



OFFICE OF THE GOVERNOR

SEP 20 2026

To the Members of the California State Assembly:

I am returning Assembly Bill 1383 without my signature.

This bill would modify the California Public Employees' Pension Reform Act (PEPRA) to prospectively establish a new pensionable compensation limit for all members and reduce the benefit age factor to 55 for safety members. This bill would also authorize a new safety formula that could be agreed to in the collective bargaining process.

This measure would partially reverse some of PEPRA's reforms and significantly increase state and local government costs. Moreover, by widening the retirement benefit gap between safety members and non-safety members, this measure invites future changes that would expose our retirement system to additional risk.

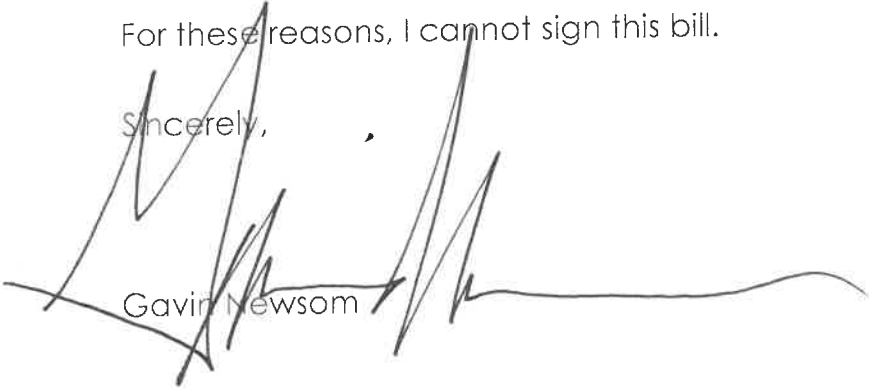
PEPRA was a necessary reform born of a crisis exacerbated by past policy decisions. I still recall — before PEPRA's passage in 2012 — the alarming forecasts, the fierce criticism of public employees, and the growing pressure to eliminate defined benefit plans altogether. This is an era of California history I do

not want to repeat. I fear that undoing PEPRAs reforms, even partially, risks us doing exactly that.

For these reasons, I cannot sign this bill.

Sincerely,

Gavin Newsom

A large, stylized handwritten signature in black ink, which appears to be 'Gavin Newsom', is written over the printed name and extends across the page.