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September 18, 2019

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

RE: Recommended Veto of AB 116 (Ting)

Dear Governor Newsom:

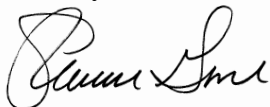
I respectfully write to request your veto of Assembly Bill 116, which modifies the requirement that Enhanced Infrastructure Financing Districts (EIFDs) receive voter approval prior to issuing bonds.

Dating back to 1879, practically all bonds have required a supermajority threshold, 55 percent or higher, to be approved. Taking the public out of the process by eliminating the voter requirement negates the notion of a transparent and participatory government. A supermajority vote threshold for the approval of long-term debt is in the public interest. This is debt that will remain on the books long after the EIFD Board or other local government officials have termed out.

In lieu of the voter requirements, this bill sets up a protest hearing process to allow for public participation. This hearing process is an inferior way to determine whether the public supports the plan or not. Filing a public protest requires substantially more effort than participating in an election, so even if a financing plan would be objectionable to the majority of the public, it is highly doubtful that 25 percent of the landowners and residents would have the time or information to file a protest.

For these reasons, I respectfully request your veto.

Sincerely,



Shannon Grove
Senate Republican Leader