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**HEALTH AND SAFETY CODE - HSC**

**DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913]** ( *Division 31 repealed and added by Stats. 1977, Ch. 610. )*

**PART 16. Veterans and Affordable Housing Bond Act of 2018 [54000 - 54034]** ( *Part 16 added by Stats. 2017, Ch. 365, Sec. 3. )*

**CHAPTER 3. Fiscal Provisions [54010 - 54034]** ( *Chapter 3 added by Stats. 2017, Ch. 365, Sec. 3. )*

**54010.** Bonds in the total amount of three billion dollars (\$3,000,000,000), exclusive of refunding bonds issued pursuant to Section 54026, or so much thereof as is necessary as determined by the committee, are hereby authorized to be issued and sold for carrying out the purposes expressed in this part and to reimburse the General Obligation Bond Expense Revolving Fund pursuant to Section 16724.5 of the Government Code. All bonds herein authorized which have been duly issued, sold, and delivered as provided herein shall constitute valid and binding general obligations of the state, and the full faith and credit of the state is hereby pledged for the punctual payment of both principal of and interest on those bonds when due.

(*Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.*)

**54012.** The bonds authorized by this part shall be prepared, executed, issued, sold, paid, and redeemed as provided in the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2 of the Government Code), except subdivisions (a) and (b) of Section 16727 of the Government Code, and all of the provisions of that law as amended from time to time apply to the bonds and to this part, except as provided in Section 54028, and are hereby incorporated in this part as though set forth in full in this part.

(*Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.*)

**54014.** (a) Solely for the purpose of authorizing the issuance and sale, pursuant to the State General Obligation Bond Law, of the bonds authorized by this part, the committee is continued in existence. For the purposes of this part, the Housing Finance Committee is "the committee" as that term is used in the State General Obligation Bond Law.

(b) The Department of Housing and Community Development may adopt guidelines establishing requirements for administration of its financing programs. The guidelines shall not constitute rules, regulations, orders, or standards of general application and are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(c) For the purposes of the State General Obligation Bond Law, the Department of Housing and Community Development is designated the "board" for programs administered by the department, and the California Housing Finance Agency is the "board" for programs administered by the agency.

(*Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.*)

**54016.** Upon request of the board stating that funds are needed for purposes of this part, the committee shall determine whether or not it is necessary or desirable to issue bonds, and, if so, the amount of bonds to be issued and sold. Successive issues of bonds may be authorized and sold to carry out those actions progressively, and are not required to be sold at any one time. Bonds may bear interest subject to federal income tax.

(*Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.*)

**54018.** There shall be collected annually, in the same manner and at the same time as other state revenue is collected, a sum of money in addition to the ordinary revenues of the state, sufficient to pay the principal of, and interest on, the bonds each year. It is the duty of all officers charged by law with any duty in regard to the collections of state revenues to do or perform each and every act which is necessary to collect that additional sum.

(*Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.*)

**54020.** Notwithstanding Section 13340 of the Government Code, there is hereby appropriated from the General Fund in the State Treasury, for the purposes of this part, an amount that will equal the total of both of the following:

(a) The sum annually necessary to pay the principal of, and interest on, bonds issued and sold pursuant to this part, as the principal and interest become due and payable.

(b) The sum which is necessary to carry out Section 54024, appropriated without regard to fiscal years.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54022.** The board may request the Pooled Money Investment Board to make a loan from the Pooled Money Investment Account, in accordance with Section 16312 of the Government Code, for purposes of this part. The amount of the request shall not exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold, excluding any refunding bonds authorized pursuant to Section 54026, for purposes of this part, less any amount loaned pursuant to this section and not yet repaid and any amount withdrawn from the General Fund pursuant to Section 54024 and not yet returned to the General Fund. The board shall execute any documents as required by the Pooled Money Investment Board to obtain and repay the loan. Any amount loaned shall be deposited in the fund to be allocated in accordance with this part.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54024.** For purposes of carrying out this part, the Director of Finance may, by executive order, authorize the withdrawal from the General Fund of any amount or amounts not to exceed the amount of the unsold bonds that the committee has, by resolution, authorized to be sold, excluding any refunding bonds authorized pursuant to Section 54026, for purposes of this part, less any amount loaned pursuant to Section 54022 and not yet repaid and any amount withdrawn from the General Fund pursuant to this section and not yet returned to the General Fund. Any amounts withdrawn shall be deposited in the fund to be allocated in accordance with this part. Any moneys made available under this section shall be returned to the General Fund, plus the interest that the amounts would have earned in the Pooled Money Investment Account, from moneys received from the sale of bonds which would otherwise be deposited in that fund.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54026.** The bonds may be refunded in accordance with Article 6 (commencing with Section 16780) of Chapter 4 of Part 3 of Division 4 of Title 2 of the Government Code. Approval by the electors of this act shall constitute approval of any refunding bonds issued to refund bonds issued pursuant to this part, including any prior issued refunding bonds. Any bond refunded with the proceeds of a refunding bond as authorized by this section may be legally defeased to the extent permitted by law in the manner and to the extent set forth in the resolution, as amended from time to time, authorizing that refunded bond.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54028.** Notwithstanding any provisions in the State General Obligation Bond Law, the maturity date of any bonds authorized by this part shall not be later than 35 years from the date of each such bond. The maturity of each series shall be calculated from the date of issuance of each bond.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54030.** The Legislature hereby finds and declares that, inasmuch as the proceeds from the sale of bonds authorized by this part are not "proceeds of taxes" as that term is used in Article XIII B of the California Constitution, the disbursement of these proceeds is not subject to the limitations imposed by that article.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54032.** Notwithstanding any provision of the State General Obligation Bond Law with regard to the proceeds from the sale of bonds authorized by this part that are subject to investment under Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2 of the Government Code, the Treasurer may maintain a separate account for investment earnings, may order the payment of those earnings to comply with any rebate requirement applicable under federal law, and may otherwise direct the use and investment of those proceeds so as to maintain the tax-exempt status of tax-exempt bonds and to obtain any other advantage under federal law on behalf of the funds of this state.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

**54034.** All moneys derived from premiums and accrued interest on bonds sold pursuant to this part shall be transferred to the General Fund as a credit to expenditures for bond interest; provided, however, that amounts derived from premiums may be reserved and used to pay the costs of bond issuance prior to transfer to the General Fund.

*(Added by Stats. 2017, Ch. 365, Sec. 3. Approved in Proposition 1 at the November 6, 2018, election; effective November 7, 2018.)*

