

Assembly Bill No. 2348

Passed the Assembly June 1, 2016

Chief Clerk of the Assembly

Passed the Senate August 25, 2016

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2016, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

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, 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.

Appropriation: yes.

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

SECTION 1. Section 13314 is added to the Government Code, to read:

13314. (a) The Department of Finance may, subject to subdivision (c), evaluate and identify infrastructure projects in the state for which the department shall guarantee a rate of return on investment for an investment made in that infrastructure project by the Public Employees' Retirement System.

(b) There is hereby established in the State Treasury the Reinvesting in California Special Fund. Notwithstanding Section 13340, all moneys in the Reinvesting in California Special Fund shall be continuously appropriated without regard to fiscal years. The moneys in the fund shall be used to pay the rate of return on investment provided for in subdivision (a).

(c) The rate of return on investment in subdivision (a) shall be subject to the availability of moneys in the Reinvesting in California Special Fund.

(d) No General Fund moneys shall be deposited into the fund. It is the intent of the Legislature to, through the Budget Act or other measure, identify and deposit into the fund special fund moneys, including trust fund moneys that are otherwise legally available for these purposes.

Approved _____, 2016

Governor