

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 769 (Caballero) – As Amended July 2, 2025

Policy Committee:	Judiciary	Vote:	10 - 0
	Economic Development, Growth, and		6 - 0
	Household Impact		

Urgency: No State Mandated Local Program: No Reimbursable: No

SUMMARY:

This bill establishes the Golden State Infrastructure Corporation (Corporation) within the State Treasurer's Office (STO) as a not-for-profit corporation for the purpose of financing infrastructure projects. The bill also establishes the Golden State Infrastructure Corporation Fund (Fund) with all moneys in the Fund continuously appropriated.

FISCAL EFFECT:

- 1) One-time costs of an unknown, but likely significant amount, ranging from the tens of millions to hundreds of millions of dollars, presumably General Fund, for the Fund's initial capital base to support investments.
- 2) Ongoing General Fund costs of approximately \$1.1 million for the STO to hire five additional permanent staff and support associated operating expenses and equipment to establish the Corporation. To the extent that workload associated with supporting the Corporation with existing STO staff until it can operate independently is not absorbable within STO's current resources, there may be significant costs, possibly in the hundreds of thousands of dollars General Fund, for additional staff to support the corporation's regulatory, financial compliance, sales, marketing, and other operations. The bill authorizes the corporation to set and charge fees for entities or projects obtaining financing, which may offset the corporation's administrative costs.

COMMENTS:

- 1) **Purpose.** The author's office posits that this bill provides a long-term financing solution for improving project efficiency, driving economic growth, and creating jobs. According to the author's office:

SB 769 is a critical step to secure California's future to address the state's deferred maintenance and infrastructure needs with the creation of the Golden State Infrastructure Fund. This fund will utilize both public and private investments to support a wide range of essential projects, from transportation and water security to clean energy and housing.

Additionally, according to the California State Treasurer, Fiona Ma, sponsor of the bill:

Our current financing authorities serve an important purpose, but they are not equipped to support the size, speed, and scale of the projects we need—especially when it comes to infrastructure. The Infrastructure Fund will change that by creating a process that the State can use to invest in our future by tripling our state dollars to complete projects and making both debt and equity investments into vital in-state infrastructure projects.

- 2) **Background.** By establishing the Corporation, this bill would provide for both debt and equity financing for various types of in-state infrastructure projects. The bill establishes a board of directors to govern the Corporation and also specifies various powers and authorities of the Corporation. The governance structure in the bill mirrors that of the California Infrastructure and Economic Development Bank (IBank) within the Governor's Office of Business and Economic Development, which current law authorizes to make loans, issue bonds, and provide other economic development assistance, among other things.

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