

AMENDED IN ASSEMBLY JANUARY 4, 2010

AMENDED IN ASSEMBLY APRIL 20, 2009

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 1192

Introduced by Assembly Member Audra Strickland

February 27, 2009

An act to add Section ~~37113~~ 53081 to the Government Code, relating to ~~cities~~ *local governments*.

LEGISLATIVE COUNSEL'S DIGEST

AB 1192, as amended, Audra Strickland. ~~Cities~~: *Local government*: powers.

Existing law authorizes a board of trustees, city council, or other governing body of a city, defined as a legislative body, to pass ordinances not in conflict with state or federal law and the state or federal constitution.

This bill would prohibit a legislative body, *as defined*, from selling or leasing any ~~existing public improvement to a private or public entity, including any entity controlled by the city, for the purposes of renting or leasing back, or repurchasing through installment payments that existing public improvement building to an entity that is controlled by the legislative body to raise money to fund the general expenses of the jurisdiction of the legislative body.~~ This bill would also declare that this prohibition is a matter of statewide concern, thus making it applicable to charter and general cities.

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 53081 is added to the Government Code,
2 to read:

3 53081. A legislative body shall not sell or lease any building
4 to an entity that is controlled by the legislative body to raise money
5 to fund the general expenses of the jurisdiction of the legislative
6 body.

7 ~~SECTION 1. Section 37113 is added to the Government Code,~~
8 ~~to read:~~

9 ~~37113. The legislative body of a city, including a charter city~~
10 ~~or city and county, shall not sell or lease any existing public~~
11 ~~improvement to a private or public entity, including an entity~~
12 ~~controlled by the city, for the purposes of renting or leasing back,~~
13 ~~or repurchasing through installment payments that existing public~~
14 ~~improvement.~~

15 SEC. 2. The Legislature finds and declares that the usual
16 purpose of those arrangements is to evade the constitutional
17 requirement of voter approval for new debt. The Legislature further
18 finds and declares that increasing the debt to be serviced by
19 California taxpayers without their approval impairs the financial
20 health of cities, and the state as a whole, and therefore, this act
21 pertains to an issue of statewide concern and is not purely a
22 municipal affair, as that term is used in Section 5 of Article XI of
23 the California Constitution.