



OFFICE OF THE GOVERNOR

OCT 10 2013

To the Members of the California State Assembly:


I am returning Assembly Bill 300 without my signature.

This bill would establish an additional system for collecting and remitting fees, surcharges and taxes applicable to prepaid mobile services. These charges would be collected from prepaid customers and remitted to the Board of Equalization, while fees collected from postpaid customers would continue to be remitted directly to the Public Utilities Commission, State 911 Fund and local governments.

There is no question that the state needs an effective system for capturing local taxes related to the sale of prepaid phones. The solution, however, proposed by this bill is duplicative, complex and will result in significant and unnecessary costs to the state.

I encourage the author to partner with the local governments and State Agencies affected by these revenues and craft a bill with a more cost effective solution.

Sincerely,



Edmund G. Brown Jr.