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TITLE 18. THE ECONOMIC RECOVERY BOND ACT [99050 - 99077] (Title 18 added by Stats. 2003, 5th Ex. Sess., Ch. 2, Sec. 3.)

CHAPTER 1. General Provisions [99050 - 99051] (Chapter 1 added by Stats. 2003, 5th Ex. Sess., Ch. 2, Sec. 3.)

99050. (a) This title shall be known and may be cited as the Economic Recovery Bond Act.

(b) The Legislature finds and declares that it is essential to the public welfare that an efficient, equitable, and alternative source of funding be established in order to preserve public education and critical health and safety programs that otherwise could not be funded in light of the accumulated state budget deficit, and that securing the availability of the proceeds of the bonds proposed to be issued and sold pursuant to this title is the most efficient, equitable, and economical means available.

(Added by Stats. 2003, 5th Ex. Sess., Ch. 2, Sec. 3. Approved in Proposition 57 at the March 2, 2004, election.)

99051. As used in this title, the following terms have the following meanings:

(a) (1) "Accumulated state budget deficit" has the same meaning as in Section 1.3 of Article XVI of the California Constitution.

(2) The amount referred to in paragraph (1) shall be as certified by the Director of Finance.

(b) "Ancillary obligation" means an obligation of the state entered into in connection with any bonds issued under this title, including the following:

(1) A credit enhancement or liquidity agreement, including any credit enhancement or liquidity agreement in the form of bond insurance, letter of credit, standby bond purchase agreement, reimbursement agreement, liquidity facility, or other similar arrangement.

(2) A remarketing agreement.

(3) An auction agent agreement.

(4) A broker-dealer agreement or other agreement relating to the marketing of the bonds.

(5) An interest rate or other type of swap or hedging contract.

(6) An investment agreement, forward purchase agreement, or similar structured investment contract.

(c) "Committee" means the Economic Recovery Financing Committee created pursuant to Section 99055.

(d) "Fund" means the Economic Recovery Fund created pursuant to Section 99060.

(e) "Resolution" means any resolution, trust agreement, indenture, certificate, or other instrument authorizing the issuance of bonds pursuant to this title and providing for their security and repayment.

(f) "Trustee" means the Treasurer or a bank or trust company within or without the state acting as trustee for any issue of bonds under this title and, if there is more than one issue of bonds, the term means the trustee for each issue of bonds, respectively. If there are cotrustees for an issue of bonds, "trustee" means those cotrustees collectively.

(Added by Stats. 2003, 5th Ex. Sess., Ch. 2, Sec. 3. Approved in Proposition 57 at the March 2, 2004, election.)