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**TITLE 5. LOCAL AGENCIES [50001 - 57607]** ( Title 5 added by Stats. 1949, Ch. 81. )

**DIVISION 2. CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 55821]** ( Division 2 added by Stats. 1949, Ch. 81. )

**PART 1. POWERS AND DUTIES COMMON TO CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 54999.7]** ( Part 1 added by Stats. 1949, Ch. 81. )

**CHAPTER 6. Revenue Bond Law of 1941 [54300 - 54700]** ( Heading of Chapter 6 amended by Stats. 1959, Ch. 597. )

**ARTICLE 1. Definitions and General Provisions [54300 - 54316]** ( Article 1 added by Stats. 1949, Ch. 81. )

**54300.** This chapter may be cited as the Revenue Bond Law of 1941.

(Amended by Stats. 1953, Ch. 526.)

**54301.** This chapter is full authority for the issuance of bonds and the acquisition, construction, or improvement of any enterprise pursuant to this chapter.

(Added by Stats. 1949, Ch. 81.)

**54301.1.** This chapter is intended to provide to any local agency heretofore or hereafter created or authorized to be created an alternate method of financing any enterprise (as said term is hereinafter defined), unless the issuance of bonds as defined in Section 54313 is specifically prohibited to such local agency by the Constitution of the State of California or by the law or charter pursuant to which such local agency is organized and operates.

(Added by Stats. 1953, Ch. 526.)

**54302.** The powers conferred by this chapter are in addition to, and the limitations imposed by this chapter do not affect, the powers conferred by any other law.

(Added by Stats. 1949, Ch. 81.)

**54303.** If this chapter is inconsistent with any other law, this chapter is controlling.

(Added by Stats. 1949, Ch. 81.)

**54304.** This chapter shall be liberally construed to promote its objects.

(Added by Stats. 1949, Ch. 81.)

**54305.** If the jurisdiction of the legislative body to order the proposed act is not affected, the defect or omission of any officer or any local agency in proceedings under this chapter does not invalidate the proceedings or bonds issued under this chapter.

(Added by Stats. 1949, Ch. 81.)

**54306.** The terms defined in this article have the meanings set forth unless the context requires a different meaning.

(Added by Stats. 1949, Ch. 81.)

**54307.** "Local agency" means any city, county, city and county, or any municipal or public corporation or district which is authorized to acquire, construct, own, or operate any enterprise as defined in Section 54309.

(Amended by Stats. 1979, Ch. 373.)

**54307.1.** "Local agency" also means any entity or agency created pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 for the purpose of acquiring, constructing, maintaining, or operating an enterprise for the collection, treatment, or disposal of sewage, waste, or storm water.

(a) Any proposition submitted to an election held within such local agency or entity for the purpose of authorizing bonds shall be deemed adopted if it receives the affirmative vote of a majority of all the voters voting on the proposition. Such election shall be held within the combined territory of all agencies which, pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1, have jointly created such local agency or entity; provided that if a public agency has entered into an agreement pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 on behalf of a county service area, improvement zone, improvement district, maintenance district, or other zone or area, only the territory of such county service area, improvement zone, maintenance district, improvement district, or other zone or area shall be included in the combined territory in which the election shall be held.

(b) If compliance with a water quality control plan, adopted pursuant to Division 7 (commencing with Section 13000) of the Water Code, requires the construction of facilities for the collection, treatment, or disposal of sewage, waste, or storm water, and if the appropriate regional water quality control board, in a cease and desist order or by other action of the board, finds or determines that immediate action for the planning and construction of such facilities is urgently needed for the compliance with such plan and the prevention of pollution, the election procedures of Article 3 (commencing with Section 54380) of this chapter shall not be applicable, but undertaking the improvement shall be subject to referendum on the issuance of bonds. The resolution of the local agency or entity authorizing the issuance of bonds pursuant to this chapter shall be subject to referendum within the combined territory of all the agencies which, pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1, have created such local agency or entity. Referendum procedures shall, as nearly as practicable, be those specified in Section 6547.2.

For the purposes of Section 6547.2, however, "local agency" shall mean the local agency or entity authorizing the issuance of bonds. The electors of such local agency for the purposes of such section shall be the electors residing within the boundaries of the local agency or entity who would be qualified to vote for candidates for Governor; provided that, should all of the parties to the agreement be "landowner-voter districts" as defined in Section 56048, the agreement shall provide which principal district act shall apply for the purpose of determining voter qualifications, manner of voting, and number of votes each voter is entitled to cast. A majority vote against the issuance of bonds shall have the effect of rescinding the resolution authorizing the issuance of bonds.

In the event that all parties to the agreement are "landowner-voter districts" as defined in Section 56048, and the agreement fails to specify which principal act shall apply for the purposes of determining voter qualifications, voting shall occur in the manner specified in Division 13 (commencing with Section 34000) of the Water Code.

(c) Such local agency or entity shall have the power to utilize any part of its waste or storm water or any parts of the enterprise acquired or constructed through the issuance of bonds of the local agency or entity to provide, generate, and deliver hydroelectric power, and may acquire, construct, operate, and maintain any and all works, facilities, improvements, and property necessary or convenient for such utilization.

(d) Such local agency or entity shall have the power (1) pursuant to contract, to provide, sell, and deliver hydroelectric power to the federal government or to any board, department, or agency thereof, to the State of California for purposes of the State Water Resources Development System, and to any public agency, private corporation, or any other person or entity, or any combination thereof, engaged in the sale of electric power at retail; or (2) to use all or any part of such hydroelectric power directly, or indirectly through exchange, in exercising any other power of such local agency or entity.

(e) Such local agency or entity shall have the power to acquire, construct, maintain, and operate works, facilities, improvements, and property necessary for the provision, generation, and delivery of hydroelectric power pursuant to subdivisions (c) and (d) of this section.

*(Amended by Stats. 1978, Ch. 333.)*

**54307.2.** "Local agency" also means any joint powers agency created pursuant to Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 for the generating, producing, or transmitting of electric energy for lighting, heating, and power for public or private uses. In lieu of holding an election within the joint powers agency, upon the adoption by the joint powers agency of the resolution referred to in Article 3 (commencing with Section 54380) of this chapter, each member public agency of the joint powers agency whose revenues are to be pledged to secure the bonds shall implement such resolution by conducting the election within its boundaries in accordance with the provisions of this chapter. The proposition authorizing the bonds shall be deemed adopted if it receives the affirmative vote of a majority of all the voters voting on the proposition within each of such public agencies.

*(Added by Stats. 1974, Ch. 953.)*

**54307.3.** "Local agency" also means any entity or agency created pursuant to Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 for the purpose of acquiring, constructing, maintaining, or operating systems, plants, buildings, works or other facilities or property for the purposes of disposal, treatment, or conversion to energy and reusable materials of solid waste. Any proposition submitted to an election held within such local agency for the purpose of authorizing bonds shall be deemed adopted if it

receives the affirmative vote of a majority of all the voters voting on the proposition. Such an election shall be held within the combined territory of all local agencies which, pursuant to such Article 1, have jointly created such entity or agency.

*(Added by Stats. 1978, Ch. 1011.)*

**54307.4.** Issuance of bonds for the construction of facilities for the generation, production, or transmission of electric energy by wind for lighting, heating, and power for public or private uses, shall not be subject to the election procedures of Article 3 (commencing with Section 54380), but undertaking the improvement, and the issuance of bonds therefor, shall be authorized by ordinance or resolution of the local agency governing board, and shall be subject to referendum.

*(Added by Stats. 1981, Ch. 320, Sec. 1.)*

**54308.** "Law" includes the charter of a local agency.

*(Added by Stats. 1949, Ch. 81.)*

**54309.** "Enterprise" means a revenue-producing improvement, building, system, plant, works, facilities, or undertaking used for or useful for any of the following purposes:

- (a) The obtaining, conserving, treating and supplying of water for domestic use, irrigation, sanitation, industrial use, fire protection, recreation, or any other public or private uses.
- (b) The collection, treatment or disposal of garbage or refuse matter.
- (c) The collection, treatment or disposal of sewage, waste or storm water, including drainage.
- (d) The providing of public parking lots, garages, or other automotive or vehicular parking facilities, including any and all public offstreet vehicular parking facilities.
- (e) The providing of public transportation by means of a ferry or ferry system.
- (f) The providing of public airports and facilities appurtenant thereto.
- (g) The providing of harbors, including without limitation public small boat harbors, and facilities and improvements in connection therewith.
- (h) The providing of hospitals and facilities appurtenant thereto.
- (i) The providing of public golf courses, and facilities and improvements in connection therewith.
- (j) The generation, production, or transmission of electric energy for lighting, heating, and power for public or private uses.

*(Amended by Stats. 1974, Ch. 953.)*

**54309.1.** "Enterprise" includes, but is not limited to, all parts of the enterprise, all appurtenances to it, and:

- (a) Lands, easements, rights in land, water rights, contract rights, and franchises;
- (b) Approaches, dams, reservoirs, trunk, connecting, and other water mains, filtration works, pumping stations, water supply, storage, and distribution facilities and equipment;
- (c) Garbage trucks, equipment, dumps, garbage disposal plants, and incinerators or other disposal facilities, including facilities to sort and prepare components of solid waste for sale and facilities to convert solid waste to energy and reusable materials;
- (d) Sewage treatment plants, sewage disposal plants, intercepting and collecting sewers, outfall sewers, trunk, connecting, and other sewer mains;
- (e) The franchises or licenses to operate a ferry or ferry system, all boats and vessels, all land and interest in land, all slips, wharves, piers, landing places, approaches, and all facilities and equipment used in the maintenance and operation of a ferry or ferry system, or harbor, including small boat harbors, marinas, aquatic playgrounds, and similar recreational facilities;
- (f) Ambulances, both inpatient and outpatient facilities, laboratories, pharmacies, surgical instruments, and equipment of such nature as may be reasonably necessary for the treatment of patients; and
- (g) All buildings, structures, improvements, equipment, ditches, canals, and facilities whatsoever appurtenant or relating to the enterprise.

*(Amended by Stats. 1978, Ch. 1011.)*

**54310.** "Enterprise" does not include, and this chapter does not authorize a local agency to borrow money and issue bonds for, systems, plants, works, or undertakings for:

- (a) The distribution of electric energy for lighting, heating, and power for public or private uses.
- (b) The generation, production, transmission, and distribution of gas for public or private uses.

These exclusions shall not apply to systems, plants, works, or undertakings which result in conversion to energy and reusable materials of solid waste as defined in Section 66719.

*(Amended by Stats. 1978, Ch. 1011.)*

**54311.** Subject to the limitations of Sections 54309 and 54310, in any resolution calling an election for the issuance of bonds for acquiring, constructing, improving, or financing any enterprise, the legislative body may define "enterprise" and that definition applies to the bonds authorized at the election.

*(Amended by Stats. 1953, Ch. 526.)*

**54312.** "Improve" means reconstruct, replace, extend, repair, better, equip, develop, embellish, or otherwise improve.

*(Added by Stats. 1949, Ch. 81.)*

**54313.** "Bonds" means bonds, notes, or other obligations issued by a local agency pursuant to this chapter and payable exclusively from revenues of an enterprise and from any or all of the other funds referred to in Section 54478 upon which the bonds, notes, or other obligations are to be made a charge and from which they are to be payable.

*(Amended by Stats. 1990, Ch. 1130, Sec. 1.)*

**54314.** "Charges" includes fees, tolls, rates, and rentals.

*(Added by Stats. 1949, Ch. 81.)*

**54315.** "Revenues" mean all charges received for, and all other income and receipts derived by the local agency from, the operation of the enterprise or arising from the enterprise. Revenues include revenue deposited in a sinking, redemption, or reserve fund or other fund to secure the bonds or to provide for the payment of them or the interest on them.

*(Added by Stats. 1949, Ch. 81.)*

**54316.** "Holder of bonds" or "bondholder" means:

- (a) The bearer of any outstanding bond registered to bearer or not registered.
- (b) The registered owner of an outstanding bond registered other than to bearer at the time.

*(Added by Stats. 1949, Ch. 81.)*