

OFFICE OF THE GOVERNOR

SEP 2 8 2018

To the Members of the California State Assembly:

I am returning Assembly Bill 2064 without my signature.

This bill would expand the existing advanced payment provisions for grants awarded through the Integrated Regional Water Management Act.

To date, the Department of Water Resources has advanced approximately \$8.7 million for seven grants from Proposition 84 funds and five grants from Proposition 1 funds.

Notwithstanding the merits of this bill, the additional financial risk and administrative costs associated with the advanced payment process, as proposed in this bill, are unwarranted.

Sincerely,