

## OFFICE OF THE GOVERNOR

OCT 1 1 2025

To the Members of the California State Senate:

I am returning Senate Bill 24 without my signature.

This bill would prohibit electric or gas investor-owned utilities from recovering the costs of certain political influence activities and expenses related to opposing efforts to municipalize electric service by customers. This bill also expands the authority of the Public Advocates Office (PAO) to gather information and review the financial accounts of these utilities, much like the authority currently held by the California Public Utilities Commission.

Thoughtful and effective accountability of our state's private utilities is essential for ensuring the provision of safe, reliable, and affordable electric and gas service to customers. This bill seeks to build on the existing regulatory framework that oversees these utilities. However, this bill contains a significant clerical error related to the definition of "political influence activity," where two provisions directly contradict one another, making this bill unimplementable. While I support clarifying the authority of the PAO to collect information relevant to the affordability of customer electric and gas rates and bills, the drafting error is concerning and must be corrected.

For this reason, I cannot sign this bill.

Sincerely

Gavin Newsom