

STATE OF CALIFORNIA

Bill Lockyer, Treasurer

**OFFICE OF THE TREASURER**P. O. BOX 942809  
SACRAMENTO, CA 94209-0001

April 1, 2008

Mr. John Chalker  
Chairperson  
California Transportation Commission  
1120 N Street, Room 2221 (MS-52)  
Sacramento, CA 95814

Dear Mr. Chalker:

It is my pleasure to forward for your review and consideration "Analyses of GARVEE Bonding Capacity 2008." This is the eighth annual capacity analysis prepared in compliance with the provisions of SB 928 (Chapter 862, Statutes of 1999), which was sponsored by the State Treasurer's Office to ensure California had the necessary state legislative authority to make use of Grant Anticipation Revenue Vehicles, or GARVEE bonds, a financing tool for the acceleration of high priority transportation projects.

Among other things, the California Transportation Commission is required to prepare, in conjunction with the State Treasurer's Office, an annual analysis of California's bonding capacity for issuing GARVEE bonds, which are capital market borrowings repaid by federal transportation funds deposited in the State Highway Account.

Please let me know how this office may be of further assistance as you continue to use GARVEE bonds as a financing tool.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Rosenstiel".

PAUL ROSENSTIEL  
Deputy Treasurer

Enclosure

cc: Governor Arnold Schwarzenegger  
Senator Don Perata, President Pro Tempore  
Assembly Member Fabian Núñez, Speaker  
Senator Alan Lowenthal, Chair, Senate Transportation and Housing Committee  
Assembly Member Pedro Nava, Chair; Assembly Transportation Committee  
Michael Genest, Director of Finance  
Members, California Transportation Commission  
John Barna, Executive Director, California Transportation Commission  
David Brewer, Chief Deputy Director, California Transportation Commission