OFFICE OF THE GOVERNOR

OCT 08 2023

To the Members of the California State Assembly:

I am returning Assembly Bill 962 without my signature.

This bill, beginning January 1, 2027, would lower by two dollars the California Consumer Price Index-adjusted fee for reduced-fee identification cards.

While I appreciate the author's efforts to provide financial relief for low-income Californians, this bill creates new additional cost pressures on the Motor Vehicle Account (MVA), which is facing insolvency. Any proposals that increase expenditures or reduce revenues will exacerbate fiscal pressures on the fund and must be considered in the annual budget process in the context of all priorities to be paid from the MVA.

In addition, seniors over the age of 62 and persons who are homeless can already obtain an identification card at no cost. Individuals who meet the income requirements for certain public benefits are eligible for a reduced fee of $10. Because identification cards are valid for six years, the reduction proposed in this bill represents a $0.33 savings per year per eligible customer. There may be more effective ways of providing relief to low-income Californians without negatively impacting the condition of the Motor Vehicle Account.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom.