

AMENDED IN ASSEMBLY AUGUST 29, 2011

AMENDED IN ASSEMBLY AUGUST 22, 2011

AMENDED IN ASSEMBLY JUNE 15, 2011

SENATE BILL

No. 644

Introduced by Senator Hancock
(Coauthor: Senator DeSaulnier)
(Coauthor: Assembly Member Skinner)

February 18, 2011

An act to add Section 5451.5 to the Government Code, relating to local finance, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 644, as amended, Hancock. West Contra Costa Healthcare District: certificates of participation: lien.

The Local Health Care District Law authorizes health care districts in the state to provide for various forms of financing for the purpose of carrying out their duties under the law, including financing secured by public revenues.

This bill would require that all obligations of the West Contra Costa Healthcare District in connection with specified certificates of participation be secured by a statutory lien on all of the revenues generated from certain dedicated parcel taxes, according to specified criteria.

This bill would make legislative findings and declarations as to the necessity of a special statute for the West Contra Costa Healthcare District.

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

Vote: 2/3. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

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

1 SECTION 1. Section 5451.5 is added to the Government Code,
2 to read:

3 5451.5. (a) All obligations of the West Contra Costa Healthcare
4 District in connection with any and all certificates of participation
5 executed and delivered by or on behalf of the district between June
6 8, 2004, and December 31, 2012, including certificates of
7 participation executed and delivered before January 1, 2035, to
8 refund those certificates of participation, shall be secured by a
9 statutory lien on all of the revenues generated from parcel taxes
10 levied pursuant to Measure D, approved by the voters of the district
11 at the special election held on June 8, 2004.

12 (b) This lien shall arise automatically without the need for any
13 action or authorization by the district or the board of directors of
14 the district. The lien shall be valid and binding from the time the
15 certificates of participation are executed and delivered.

16 (c) The parcel tax revenue shall immediately be subject to this
17 lien, and the lien shall immediately attach to the parcel tax revenue
18 and be effective, binding, and enforceable against the district, its
19 successors, purchasers of those revenues, creditors, and all others
20 asserting the rights therein, irrespective of whether those parties
21 have notice of the lien and without the need for any physical
22 delivery, recordation, filing, or further act.

23 SEC. 2. The Legislature finds and declares that a special law
24 is necessary and that a general statute cannot be made applicable
25 within the meaning of Section 16 of Article IV of the California
26 Constitution because of the unique circumstances regarding
27 financing obligations of the West Contra Costa Healthcare District.

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

32 In order to enable the West Contra Costa Healthcare District to
33 complete its financing, and meet its obligations to employees,

- 1 vendors, and other creditors in a timely manner, it is necessary for
- 2 this act to take effect immediately.

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