OFFICE OF THE GOVERNOR

OCT 08 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 376 without my signature.

This bill would establish a pilot program available until January 1, 2028, for the purpose of expanding Cal Grant C eligibility to students participating in entry-level truck driving programs that meet specific requirements. This bill also requires the California Student Aid Commission, in consultation with the Bureau for Private Postsecondary Education, to submit a report to the Legislature, by April 1, 2027, about the pilot program.

I thank the author for his commitment to address the driver shortage in the trucking industry. However, this bill results in significant General Fund cost pressures and staff workload that are not currently part of the state's fiscal plan and are more appropriately addressed in the annual budget process.

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 this reason, I cannot sign this bill.

Sincerely,

Gavin Newsom