

OFFICE OF THE GOVERNOR

OCT 04 2021

To the Members of the California State Assembly:

I am returning Assembly Bill 418 without my signature.

This bill codifies a previously funded grant program within the Office of Emergency Services to improve resiliency during power outage events.

I recognize the importance of providing resources to help mitigate the impacts of public safety power shutoffs (PSPS). Since 2019, California has invested \$125 million to counties, cities, special districts, and federally-recognized tribes for this purpose. The state also adopted more stringent requirements for utilities to mitigate the impacts of PSPS events and created the Office of Energy Infrastructure Safety to oversee utility resiliency and wildfire prevention efforts.

To the extent a future appropriation is provided for community power resiliency efforts, this bill would eliminate administrative flexibility to direct funding where it is needed most. For example, the state was able to allocate funding from the 2020 Budget Act to ensure power for critical public health facilities like COVID-19 testing sites during the pandemic.

Furthermore, as this bill seeks to codify a grant program, it results in ongoing General Fund cost pressures. Changes to the nature and duration of a grant program are more appropriately considered through the annual state budget process.

Sincerely,

Gavin Newsom