

## Assembly Bill No. 7

### CHAPTER 26

An act to amend Section 17221.5 of the Government Code, relating to state funds, and declaring the urgency thereof, to take effect immediately.

[Approved by Governor July 1, 2009. Filed with Secretary  
of State July 1, 2009.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 7, Evans. State funds: registered warrants.

Existing law provides that whenever the Controller draws a warrant upon the Treasurer payable out of the General Fund in an amount in excess of the balance remaining in the unapplied money in the General Fund, as specified, the Controller shall upon the same day present it to the Treasurer who shall endorse it in accordance with certain procedures, thereby creating registered warrants. The Controller, with the approval of the Pooled Money Investment Board, is authorized to fix a maturity date for registered warrants.

This bill would allow a registered warrant to be redeemed at the option of the Pooled Money Investment Board prior to the maturity date of the warrant at a redemption price, calculated as specified.

The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. The Governor issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 19, 2008.

This bill would state that it addresses the fiscal emergency declared by the Governor by proclamation issued on December 19, 2008, pursuant to the California Constitution.

This bill would declare that it is to take effect immediately as an urgency statute.

*The people of the State of California do enact as follows:*

SECTION 1. Section 17221.5 of the Government Code is amended to read:

17221.5. (a) The Controller, with the approval of the Pooled Money Investment Board, may fix a maturity date for registered warrants. To the extent legally permissible, the Controller shall pick a date that does not interfere with the payment of bonds, revenue anticipation notes, reimbursement warrants, and refunding warrants.

(b) Notwithstanding subdivision (a), a registered warrant may be redeemed at the option of the committee prior to the maturity date of the warrant at a redemption price not to exceed the principal amount of the

warrant plus the amount of interest, calculated as of the date when the committee calls for the redemption. The Treasurer shall pay the redemption price for the registered warrant from any unapplied money in the General Fund that is available on that redemption date.

SEC. 2. This act addresses the fiscal emergency declared by the Governor by proclamation on December 19, 2008, pursuant to subdivision (f) of Section 10 of Article IV of the California Constitution.

SEC. 3. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to make the necessary statutory changes to achieve cash savings at the earliest possible time, it is necessary that this act take effect immediately.

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