



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites	
------	------------------	----------------	--------------	-----------------	------------------	--------------	--

Code: Section:

[Up^](#) [Add To My Favorites](#)

GOVERNMENT CODE - GOV

TITLE 3. GOVERNMENT OF COUNTIES [23000 - 33205] (Title 3 added by Stats. 1947, Ch. 424.)

DIVISION 3. FINANCIAL PROVISIONS [29000 - 30406] (Division 3 added by Stats. 1947, Ch. 424.)

CHAPTER 6. Bonds [29900 - 30004] (Chapter 6 added by Stats. 1947, Ch. 424.)

ARTICLE 3. Special Improvement Bonds [29950 - 29976] (Article 3 added by Stats. 1947, Ch. 424.)

29950. Any county may incur a bonded indebtedness for any of the following purposes.

(a) To acquire any bonds:

(1) Issued by the county.

(2) Issued by or for any district in the county.

(3) Issued for street work or other public improvements of any kind or character in the county under any act of the Legislature providing for the performance of street work or any other public improvements.

(b) To represent or be secured by assessments levied for such work or improvements, including any bonds issued under the Road District Improvement Act of 1907, the Acquisition and Improvement Act of 1925, and the Street Opening Bond Act of 1921.

(Added by Stats. 1947, Ch. 424.)

29951. The intent of this article is that investments of county funds shall be made for the purpose of: (a) aiding and facilitating the making of needed public improvements in the county; (b) limiting or preventing the increasing of district taxes or assessments which may lessen or impair the general tax revenues of the county from any district; and (c) providing means by which district indebtedness or assessments represented by or securing bonds may be reduced.

(Added by Stats. 1947, Ch. 424.)

29952. Except as otherwise provided in this article, the bonds authorized to be issued pursuant to this article may be issued and sold pursuant to Article 1 or any other law governing the issuance and sale of general county obligations.

(Added by Stats. 1947, Ch. 424.)

29953. The interest rate on the bonds need not be the same during their entire term, but different rates may be fixed for one or more interest payments on the bonds.

(Added by Stats. 1947, Ch. 424.)

29954. If the bonds are to be issued to acquire outstanding bonds, the order calling the election shall briefly and generally state what bonds are to be purchased or acquired, the total principal amount, and the maximum price proposed to be paid. The maximum price so stated shall not be exceeded in the purchase of the bonds.

(Added by Stats. 1947, Ch. 424.)

29955. The bonds shall not be sold at less than their par value, or may be exchanged at their par value for the outstanding bonds, if the outstanding bonds are taken in exchange at a price not exceeding the maximum price stated in the order calling the election.

(Added by Stats. 1947, Ch. 424.)

29956. The bonds shall be redeemed and paid pursuant to Article 1.

(Added by Stats. 1947, Ch. 424.)

29957. The taxes for the payment of the bonds shall be levied pursuant to Article 1, except where the entire issue is to mature at one time, taxes shall be levied annually to provide interest and a sinking fund under this article.

(Added by Stats. 1947, Ch. 424.)

29958. The county treasurer shall keep the money arising from the sale of bonds issued pursuant to this article separate and distinct from all other county money in a fund called "General improvement fund."

(Added by Stats. 1947, Ch. 424.)

29959. The board shall invest and reinvest the money in the general improvement fund in bonds issued by the county or bonds issued for highway, sewer, drainage, or other improvements within the county.

(Added by Stats. 1947, Ch. 424.)

29960. The board shall collect the principal and interest on the bonds and credit the amount collected to the general improvement fund, except that if the bonds are issued to acquire or to provide money for the purchase of certain outstanding bonds, it shall be used only for that purpose, and all of the money not so used and all sums received in payment of principal or interest on the bonds acquired by the county or received from the sale thereof shall be used for the payment of the principal and interest of the bonds issued pursuant to this article.

(Added by Stats. 1947, Ch. 424.)

29961. The board may sell any of the bonds purchased by it at a price not less than that paid. The purchase price of any bonds so sold and the accrued interest thereon shall be placed in the general improvement fund and may be reinvested in bonds, except where such reinvestment is not permitted.

(Added by Stats. 1947, Ch. 424.)

29962. During the time the county owns any district bonds payable from taxes or assessments levied wholly or partially in accordance with the assessed value of the land within the district, the board of supervisors may each year omit from the amount of the annual tax or assessment to be levied for the payment of principal and interest of the bonds any sum for the payment of principal and interest due and unpaid because of delinquencies, and may limit or omit any sum for anticipated delinquencies. The tax or assessment shall be levied in accordance with the statute under which the bonds acquired were issued, but the total amount of any annual levy may be limited as provided in this article.

(Added by Stats. 1947, Ch. 424.)

29963. If any bonds are acquired at less than their par value, the board may reduce the total principal amount of any issue of bonds so acquired and held to a total principal amount which it may fix by ordinance. The reduced total principal amount of any issue shall not be less at par than the total purchase price of the total principal amount of the bonds of the issue acquired by the county.

(Added by Stats. 1947, Ch. 424.)

29964. The ordinance shall designate the issue of bonds to be reduced, the total principal amount of the issue acquired, the purchase price paid, the principal amount of the proposed reduction, the numbers, denominations, maturity dates of the bonds to be canceled, and the time and place of the proposed cancellation. The ordinance is subject to referendum.

(Added by Stats. 1947, Ch. 424.)

29965. Unless prevented by petition protesting the passage of the ordinance, signed and filed with the board pursuant to Section 9144 of the Elections Code, the bonds shall be publicly canceled at the time and place fixed, and the clerk of the board of supervisors shall enter on the minutes of the board of supervisors a record of the bonds canceled sufficient to identify them and the fact and date of the cancellation.

(Amended by Stats. 2006, Ch. 588, Sec. 9. Effective January 1, 2007.)

29966. If the bonds canceled are issued pursuant to the Improvement Bond Act of 1915 to pay the cost of any work or improvement made under the Improvement Act of 1911, the board shall reduce the principal amount of the assessments securing the bonds to the total principal amount of the unpaid and uncanceled bonds of the same issue. The reduction of assessments shall be carried out by canceling such proportion of the assessments as is necessary, and the board shall provide procedure for the cancellation in

accordance with constitutional requirements. The uncanceled portion of the assessments shall be valid and collected in accordance with the terms of the statutes under which the original assessments were levied and bonds issued.

(Added by Stats. 1947, Ch. 424.)

29967. The board may make any issue of bonds issued pursuant to this article mature at one time, not to exceed 20 years after the date of issuance.

(Added by Stats. 1947, Ch. 424.)

29968. If the bonds mature at one time, the annual tax levy shall be sufficient to pay the interest on the bonds as it comes due and create a sinking fund for the payment of the principal on or before maturity. The sum to be raised each year and placed in the sinking fund for the payment of the principal of the bonds shall not be less than an amount obtained by dividing the total principal amount of the bonds issued by the total number of years the bonds are to run.

(Added by Stats. 1947, Ch. 424.)

29969. If the entire issue of bonds is to mature at one time, such bonds may be called for redemption in numerical order at par and accrued interest on any interest-payment date prior to their fixed maturity, and a statement to that effect shall be set forth in each bond. No bond shall be callable or redeemable prior to its fixed maturity date, unless a statement that the bond is callable is contained in the bond.

(Added by Stats. 1947, Ch. 424.)

29970. At least once each year within 60 days prior to an interest-payment date, if the sinking fund contains sufficient available money to call one or more of the outstanding bonds, the board shall, by notice published once a week for two successive weeks in some newspaper published in the county, and, in its discretion, in any other newspaper or newspapers, invite sealed proposals for the sale to the county of any bonds for the payment of which the sinking fund was created. The notice shall state the amount available for redemption of the bonds and specify the time and the place the proposals will be opened.

(Added by Stats. 1947, Ch. 424.)

29971. At the time and place designated all proposals shall be opened in public. Any or all of the proposals may be rejected in the discretion of the board. Proposals shall not be accepted unless the sales price is less than par and accrued interest.

(Added by Stats. 1947, Ch. 424.)

29972. If no proposals are received, or if those received are rejected or are insufficient to exhaust the money available for the redemption of bonds, the board shall call in numerical order such outstanding bonds as can be redeemed from the money available for that purpose.

(Added by Stats. 1947, Ch. 424.)

29973. Notice of the call of bonds for redemption shall be published once a week for two weeks in a newspaper of general circulation published in the county. The first publication shall be not less than 30 days prior to the date fixed for redemption.

(Added by Stats. 1947, Ch. 424.)

29974. Upon the date fixed for redemption, the bonds called shall be redeemed at par and accrued interest to that date.

(Added by Stats. 1947, Ch. 424.)

29975. If any bonds called are not presented for redemption on the date fixed, on the day following a sum sufficient for the payment of the principal the bonds and accrued interest to the date of redemption shall be placed in a special fund for that purpose, and interest on the bonds for which provision is made shall cease on the redemption date.

(Added by Stats. 1947, Ch. 424.)

29976. This article is intended to provide an alternative system for the issuance of bonds and does not affect any other provision of law for the issuance of bonds. If in the discretion of the board proceedings are commenced under this article, this article shall govern the procedure to be taken.

(Added by Stats. 1947, Ch. 424.)