



OFFICE OF THE GOVERNOR

SEP 29 2020

To the Members of the California State Assembly:

I am returning Assembly Bill 1327 without my signature.

This bill would remove the requirement that reimbursement rates for clinical lab or laboratory services in Medi-Cal shall not exceed 80 percent of the lowest maximum allowance established by the federal Medicare program for similar services.

This bill would result in costs more appropriately addressed through the annual budget process. For this reason, I am unable to sign this bill.

Sincerely,

Gavin Newsom