



OFFICE OF THE GOVERNOR

SEP 29 2014

To the Members of the California State Assembly:

I am returning Assembly Bill 2723 without my signature.

This bill would require the economic analysis for major regulations to include a separate assessment of the impact on sole proprietorships and small businesses.

I signed legislation in 2011 to require a comprehensive economic analysis of proposed major regulations. The analysis must assess whether, and to what extent, the proposed regulations will affect all California jobs and businesses. Agencies must also identify alternatives that would lessen any adverse impact on small businesses.

I am not convinced that an additional layer of specificity based solely on the legal structure of a business would add value to the comprehensive economic analysis already required.

Sincerely,


Edmund G. Brown Jr.