



OFFICE OF THE GOVERNOR

SEP 30 2026

To the Members of the California State Assembly:

I am returning Assembly Bill 2739 without my signature.

This bill establishes the Water Affordability and System Stabilization Trust to theoretically generate ongoing funding for two programs — one to provide water rate assistance and another to provide infrastructure grants for community water systems.

Ensuring access to safe and affordable drinking water in California has been a top priority of my Administration over the last eight years. We have made tremendous progress in bringing clean, affordable drinking water to California's most disadvantaged communities — over one million people who lacked this most basic need now have it thanks to this work. That said, much more work remains, and I deeply appreciate the intent behind this proposal. But by creating a permanent program without identifying a sustainable, ongoing funding source, this bill — as well as SB 1125 — misses the mark. I encourage the Legislature to revisit this issue next year as part of the annual budget process, in order to balance the funding needed to support a proposal of this nature with other fiscal considerations.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom