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TITLE 6.7. INFRASTRUCTURE FINANCE [63000 - 64132] (Title 6.7 added by Stats. 1994, Ch. 94, Sec. 1.)

DIVISION 1. THE BERGESON-PEACE INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK ACT [63000 - 63089.99] (Heading of Division 1 amended (as added by Stats. 1994, Ch. 94) by Stats. 1994, Ch. 749, Sec. 1.)

CHAPTER 3. California Infrastructure and Economic Development Bank Fund [63050 - 63056] (Heading of Chapter 3 amended (as added by Stats. 1994, Ch. 94) by Stats. 1994, Ch. 749, Sec. 17.)

63050. (a) There is hereby created in the State Treasury the California Infrastructure and Economic Development Bank Fund for the purpose of implementing the objectives and provisions of this division. Within the fund there shall also be established a Sponsor Revenue Bond Account, a Participating Party Revenue Bond Account, a State Infrastructure Revolving Account, and additional accounts and subaccounts that the bank may establish from time to time.

(b) Notwithstanding Section 13340 and except as provided in subdivision (c), all moneys in the infrastructure bank fund are continuously appropriated without regard to fiscal years for the support of the bank and shall be available for expenditure for the purposes stated in this division.

(c) Moneys in the infrastructure bank fund shall be available for expenditure for general administration only upon appropriation by the Legislature. This subdivision shall not limit the authority of the bank to expend funds directly related to the servicing of approved debt. Moneys in the fund shall be available for the purpose of general administration of the authority only upon appropriation by the Legislature, but not more than 5 percent of any bond proceeds administered by the authority may be expended to cover the costs of issuance, as that terminology is defined under Section 147 (G) of the Internal Revenue Code.

(d) Notwithstanding any other provision of this division, not more than 15 percent of the financing annually approved by the executive director that utilizes state funds from the infrastructure bank fund may be expended upon educational facilities, environmental mitigation measures, and parks and recreational facilities.

(e) The executive director may transfer funds between the infrastructure bank fund and the guarantee trust fund when appropriate to accomplish the financing objectives of this division.

(Amended (as added by Stats. 1994, Ch. 94) by Stats. 1994, Ch. 749, Sec. 18. Effective January 1, 1995.)

63052. (a) The bank may pledge any or all of the moneys in the fund as security for payment of the principal of, and interest on, any particular issuance of bonds issued pursuant to this chapter. The bank may use any or all of the moneys in the fund, including the grant account, to retain or purchase for retention or sale, subordinated bonds issued by the bank, by a special purpose trust, or by a sponsor pursuant to this chapter. For these purposes, or as necessary or convenient to the accomplishment of any other purpose of the bank, the bank may divide the fund into separate accounts or subaccounts. All moneys accruing to the bank pursuant to this division from any sources shall be deposited in the fund.

(b) Subject to priorities that may be created by the pledge of particular moneys in the infrastructure bank fund to secure any issuance of revenue bonds of the bank, a special purpose trust, or a sponsor, and subject further to reasonable costs that may be incurred by the bank in administering the program authorized by this division, all moneys in the infrastructure bank fund derived from any source, shall be held in trust for the security and payment of revenue bonds of the bank, a special purpose trust, or a sponsor and shall not be used or pledged for any other purpose so long as the revenue bonds are outstanding and unpaid.

(c) Pursuant to any agreements with the holders of revenue bonds pledging any particular assets, revenues, or moneys, the bank may create separate accounts or subaccounts in the infrastructure bank fund to manage these assets, revenues, or moneys in the manner set forth in the agreements.

(d) The bank may, from time to time, direct the Treasurer to invest moneys in the infrastructure bank fund that are not required for its current needs, including proceeds from the sale of any bonds, in any eligible securities specified in Section 16430 as the bank shall designate. The bank may direct the Treasurer to deposit moneys in interest-bearing accounts in any bank in this state or in any savings and loan association in this state. The bank may alternatively require the transfer of moneys in the infrastructure bank fund

to the Surplus Money Investment Fund for investment pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2. Notwithstanding Section 16305.7, all interest or other increment resulting from the investment or deposit of moneys from the infrastructure bank fund shall be deposited in the infrastructure bank fund. Moneys in the infrastructure bank fund shall not be subject to transfer to any other funds pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2, except to the Surplus Money Investment Fund.

(e) Subject to any agreement with holders of particular bonds, in furtherance of Section 51373 of the Health and Safety Code, and to the extent permitted by law, the bank may also invest moneys of the infrastructure bank fund, including, but not limited to, proceeds of any of its bonds or refunding bonds, in obligations of financial institutions as are permitted by board resolution. The bank may alternatively require the transfer of moneys in the infrastructure bank fund to the Surplus Money Investment Fund for investment pursuant to Article 4 (commencing with Section 16470) of Chapter 3 of Part 2 of Division 4 of Title 2.

(f) Subject to any agreement with the holders of particular bonds, all interest or other increment resulting from the investment or deposit shall be deposited in the infrastructure bank fund, notwithstanding Section 16305.7. Moneys in the infrastructure bank fund shall not be subject to transfer to any other fund pursuant to Part 2 (commencing with Section 16300) of Division 4 of Title 2, excepting the Surplus Money Investment Fund.

(g) The infrastructure bank fund shall be organized as a public enterprise fund.

(h) The bank shall cause all moneys in the infrastructure bank fund that are in excess of current requirements to be invested and reinvested, from time to time.

(Amended by Stats. 1995, Ch. 863, Sec. 19. Effective January 1, 1996.)

63053. (a) The bank may administer and distribute among its accounts and subaccounts, at its discretion, the proceeds from any general obligation bonds issued in accordance with the State General Obligation Bond Law (Chapter 4 (commencing with Section 16720) of Part 3 of Division 4 of Title 2).

(b) The assets of the infrastructure bank fund shall be available for the payment of the salaries and other expenses charged against it in accordance with this division.

(Amended (as added by Stats. 1994, Ch. 94) by Stats. 1994, Ch. 749, Sec. 20.5. Effective January 1, 1995.)

63054. All expenses incurred in carrying out the purposes of this division shall be payable solely from funds provided pursuant to this division, and no liability or obligation shall be imposed upon the state and none shall be incurred by the agency beyond the extent to which money shall have been provided pursuant to this division.

(Added by Stats. 1994, Ch. 94, Sec. 1. Effective January 1, 1995. Conditionally operative as prescribed by Sec. 17 of Ch. 94.)

63055. (a) Moneys in the infrastructure bank fund received from the proceeds of bonds issued pursuant to this division may not be transferred to any other fund except as necessary to pay the expenses of operating the program authorized by this division, nor shall the bank utilize any moneys under the direction and control of the California Housing Finance Agency, including, but not limited to, moneys in the California Housing Loan Insurance Fund and the Housing Finance Fund, other than moneys in the infrastructure bank fund to satisfy liabilities arising from projects authorized by this division.

(b) The infrastructure bank fund, on behalf of the bank, may borrow or receive moneys from the bank or from any federal, state, or local agency or private entity, in order to create reserves in the infrastructure bank fund as provided in this division and as authorized by resolution of the board.

(Amended by Stats. 1998, Ch. 4, Sec. 19. Effective January 1, 1999.)

63056. (a) Notwithstanding Chapter 2 (commencing with Section 12850) of Part 2.5 of Division 3 of Title 2 and Article 2 (commencing with Section 13320) of Chapter 3 of Part 3 of Division 3 of Title 2, expenditures of the infrastructure bank fund shall not be subject to the supervision or approval of any other officer or division of state government, with the exception of the Legislature. However, the bank's budget shall be prepared and reviewed not later than November 1 of each year and the bank shall submit to the Legislature a report of its activities for the prior fiscal year, as specified in Section 63035.

(b) The bank's budget regarding the infrastructure bank fund shall include the amount of credit and liabilities of the fund, based on an audit of the fund at the close of the prior fiscal year. The bank's operating budget shall be subject to review and appropriation in the annual Budget Act.

(Amended by Stats. 2014, Ch. 132, Sec. 7. (AB 2749) Effective January 1, 2015.)