

Assembly Bill No. 730

Passed the Assembly September 10, 2013

Chief Clerk of the Assembly

Passed the Senate September 9, 2013

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2013, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

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, 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, except as specified, and would require the duration of bonds issued for acquisition of equipment, defined to include vehicles, to not exceed the useful life of the equipment. The bill would make other related changes.

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

SECTION 1. Section 106061 of the Public Utilities Code is repealed.

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

106062. The district may issue bonds not to exceed the amount of fifty million dollars (\$50,000,000), payable in whole or in part

from revenues of any enterprise acquired, constructed, or completed, or to be acquired, constructed, or completed, by the district, in the manner provided by the Revenue Bond Law of 1941 (Chapter 6 (commencing with Section 54300) of Part 1 of Division 2 of Title 5 of the Government Code), all of the provisions of which are applicable to the district, except that Article 3 (commencing with 54380) of Chapter 6 of Part 1 of Division 2 of Title 5 of the Government Code and the restrictions in that article, including, but not limited to, restrictions on the securing of bonds by the taxing power or the proceeds of taxation, do not apply to the issuance and sale of bonds pursuant to this article and, instead, the district shall authorize the issuance of those bonds by resolution of its governing board approved by a two-thirds vote of the board. The district is a local agency within the meaning of the Revenue Bond Law of 1941. The term “enterprise” as used in the Revenue Bond Law of 1941 shall, for all purposes of this section, include transit equipment or facilities and any and all additions and improvements thereto and all other equipment or facilities authorized to be acquired, constructed, or completed by the district, but only for a project or projects not located on or adjacent to the former Fort Ord, except a project or projects located entirely within the existing right-of-way of State Highway Route 1 owned by the Department of Transportation or within the existing right-of-way of the Monterey branch rail line owned by the Transportation Agency of Monterey County. Bonds issued for the acquisition of equipment shall be of a duration that does not exceed the useful life of the equipment. Any revenues or other income, receipts, or amounts made available to the district, including, but not limited to, the proceeds of a transactions and use tax, shall be deemed revenues of the enterprise for purposes of the Revenue Bond Law of 1941. Nothing in this article shall prevent the district from availing itself of, or making use of, any procedure provided in this part for the issuance of bonds of any type or character for any enterprise authorized under this part, and all proceedings may be carried on simultaneously or in the alternative, as the board may determine. As used in this section, “equipment” includes “vehicles.”

Approved _____, 2013

Governor