



OFFICE OF THE GOVERNOR

SEP 28 2024

To the Members of the California State Senate:

I am returning Senate Bill 278 without my signature.

This bill would require financial institutions to take specified actions, including establishing an emergency financial contact program and delaying transactions reasonably suspected to be the result of financial abuse, with the aim of preventing financial abuse of elder and dependent adult account holders.

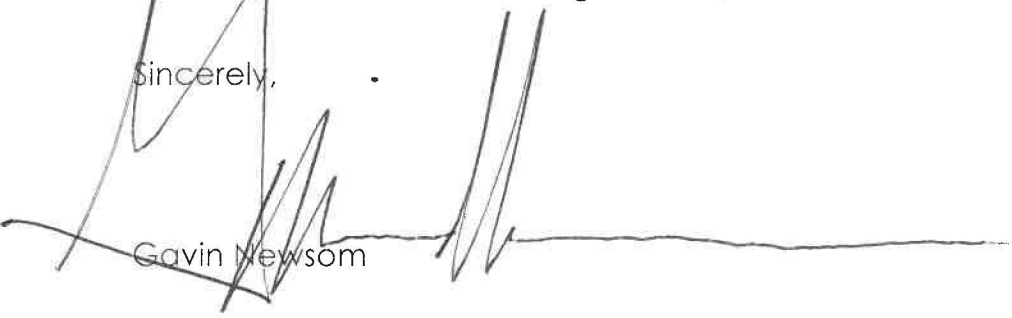
While the intent of this bill is commendable, it raises several concerns. The mandatory three-day hold on transactions suspected of abuse could lead to unintended consequences, such as delaying legitimate transactions and restricting access to funds, thereby undermining the financial independence of affected account holders. Furthermore, the proposed enforcement provisions need further review to ensure they are legally sound and minimize the risk of costly litigation – a burden that would ultimately fall on taxpayers and diminish the overall effectiveness of the bill.

I encourage the Legislature to continue refining this concept to ensure it is both implementable and strikes a better balance between consumer protection and individual rights.



For these reasons, I cannot sign this bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'Gavin Newsom', is written over the printed name. The signature is stylized and somewhat messy, with a long horizontal line extending to the right.

Gavin Newsom