



OFFICE OF THE GOVERNOR

OCT 09 2011

To the Members of the California State Senate:

I am returning Senate Bill 408 without my signature.

The bill requires hospitals and other health facilities to file a new license application with the state not only when there is a bona fide change of ownership, but when far less important changes occur.

New license applications can be several hundreds of pages long and are very costly for the hospitals as well as government. This bill would require new license applications for routine business transactions that do not require such scrutiny.

My administration will work with interested parties to find a better balance for state oversight of health facility ownership transactions.

Sincerely,


Edmund G. Brown Jr.