

I vetoed a nearly identical bill last year, citing more than \$20 million in fiscal impact outside of the budget process and pending collective bargaining negotiations between the CSU and the California Faculty Association. I implore both entities to come together to resolve this issue during this negotiation.

In partnership with the Legislature, we enacted a budget that closed a shortfall of more than \$30 billion through balanced solutions that avoided deep program cuts and protected education, health care, climate, public safety, and social service programs that are relied on by millions of Californians. This year, however, the Legislature sent me bills outside of this budget process that, if all enacted, would add nearly \$19 billion of unaccounted costs in the budget, of which \$11 billion would be ongoing.

With our state facing continuing economic risk and revenue uncertainty, it is important to remain disciplined when considering bills with significant fiscal implications, such as this measure.



For these reasons, I cannot sign this bill.
Sin/cerely,
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Gavin Newsom