

OFFICE OF THE GOVERNOR

OCT 0 8 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 875 without my signature.

This bill would, beginning January 1, 2025, require courts to report data to the Judicial Council related to unlawful detainer cases and COVID-19 rental debt in Small Claims Court.

I appreciate the author's long-standing commitment to increasing access and transparency in the justice system. That said, this bill could cost the state millions of dollars and must be considered as part of 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