



OFFICE OF THE GOVERNOR

SEP 25 2014

To the Members of the California State Assembly:

I am returning Assembly Bill 1822 without my signature.

The bill would exempt hospitals, ambulatory surgical centers and other outpatient settings from having to obtain licensure as a tissue bank if the human tissue or cell-based product they receive and store meets specified requirements.

Currently, because hospitals and other outpatient facilities do not want to become licensed tissue banks, they pay expensive courier fees to transport unused products back to tissue banks -- a cost they pass on to the tissue banks themselves. While I support eliminating overly burdensome regulation, I'm not convinced that the bill strikes the right balance between safety and economy.

I will direct the Department of Public Health to continue working with interested parties to develop an approach that balances appropriate oversight with cost savings for suppliers.

Sincerely,



Edmund G. Brown Jr.