

AMENDED IN ASSEMBLY MAY 27, 2011

AMENDED IN ASSEMBLY MAY 4, 2011

AMENDED IN ASSEMBLY APRIL 11, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1229

Introduced by Assembly Member Feuer

February 18, 2011

An act to amend Section 14553.4 of the Government Code, relating to transportation financing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1229, as amended, Feuer. Transportation: financing: federal highway grant anticipation notes.

Existing law continuously appropriates the amounts specified in the annual Budget Act as having been deposited in the State Highway Account from federal transportation funds, and pledged by the California Transportation Commission, to the Treasurer for the purposes of issuing federal highway grant anticipation notes, commonly known as GARVEE bonds, to fund transportation projects selected by the commission. Existing law prohibits the Treasurer from authorizing the issuance of the notes if the annual repayment obligations of all outstanding notes in any fiscal year would exceed 15% of the total amount of federal transportation funds deposited in the account for any consecutive 12-month period within the preceding 24 months.

This bill would, *subject to the approval of the commission and after notification to the Department of Transportation and the Treasurer*, authorize a transportation planning agency, for purposes of funding transportation projects from notes secured by federal transportation

funds, to commit up to 50% of its share of apportionments of specified federal transportation funds that are apportioned to transportation planning agencies. ~~A transportation planning agency electing to commit these federal funds to debt service on the notes would be required to inform the Department of Transportation, the commission, and the Treasurer.~~

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 14553.4 of the Government Code is
2 amended to read:
3 14553.4. (a) The Treasurer may not authorize the issuance of
4 notes if the annual repayment obligations of all outstanding notes
5 in any fiscal year would exceed 15 percent of the total amount of
6 federal transportation funds deposited in the State Highway
7 Account in the State Transportation Fund for any consecutive
8 12-month period within the preceding 24 months.
9 (b) Consistent with the limitation in subdivision (a) *and subject*
10 *to the approval of the commission, after notice to the department*
11 *and the Treasurer*, a transportation planning agency, for purposes
12 of funding projects from notes secured by federal transportation
13 funds, may commit up to 50 percent of its share of apportionments
14 of federal regional surface transportation program funds and federal
15 congestion mitigation and air quality funds that flow through the
16 State Highway Account for use by transportation planning agencies
17 pursuant to Sections 182.6 and 182.7 of the Streets and Highways
18 Code. ~~A transportation planning agency electing under this~~
19 ~~subdivision to commit these federal funds to debt service on the~~
20 ~~notes shall inform the department, the commission, and the~~
21 ~~Treasurer.~~

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