



OFFICE OF THE GOVERNOR

OCT 09 2011

To the Members of the California State Assembly:

I am returning Assembly Bill 1044 without my signature.

This measure would require the Board of Equalization to accept registered warrants (IOUs) as payment for any tax, surcharge, or fee liability. In the unlikely event that the state is forced to issue IOUs in the future due to an unforeseen emergency cash crisis, this measure would undermine the state's ability to make debt service and other high priority payments. While it may be unfair to expect recipients of IOUs to pay their obligations to the state while the state is unable to meet its own obligations, I am unwilling to tie the hands of future administrations should such an emergency arise.

Sincerely,

  
Edmund G. Brown Jr.