



OFFICE OF THE GOVERNOR

SEP 18 2026

To the Members of the California State Assembly:

I am returning Assembly Bill 2081 without my signature.

This bill would require the Department of Health Care Services (DHCS) to expand capacity in the Medi-Cal Home and Community-Based Alternatives (HCBA) Waiver by 5,000 slots, as well as evaluate the populations receiving priority enrollment in the program.

While I appreciate the author's intent to expand access to home and community-based services for Medi-Cal beneficiaries who are at risk of institutionalization, this bill would significantly and immediately increase program costs by hundreds of millions of dollars. Fortunately, the 2026 Budget Act includes \$3 million to enable DHCS to clear the HCBA waiver waitlist and serve all eligible individuals seeking enrollment in the HCBA waiver program. Any additional expansions to this program, given the significant cost, must be considered in the annual state budget process.

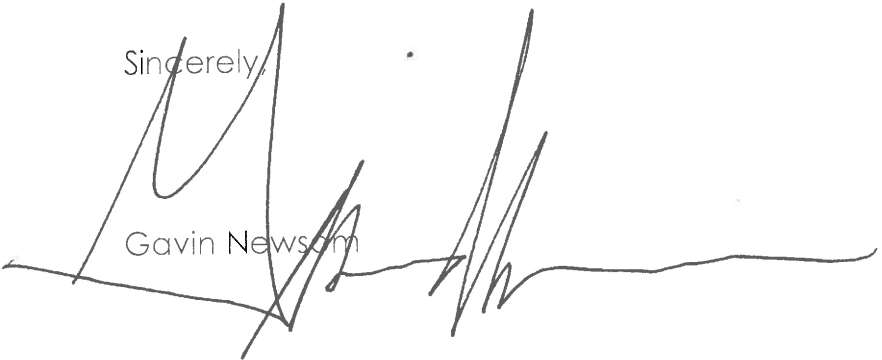
In partnership with the Legislature this year, my administration has enacted a balanced budget that recognizes the challenging fiscal landscape our state faces while maintaining our commitment to working families and our most vulnerable communities. With significant fiscal pressures and the federal government's 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 these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom

A handwritten signature in black ink, appearing to be "Gavin Newsom", is written over the printed name. The signature is stylized with a large, sweeping initial "G" and a long, horizontal tail stroke.