

**ASSEMBLY BILL**

**No. 700**

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**Introduced by Assembly Member Blumenfield**

February 17, 2011

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An act to amend Sections 63021 and 63021.5 of the Government Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

AB 700, as introduced, Blumenfield. Infrastructure and Economic Development Bank.

The Bergeson-Peace Infrastructure and Economic Development Bank Act establishes the Infrastructure and Economic Development Bank within the Business, Transportation and Housing Agency. The act provides that bank is governed and its corporate powers are exercised by a board of directors of which the Secretary of Business, Transportation and Housing or his or her designee shall serve as chair.

This bill would delete the provisions establishing the bank within the Business, Transportation and Housing Agency and providing that the Secretary of Business, Transportation and Housing or his or her designee shall serve as chair of the board of directors. It instead would provide that the bank is within state government and that the Director of Finance or his or her designee shall serve as chair of the board of directors.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

- 1 SECTION 1. Section 63021 of the Government Code is
- 2 amended to read:

1 63021. (a) There is ~~within the Business, Transportation and~~  
 2 ~~Housing Agency in state government~~ the Infrastructure and  
 3 Economic Development Bank, which shall be responsible for  
 4 administering this division.

5 (b) The bank shall be under the direction of an executive director  
 6 appointed by the Governor, and who shall serve at the pleasure of  
 7 the Governor. The appointment shall be subject to confirmation  
 8 by the Senate.

9 SEC. 2. Section 63021.5 of the Government Code is amended  
 10 to read:

11 63021.5. (a) The bank shall be governed and its corporate  
 12 power exercised by a board of directors that shall consist of the  
 13 following persons:

14 (1) The Director of Finance or his or her designee, *who shall*  
 15 *serve as chair of the board.*

16 (2) The Treasurer or his or her designee.

17 (3) The Secretary of Business, Transportation and Housing or  
 18 his or her designee, ~~who shall serve as chair of the board.~~

19 (4) An appointee of the Governor.

20 (5) The Secretary of State and Consumer Services Agency or  
 21 his or her designee.

22 (b) Any designated director shall serve at the pleasure of the  
 23 designating power.

24 (c) Three of the members shall constitute a quorum and the  
 25 affirmative vote of three board members shall be necessary for  
 26 any action to be taken by the board.

27 (d) A member of the board shall not participate in any bank  
 28 action or attempt to influence any decision or recommendation by  
 29 any employee of, or consultant to, the bank that involves a sponsor  
 30 of which he or she is a representative or in which the member or  
 31 a member of his or her immediate family has a personal financial  
 32 interest within the meaning of Section 87100. For purposes of this  
 33 section, “immediate family” means the spouse, children, and  
 34 parents of the member.

35 (e) Except as provided in this subdivision, the members of the  
 36 board shall serve without compensation, but shall be reimbursed  
 37 for actual and necessary expenses incurred in the performance of  
 38 their duties to the extent that reimbursement for these expenses is  
 39 not otherwise provided or payable by another public agency, and

- 1 shall receive one hundred dollars (\$100) for each full day of
- 2 attending meetings of the authority.

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