



OFFICE OF THE GOVERNOR

OCT 13 2025

To the Members of the California State Assembly:

I am returning Assembly Bill 57 without my signature.

This bill would require that at least 10 percent of the California Dream for All Program's funds be reserved for descendants of formerly enslaved individuals, contingent on the enactment of Senate Bill 518 and the associated certification process created and administered by a new Bureau for Descendants of American Slavery.

I appreciate the author's leadership on this important issue. However, creating an ancestry-based set-aside presents legal risks and could jeopardize CalHFA's access to federal mortgage markets that are critical to providing housing assistance for thousands of Californians each year.

California has made historic investments to expand equitable access to homeownership, including through the Dream for All Program, which provides downpayment assistance to first-time buyers where at least one borrower is a first-generation homebuyer. In the last fiscal year, CalHFA data across all downpayment assistance programs show encouraging results, with Black or African American borrowers represented at rates well above their share of California homeowners.

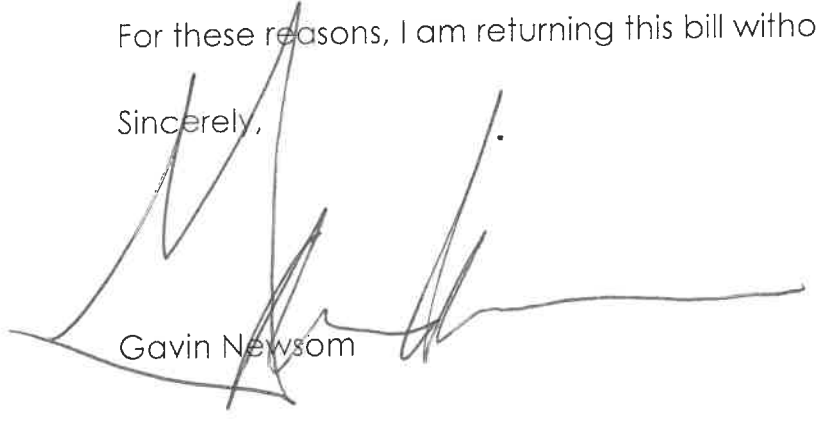
Building on this progress, the upcoming funding round for new Dream for All applicants will include a programmatic set-aside designed to address long-standing inequality. In addition to the program's core eligibility criteria, 10 percent of Dream for All funds will be reserved for borrowers in Qualified Census Tracts, as defined by area median income, helping direct resources to areas

where residents are more likely to face systemic inequities in lending, wealth-building, and housing access. This approach advances the equity goals of this measure while minimizing legal risks and protecting California's continued access to resources essential for expanding affordability and opportunity.

For these reasons, I am returning this bill without my signature.

Sincerely,

Gavin Newsom

A large, stylized handwritten signature in black ink, written over the printed name "Gavin Newsom". The signature is fluid and cursive, with a long horizontal stroke extending to the right.