

OFFICE OF THE GOVERNOR

OCT 0 8 2023

To the Members of the California State Senate:

I am returning Senate Bill 394 without my signature.

This bill would require the California Energy Commission, upon appropriation by the Legislature, to convene more than ten state agencies, departments and commissions, as well as numerous stakeholders, to develop a Master Plan for Healthy, Sustainable, and Climate-Resilient Schools. The Master Plan would be due on or before March 31, 2025, or 15 months after the appropriation is made for this purpose, whichever is later.

While I support the author's goal of making our schools more climate friendly and climate prepared, the development of this Master Plan will cost up to \$10 million that was not considered through the annual budget process. Additionally, the Master Plan would create significant long-term cost pressures that are not accounted for in the state budget plan.

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 approved 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.

Singerely/

Gavin Newsom