



OCT 09 2011 OFFICE OF THE GOVERNOR

To the Members of the California State Senate:

I am returning Senate Bill 14 without my signature.

This bill is another siren song of budget reform. It inflicts a "one size fits all" budget planning process on every state agency and function -- even functions that aren't actually managed by the state so long as they receive any "benefit" from it.

The politically expedient course would be to sign this bill and bask in the pretense that it is some panacea for our budget woes. But the hard truth is that this bill will mandate thousands of hours of work -- at the cost of tens of millions of dollars -- with little chance of actual improvement.

What California needs is a common sense approach to its budgeting, something we have been doing for the last year and will continue to do. Instead of requiring each and every department, no matter how big or small or important or not, to develop and track "performance metrics," "target performance levels" and "desired outcomes," shouldn't we first examine whether some of these programs or departments should exist at all? And while some programs will clearly benefit from the performance based budgeting approach outlined in this bill, for others it will be a costly waste of time. The ideas we offered to take an approach based on common sense and flexibility were unfortunately rejected.

I will issue an Executive Order in the upcoming weeks that combines the good ideas contained in this bill with the practical, tailored approach that I believe will make an actual difference in the way we budget and run our government.

Sincerely,


Edmund G. Brown Jr.