

OFFICE OF THE GOVERNOR

OCT 0 6 2025

To the Members of the California State Assembly:

I am returning Assembly Bill 1324 without my signature.

This bill would expand eligibility for the California Work Opportunity and Responsibility to Kids (CalWORKs) program; require the California Department of Social Services (CDSS), in collaboration with key stakeholders, to determine the Expanded Subsidized Employment (ESE) funding allocation; and require CDSS to conduct a CalWORKs expansion feasibility study by January 1, 2028.

While I support the author's goal of expanding eligibility for working families in poverty, this bill creates significant, ongoing cost pressures not accounted for in the 2025 Budget Act. In partnership with the Legislature this year, my Administration has enacted a balanced budget that recognizes the challenging fiscal landscape our state faces while maintaining our commitment to working families and our most vulnerable communities. With significant fiscal pressures and the federal government's hostile economic policies, it is vital that we 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