



OFFICE OF THE GOVERNOR

SEP 30 2012

To the Members of the California State Senate:

I am returning Senate Bill 961 without my signature.

I realize how important it is to align our individual health insurance market rules with the federal Patient Protection and Affordable Care Act. This bill got almost all the way there. Unfortunately, the measure failed to adequately link our state reforms to the federal law.

The Affordable Care Act requires insurers to provide health coverage to all individuals regardless of their health status. This mandate on insurers is balanced by the mandate on individuals to obtain health coverage, with federal subsidies available to help lower-income people purchase it.

Without the strong foundation that federal law provides, a state-level mandate on insurers alone could encourage healthy people to wait until they got sick or injured before purchasing coverage. This would lead to skyrocketing premiums, making coverage more unaffordable.

I look forward to working with the Legislature to correct this problem and adopt the remaining essential provisions of this bill.

Sincerely,

Edmund G. Brown Jr.

A handwritten signature in blue ink that reads "Edmund G. Brown Jr." with a long, sweeping flourish extending to the right.