

OFFICE OF THE GOVERNOR

OCT 3 2025

To the Members of the California State Assembly:

I am returning Assembly Bill 374 without my signature.

This bill, starting with the 2026-27 school year, requires public school employers and community college districts to provide specified, detailed itemized wage statements to classified employees. The bill also requires employers to maintain deduction records for three years and provide employees access to employment records within 21 days of request.

While the author's goal is laudable, the associated costs of implementation are estimated at tens of millions of dollars and are not accounted for in the state budget. The bill's sponsors have identified a problem with some employers not providing their classified employees with timely wage and leave information, and I encourage them to work with school employers to find a less costly solution.

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 region, I cannot sign this bill.

Sinderely

Gavin Newsom