[*Company letterhead here]*

September 4, 2024

The Honorable Gavin Newsom

Governor of California

1021 O Street, Suite 9000

Sacramento, CA 95814

Re: Request for Veto of AB 98 (Reyes and Juan Carrillo)

Dear Governor Newsom,

We are writing to request that you veto AB 98, a bill aimed at regulating industrial and logistics development across California. **[*Add one sentence about your company here*].** Rather than offering pragmatic solutions, AB 98 imposes prescriptive and impractical mandates that usurp local control and stifle economic growth, potentially driving businesses, including [***Add your company name, again, here***] and our diverse tenants, out of California.

The process of developing the bill was rushed and exclusionary. Stakeholders representing the industrial real estate sector were excluded from the drafting of the sweeping legislation. AB 98 did not receive a policy hearing in the Assembly and was only briefly debated in the final hour of its session. Insufficient vetting of the bill resulted in deeply flawed legislation with potentially far-reaching and harmful consequences for industrial property owners, operators and tenants.

The bill’s inconsistent regulations will stifle innovation and growth for years to come, particularly in Southern California, which rely on goods movement and manufacturing for jobs, economic stability and tax revenues. As a property owner with dozens of tenants employing hundreds of workers, I cannot overstate the potential job losses and economic harm that AB 98 will bring to our state. At a time when California’s economy is already facing stark challenges, this bill will exacerbate unemployment and hinder economic growth statewide.

A serious concern for our company is the bill’s broad scope of “logistics use,” which extends beyond warehouses to encompass manufacturing facilities as well as enterprises requiring heavy-duty trucks. Unlike previous iterations of similar legislation, AB 98 fails to differentiate between warehouses used solely for commerce and those utilized for production and distribution purposes. The expanded definition of “logistics use” could have unintended, negative consequences for the manufacturing sector, which plays a vital role in driving California’s economy.

Given my company’s concerns, I respectfully urge you to veto AB 98. For further information, please contact [***name of contact here***] at [***phone number/email here***]. Thank you for your consideration.

Sincerely,

[*Signature*]

[*Full Name*]

[*Position*]

[*Company Name*]