

OFFICE OF THE GOVERNOR

OCT 04 2017

To the Members of the California State Assembly:

I am returning Assembly Bill 696 without my signature.

This bill directs the Department of Transportation to use the revenues from surplus property sold in Monterey County towards local highway projects in the county, rather than transfer the proceeds to the General Fund.

In 2016, I vetoed AB 2730, a virtually identical bill. My reasons then were:

These revenues are used to pay existing debt service on transportation construction projects statewide, which is an important purpose. Maintaining this funding stream to the General Fund is even more necessary when the state's budget remains precariously balanced.

That is still my view.

Sincerely,

Edmund G. **Br**own Jr.