



www.factdc.org • 1717 K Street NW, Suite 900, Washington, D.C., 20006 • Phone (202) 787-5860

Immediately after the contract was announced, there were public concerns over (1) whether the contract was awarded in a fair and impartial manner and (2) whether the state was overpaying for the diapers and the program was operated at an unreasonable cost.⁴ The facts relating to both of these issues should have been publicly available, but the Newsom administration has been misleading about whether the contract was awarded in a competitive process and has mired the entire situation with a complete lack of transparency.⁵

Initial concern arose because of Baby2Baby's CEO's political activity and personal ties to Gov. Newsom. Baby2Baby is run by co-CEOs Kelly Sawyer Patricof and Norah Weinstein. Patricof is a prolific political donor and her husband and father-in-law are known for being major Democrat fundraisers, including to Newsom.⁶ Weinstein, also a political donor, sits on the board of Newsom's wife's nonprofit organization, California Partners Project.⁷ Additionally, although Newsom promoted the program by claiming the cost of diapers would be cheaper by leveraging the mass buying power of the government, it appears this may not have been the case. Analysis of the available information led the press to conclude that under the state program the average cost was 16.6 cents per diaper, compared to an average consumer purchasing at a retail store for 16 cents per diaper.⁸

However, those concerns became more profound when the Newsom administration was not forthcoming with information about the Baby2Baby contract. When the press reportedly requested the contract and information about the competitive bidding process, Newsom maintained "Baby2Baby won the contract through a competitive bidding process."⁹ Yet, Newsom's administration did not produce the requested "state contract or competitive bid records" to CBS News, instead responding that it needed more time to determine whether it was required to disclose the records. The Newsom administration both (1) failed to accurately

⁴Julie Watts, *California's "Diapergate": Critics got free diaper math wrong, but state won't release key Baby2Baby records*, CBS News, May 29, 2026, at 4:35 p.m. EST, available at: <https://www.cbsnews.com/news/california-diaper-gate-taxpayer-costs-fact-check/>

⁵*Id.*

⁶Mary Rooke, "ROOKE: There's Something Smelly About Gavin Newsom's Free Diaper Giveaway," [Daily Caller](#), May 11, 2026.

⁷"About Us," [California Partner's Project](#), Accessed 5/13/26; Jennifer Siebel Newsom, "Governor Gavin Newsom," Accessed 5/13/26.

⁸Julie Watts, *California's "Diapergate": Critics got free diaper math wrong, but state won't release key Baby2Baby records*, CBS News, May 29, 2026 at 4:35 p.m. EST, available at: <https://www.cbsnews.com/news/california-diaper-gate-taxpayer-costs-fact-check/>; CJ Womack, *Steve Hilton Attacks Newsom Government Diaper Program He Says Charges Taxpayers Triple Retail Cost*, Fox News, May 12, 2026, available at: <https://www.foxnews.com/media/steve-hilton-attacks-newsom-government-diaper-program-he-says-charges-taxpayers-triple-retail-cost>.

⁹Julie Watts, *California's "Diapergate": Critics got free diaper math wrong, but state won't release key Baby2Baby records*, CBS News, May 29, 2026, at 4:35 p.m. EST, available at: <https://www.cbsnews.com/news/california-diaper-gate-taxpayer-costs-fact-check/>;

respond that, as it would become known later, it was in fact not a competitive bidding process and (2) failed to produce the contract.¹⁰ This stonewalling is concerning considering the contract documents for public programs are obviously public records that should be easy to disclose to members of the press.¹¹

There is a public need to determine whether proper procedure was followed in awarding the contract to Baby2Baby and why the decision was made to go outside of the normal procurement process. In spite of the Newsom administration's assurances that the contract was awarded in a competitive bidding process, it appears it was not. Records indicate that the state used an "exempt by policy" catchall definition to award its business to Baby2Baby on a non-competitive basis.¹² During a May 20, 2026 meeting of the California State Budget and Fiscal Review Subcommittee (No. 3) on Health and Human Services, representatives of the state government testified that the exemption was pursuant to language inserted in the 2025 California state budget¹³ and that the exemption would "have to be" included in the 2026 budget, otherwise the contract would be "essentially, defunct."¹⁴ Though officials claimed the state reviewed at least fifteen other proposals related to the diaper program before selecting Baby2Baby, the chair of the committee, State Sen. Caroline Menjivar, expressed concern that the agency had avoided the "regular public [procurement] process" to award the program, instead utilizing a more "streamlined" process that "does not have oversight" and lacks transparency.¹⁵ According to Menjivar "the optics of this vendor is not good at all ... optically speaking, it was not a smart move to choose the vendor that we chose."¹⁶ She further stated, "I'm not inclined to fight to continue to do another public contract exemption. I don't think that's to the benefit of Californians."¹⁷ Despite these well-reasoned concerns, the exemption is included in California's

¹⁰*Id.*

¹¹California [law](#) defines "public records" as "any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics." Cal. Gov. Code. sec. 7920.530.

¹²Annie Gaus, *Gavin Newsom seeks to bypass oversight on \$12.5M program tied to wife-linked nonprofit*, New York Post, May 16, 2026, at 8:00 a.m. EST, available at: <https://nypost.com/2026/05/16/us-news/baby2baby-lands-no-bid-deal-in-gavin-newsoms-diaper-program/>

¹³ California Senate Budget and Fiscal Review Subcommittee No.3, Issue 10, Page 22. May 20, 2026, at 1:30 p.m. available here: <https://sbud.senate.ca.gov/system/files/2026-05/05202026-calhhs-emsa-hcai-cbh-covca-part-a.pdf#page=22>

¹⁴ California Senate Budget and Fiscal Review Subcommittee No.3, May 20, 2026, at 20:54, available here: <https://calmatters.digitaldemocracy.org/hearings/279585>

¹⁵California Senate Budget and Fiscal Review Subcommittee No.3, May 20, 2026, at 16:26, available here: <https://calmatters.digitaldemocracy.org/hearings/279585>

¹⁶*Id.*

¹⁷*Id.*

current 2026 budget along with an addition \$12.5 million that will largely be sent to Baby2Baby.¹⁸ This issue is even more pressing given the fact that this is not Baby2Baby's first no-bid contract awarded by the state. Previously, in September 2022 through September 2023, Baby2Baby entered into a non-competitively bid agreement to obtain car and booster seats worth nearly \$1 million with the State of California.¹⁹

The purpose of government transparency laws is to ensure the public has access to all information about government operations to prevent corruption and make educated decisions about the operations it undertakes. Both of these issues are clearly present in this case and the state has unfortunately shunned its legally required duty to release information. Thus, we request an investigation into both this contract and the pertinent details surrounding it.

Sincerely,

/s/Kendra Arnold

Kendra Arnold, Executive Director
Foundation for Accountability & Civic Trust

¹⁸State of California Budget Change Proposal For Fiscal Year 2025-26, January 10, 2025, available here: https://bcp.dof.ca.gov/2526/FY2526_ORG4140_BCP8112.pdf

¹⁹*First 5 Riverside County Partners with Riverside University Health System and Baby2baby to Provide Over 300 Car Seats to Families*, County of Riverside, December 5, 2023, available here: <https://rivco.gov/news/first-5-riverside-county-partners-riverside-university-health-system-and-baby2baby-provide>