



OFFICE OF THE GOVERNOR

OCT 07 2023

To Members of the California State Assembly:

I am returning Assembly Bill 589 without my signature.

This bill, until January 1, 2027 and upon appropriation by the Legislature, would require the Department of Housing and Community Development (HCD) to establish the Unicorn Homes Transitional Housing for Homeless LGBTQ+ Youth Program (Unicorn Program) as a pilot to be administered by local community-based organizations in Sacramento and San Diego Counties.

While I appreciate the author's commitment to providing housing for homeless LGBTQ+ youth, AB 589 creates an unfunded grant program that must be considered in the annual budget in the context of all state funding priorities.

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

A handwritten signature in black ink, appearing to be 'Gavin Newsom', is written over a horizontal line. The signature is stylized and somewhat illegible due to the cursive and overlapping strokes.