

**Introduced by Senator Wiggins**

February 27, 2009

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An act to add Section 53593.5 to the Government Code, relating to local agencies.

LEGISLATIVE COUNSEL'S DIGEST

SB 799, as introduced, Wiggins. Local agencies: bonds.

Existing law prohibits an investment firm, as defined, from having specified interests in a new issuance of bonds from a local agency.

This bill would prohibit a local agency from entering into a financial advisory, legal advisory, underwriting, or similar relationship with an individual or firm, with respect to a bond issue that requires voter approval on or after January 1, 2010, if that individual or firm, or an employee, agent, or person related to an employee or agent of the individual or firm, provided or will provide bond campaign services, as defined, to the bond campaign.

Vote: majority. Appropriation: no. Fiscal committee: no.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. Section 53593.5 is added to the Government
- 2 Code, to read:
- 3 53593.5. (a) A local agency is prohibited from entering into
- 4 a financial advisory, legal advisory, underwriting, or similar
- 5 relationship with an individual or firm, with respect to a bond issue
- 6 that requires voter approval on or after January 1, 2010, if that
- 7 individual or firm, or an employee, agent, or person related to an

1 employee or agent of the individual or firm, provided or will  
2 provide bond campaign services to the bond campaign.

3 (b) For purposes of this section, “related” includes, but is not  
4 limited to, a family relationship by blood or marriage, a financial  
5 relationship, an affiliation between business structures, or the  
6 sharing of one or more common principals.

7 (c) For purposes of this section, “bond campaign services”  
8 includes fundraising, public opinion polling, election strategy and  
9 management, organization of campaign volunteers, get out the  
10 vote services, development of campaign literature, and advocacy  
11 materials. “Bond campaign services” does not include advice and  
12 support related to the preparation of tax rate statements and other  
13 documentation required for inclusion in the voter pamphlet  
14 published by the applicable county registrar of voters.