



OFFICE OF THE GOVERNOR


OCT 09 2011

To the Members of the California State Assembly:

I am signing Assembly Bill 506 because it puts in place reasonable steps for local governments to take before filing bankruptcy. I applaud the author's efforts to tackle this complex issue with a balanced approach.

Let's be clear, this bill does not prevent a municipality from declaring bankruptcy or even throw roadblocks in its path. It simply requires local governments to do either of the following: declare a fiscal emergency or negotiate with creditors before filing bankruptcy. The goal is to find alternative, less drastic solutions whenever possible.

Sincerely,


Edmund G. Brown Jr.