

ASSEMBLY BILL

No. 786

Introduced by Assembly Member Harkey

February 17, 2011

An act relating to state finance.

LEGISLATIVE COUNSEL'S DIGEST

AB 786, as introduced, Harkey. State finance: debt reduction.

The California Constitution authorizes the Legislature to create debt authorized by law and subject to the approval of the voters, according to specified criteria. The Legislature may, at any time after the approval of such a law, reduce the amount of the indebtedness authorized to an amount not less than the amount contracted at the time of the reduction, or repeal the law if no debt has been contracted pursuant to that law.

This bill would declare the intent of the Legislature with respect to laws authorizing indebtedness under these provisions, to enact legislation to reduce the amount of indebtedness authorized by specified laws to the amount contracted at the time of the reduction, and to repeal specified laws authorizing indebtedness when no debt has been contracted pursuant to their provisions.

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. With respect to laws authorizing indebtedness
- 2 approved by the people pursuant to Section 1 of Article XVI of
- 3 the California Constitution, and as authorized by that section, it is
- 4 the intent of the Legislature to enact legislation to reduce the

- 1 amount of indebtedness authorized by specified laws to the amount
- 2 contracted at the time of the reduction, and to repeal specified laws
- 3 authorizing indebtedness when no debt has been contracted
- 4 pursuant to their provisions.

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