



OFFICE OF THE GOVERNOR

OCT 06 2017

To the Members of the California State Assembly:

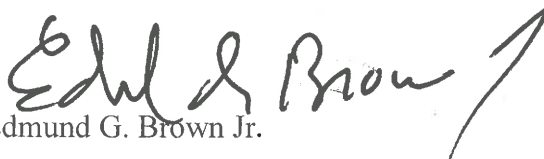
I am returning the following two bills without my signature:

Assembly Bill 778  
Senate Bill 289

Both of these bills create a new tax break. These bills are an end run of the budget process, and would commit us to spending more than eight million dollars through 2018-19.

The budget process allows for all tax break proposals to be weighed equally through public hearings, negotiations and, finally, approval of a balanced budget. As I said last year, I believe this is the best way to evaluate and prioritize all new spending proposals, including those that create new tax breaks.

Sincerely,

  
Edmund G. Brown Jr.