



OFFICE OF THE GOVERNOR

OCT 06 2025

To the Members of the California State Assembly:

I am returning Assembly Bill 738 without my signature.

This bill would exempt, until January 1, 2028, minimum solar photovoltaic (PV) requirements for residential buildings damaged or destroyed because of a disaster from the California Building Energy Efficiency Standards.

The minimum solar PV requirement is an innovative and forward-leaning policy that has been in place for five years, requiring new residential buildings to include cost-effective solar PV systems to reduce long-term homeowner energy costs, improve energy resiliency, and reduce greenhouse gas emissions. Codifying the broad exemption in this bill would permanently nullify these positive outcomes for homeowners while failing to consider the unique circumstances that influence rebuilding costs and efforts in different communities following disasters.

In July 2025, I issued Executive Order (EO) N-29-25, which provided a targeted, one-time exemption from the minimum solar PV and associated battery storage requirements for areas in Los Angeles recovering from the historic, catastrophic wildfires earlier this year. This EO, along with others I issued this year, recognized the scale of devastation and the need to accelerate and support local recovery efforts by providing limited and targeted exemptions from a variety of state requirements. These EOs were carefully coordinated and calibrated to facilitate rebuilding, while maintaining key safety requirements and environmental considerations. Importantly, EO N-29-25 did not exempt rebuilt structures from specified solar PV ready requirements to ensure that homes rebuilt following the fires are equipped to support future solar PV system

installation. The balanced approach enshrined in these EOs has been pivotal in delivering the expeditious recovery and rebuild of resilient and safe residential buildings and structures, and should be retained.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom

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