



OFFICE OF THE GOVERNOR

AUG 19 2014

To the Members of the California State Senate:

I am returning SB 1046 without my signature.

This bill would give the Insurance Commissioner additional authority to penalize health insurers up to \$2,500 per person, per day, for each violation of the Mental Health Parity Act, in addition to any other penalties or remedies allowed by law.

The Insurance Commissioner already has broad penalty authority under the Unfair Insurances Practices Act. The scope of this existing authority is currently at issue in the courts. Until this matter is resolved, it would be premature to conclude what changes, if any, should be made to the Commissioner's broad statutory powers.

Sincerely,


Edmund G. Brown Jr.