

ASSEMBLY BILL

No. 730

Introduced by Assembly Member Alejo

February 21, 2013

An act to amend Section 106062 of, and to repeal Section 106061 of, the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 730, as introduced, Alejo. Monterey-Salinas Transit District.

Existing law creates the Monterey-Salinas Transit District to include all of the County of Monterey, with specified powers and duties relative to provision of public transit service. Existing law authorizes the district to issue bonds under the Revenue Bond Law of 1941, payable from revenues of any facility or enterprise to be acquired or constructed by the district. Under that law, issuance of revenue bonds generally requires voter approval, unless an exemption is provided.

This bill would revise these provisions. The bill would exempt the district from the requirement to seek voter approval prior to issuing revenue bonds, and would instead authorize those bonds to be issued by a $\frac{2}{3}$ vote of the district's board. The bill would authorize the district to pledge revenues or other moneys available to the district from any source, including a transactions and use tax, to payment of those bonds. The bill would impose a maximum amount of \$50,000,000 on revenue bonds that may be issued by the district. The bill would limit use of revenue bonds to a project or projects not located on or adjacent to the former Fort Ord. The bill would make other related changes.

Vote: majority. 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 106061 of the Public Utilities Code is
2 repealed.

3 ~~106061. As an alternative procedure for the raising of funds,~~
4 ~~the district may issue bonds, payable from revenues of any facility~~
5 ~~or enterprise to be acquired or constructed by the district, in the~~
6 ~~manner provided by the Revenue Bond Law of 1941 (Chapter 6~~
7 ~~(commencing with Section 54300) of Part 1 of Division 2 of Title~~
8 ~~5 of the Government Code), all of the provisions of which are~~
9 ~~applicable to the district.~~

10 SEC. 2. Section 106062 of the Public Utilities Code is amended
11 to read:

12 106062. *The district may issue bonds not to exceed the amount*
13 *of fifty million dollars (\$50,000,000), payable in whole or in part*
14 *from revenues of any enterprise acquired, constructed, or*
15 *completed, or to be acquired, constructed, or completed, by the*
16 *district, in the manner provided by the Revenue Bond Law of 1941*
17 *(Chapter 6 (commencing with Section 54300) of Part 1 of Division*
18 *2 of Title 5 of the Government Code), all of the provisions of which*
19 *are applicable to the district, except that Article 3 (commencing*
20 *with 54380) of Chapter 6 of Part 1 of Division 2 of Title 5 of the*
21 *Government Code and the restrictions in that article, including,*
22 *but not limited to, restrictions on the securing of bonds by the*
23 *taxing power or the proceeds of taxation, do not apply to the*
24 *issuance and sale of bonds pursuant to this article and, instead,*
25 *the district shall authorize the issuance of those bonds by resolution*
26 *of its governing board approved by a two-thirds vote of the board.*
27 *The district is a local agency within the meaning of the Revenue*
28 *Bond Law of 1941 (Chapter 6 (commencing with Section 54300)*
29 *of Part 1 of Division 2 of Title 5 of the Government Code). The*
30 *term “enterprise” as used in the Revenue Bond Law of 1941 shall,*
31 *for all purposes of this part section, include transit equipment or*
32 *facilities and any and all parts thereof and all additions, extensions,*
33 *and improvements thereto and all other equipment or facilities*
34 *authorized to be acquired, constructed, or completed by a the*
35 *district or, in the alternative, may issue revenue bonds under the*
36 *Revenue Bond Law of 1941, for the acquisition, construction, and*
37 *completion of any one of those facilities, but only for a project or*
38 *projects not located on or adjacent to the former Fort Ord. Any*

1 *revenues or other income, receipts, or amounts made available to*
2 *the district, including, but not limited to, the proceeds of a*
3 *transactions and use tax, shall be deemed revenues of the*
4 *enterprise for purposes of the Revenue Bond Law of 1941. Nothing*
5 *in this article shall prevent the district from availing itself of, or*
6 *making use of, any procedure provided in this part for the issuance*
7 *of bonds of any type or character for any of the facilities or works*
8 *enterprise authorized under this part, and all proceedings may be*
9 *carried on simultaneously or in the alternative, as the directors*
10 *board may determine. As used in this section, "equipment"*
11 *includes "vehicles."*

O