



## OFFICE OF THE GOVERNOR

SEP 14 2024

To the Members of the California State Assembly:

I am returning AB 2564 without my signature.

This bill would require the Controller to make General Fund transfers to ensure an ongoing balance of \$15 million in the Senior Citizens and Disabled Citizen Property Tax Postponement (PTP) Fund.

The PTP Program allows income-eligible senior citizens and disabled homeowners to defer their property taxes, secured by a lien against the property, and later repay those taxes when the property is sold or refinanced. By design, the PTP Fund is structured to be self-sustaining.

While I appreciate the author's intent to provide additional funding for this important program, the 2024-25 Budget Act provided a \$7.5 million General Fund transfer to the PTP Fund to cover the costs of new applicants and program administration for the next two fiscal years. Additional allocations to the PTP Fund, if necessary, should be considered in the annual budget process. In partnership with the Legislature, we enacted a budget that closes a \$46.8 billion deficit in 2024-25 and a projected deficit of \$27.3 billion in 2025-26 through balanced solutions that avoided deep program cuts to vital services and protected investments in education, health care, climate, public safety, housing, and social service programs that millions of Californians rely on. It is important to remain disciplined when considering bills with significant fiscal implications that are not included in the budget, such as this measure.



For this reason, I cannot sign this bill.

Sincerely,



Gavin Newsom