

To the Members of the California State Assembly:

I am returning Assembly Bill 151 without my signature.

While I am sympathetic with this bill's objective of ultimately locating most or all Board of Equalization (BOE) headquarters units in a single location, the fiscal condition of the state precludes relocating BOE's headquarters or field offices for the foreseeable future.

Permanently relocating the BOE headquarters would result in costs exceeding \$100 million. Furthermore, this bill would complicate the sale of bonds to retire the existing Pooled Money Investment Board loan on the property, resulting in additional costs to the state.

Lastly, this bill would unacceptably remove all Administration oversight from BOE's real estate transactions, and would require BOE to develop and maintain a separate competency in that field. Those activities would redirect resources and focus from BOE's core mission as a revenue agency.

For these reasons, I am unable to sign this bill.

Sincerely,

Arnold Schwarzenegger