



OFFICE OF THE GOVERNOR

OCT 10 2015

To the Members of the California State Assembly:

I am returning Assembly Bill 1031 without my signature.

This bill creates ambiguity and could be interpreted to expand retiree health benefits by requiring local governments contracting with the California Public Employees' Retirement System to reimburse retirees' Medicare Part B premiums.

These benefits should continue to be collectively bargained at the local level, not imposed by the state. This is particularly true, given the massive unfunded liability of state and local retiree health plans.

Sincerely,

A handwritten signature in black ink that reads "Edmund G. Brown Jr." followed by a large, stylized flourish.

Edmund G. Brown Jr.