

AMENDED IN ASSEMBLY MAY 27, 2016

AMENDED IN ASSEMBLY APRIL 28, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

## ASSEMBLY BILL

**No. 2348**

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**Introduced by Assembly Member Levine**  
**(Coauthors: Assembly Members Bonta, Dahle, Eggman, Gomez,**  
***Gonzalez, and Nazarian*)**

February 18, 2016

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An act to add Section 13314 to the Government Code, relating to state government, and making an appropriation therefor.

### LEGISLATIVE COUNSEL'S DIGEST

AB 2348, as amended, Levine. Department of Finance: infrastructure investment.

Existing law creates the Department of Finance and provides that the department has general powers of supervision over all matters concerning the financial and business policies of the state.

The Public Employees' Retirement Law (PERL) creates the Public Employees' Retirement System (PERS) and provides a defined benefit to its members based on age at retirement, service credit, and final compensation. PERL vests management and control of PERS in the Board of Administration of the Public Employees' Retirement System, including the exclusive control of the investment of the retirement fund, and requires the board and its officers and employees to discharge their duties with respect to this system solely in the interest of the participants and beneficiaries.

This bill would authorize the Department of Finance to identify infrastructure projects in the state for which the department will

guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System. The bill would create the Reinvesting in California Special Fund as a continuously appropriated fund and would require the moneys in the fund to be used to pay the rate of return on investment. The bill would require the rate of return on investment to be subject to the availability of moneys in the fund. The bill would also state the intent of the Legislature to identify special funds to be transferred into the fund for the purposes of these provisions. By creating a new continuously appropriated fund, this bill would make an appropriation.

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

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

1     SECTION 1. Section 13314 is added to the Government Code,  
2     to read:  
3     13314. (a) The Department of Finance may, subject to  
4     subdivision (c), evaluate and identify infrastructure projects in the  
5     state for which the department shall guarantee a rate of return on  
6     investment for an investment made in that infrastructure project  
7     by the Public Employees' Retirement System.  
8     (b) There is hereby established in the State Treasury the  
9     Reinvesting in California Special Fund. Notwithstanding Section  
10    13340, all moneys in the ~~fund~~ *Reinvesting in California Special*  
11    *Fund* shall be continuously appropriated without regard to fiscal  
12    years. The moneys in the fund shall be used to pay the rate of return  
13    on investment provided for in subdivision (a).  
14    (c) The rate of return on investment in subdivision (a) shall be  
15    subject to the availability of moneys in the Reinvesting in  
16    California Special Fund.  
17    (d) No General Fund moneys shall be deposited into the fund.  
18    It is the intent of the Legislature to, through the Budget Act or  
19    other measure, identify and deposit into the fund special fund  
20    moneys, including trust fund moneys that are otherwise legally  
21    available for these purposes.

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