

OFFICE OF THE GOVERNOR

SEP 29 2012

To the Members of the California State Senate:

I am returning Senate Bill 1030 without my signature.

This bill would eliminate a provision in Assembly Bill 1484 (Chapter 26, Statutes of 2012) that alters the manner in which "excess" Educational Revenue Augmentation Funds are distributed in counties whose schools are fully funded to their revenue limits using property tax revenues.

While I understand that the three counties impacted by the provision in question believe they have been placed in an unfair situation, I also note that these entities are estimated to receive a generous increase in property tax revenues due to redevelopment dissolution. Furthermore, given the current General Fund uncertainties, it would not be prudent to enact legislation when the potential cost is unclear.

Sincerely,

Edmund G. Brown Jr.