

AMENDED IN ASSEMBLY APRIL 13, 2010

AMENDED IN ASSEMBLY APRIL 5, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 2742

**Introduced by Assembly Members ~~Blakeslee, Fuentes, and Solorio~~
Member ~~Blakeslee~~**

**(~~Coauthors: Assembly Members Arambula, Adams, Bill Berryhill,
Buchanan, Carter, DeVore, Emmerson, Fletcher, Furutani,
Gaines, Galgiani, Gilmore, Hagman, Hall, Jeffries, Knight, Ma,
Miller, Nestande, V. Manuel Perez, Silva, Smyth, Audra
Strickland, and Villines~~)**

(~~Coauthor: Senator Ashburn~~)

February 19, 2010

~~An act to amend Section 26003 of, and to add Section 26011.7 to,
the Public Resources Code, relating to energy. An act to add Section
19991.14 to the Government Code, relating to public employment.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2742, as amended, ~~Blakeslee. Energy: California Alternative
Energy and Advanced Transportation Financing Authority. Public
employment: retirement: survivors' benefits.~~

~~Existing law authorizes, at the discretion of the appointing power,
excluded employees to transfer eligible leave credits to an excluded
employee when a catastrophic illness or injury occurs.~~

~~This bill would authorize a request to be made of the employer of a
retired state employee, as defined, who died from a nonwork-related
illness or injury within 12 months of retirement to allow employees to
donate leave credits to a leave bank. The donated leave, not to exceed~~

\$50,000, would be cashed out to the person designated to receive the deceased employee's leave balance. The bill would provide that donations would be accepted for 30 days following approval of the request, except as described below.

The bill would apply retroactively to December 1, 2009. The bill would require any leave donations for a retired state employee who died on or before December 31, 2010, to be accepted until January 31, 2011.

The bill's provisions would apply to any retired state employee who at the time of retirement was a member of a collective bargaining unit that had bargained for a survivor's benefit that authorizes the donation of leave credits from employees to a leave bank on behalf of an employee on pay status who dies from a nonwork-related illness or injury.

~~The California Alternative Energy and Advanced Transportation Financing Authority Act established the California Alternative Energy and Advanced Transportation Financing Authority. The authority is authorized to do all things necessary and convenient to carry out the purposes of the act. The authority is also required to establish a renewable energy program to provide financial assistance, as defined, to certain entities for projects to generate new and renewable energy sources, develop clean and efficient distributed generation, and demonstrate the economic feasibility of new technologies. Existing law provides that the transfer of title of tangible personal property constituting a project under the act to the authority by a participating party or the lease or transfer of tangible personal property constituting a project under the act by the authority to a participating party pursuant to the act is not a "sale" or "purchase" for the purposes of the Sales and Use Tax Law.~~

This bill would include as a project, machinery or equipment that is utilized for the design, technology transfer, manufacture, production, assembly, distribution, or service of an alternative source product, component, or system. The bill would also expand the definition of "alternative sources" to include advanced electric distributive generation technology, as defined, and would expand the definition of "advanced transportation technologies" to include energy storage technologies and their component materials. The bill would require the authority to consider specified criteria in approving a project for which the purchase, sale, or lease of tangible personal property qualifies for the sales and use tax exclusion. The bill would require, when the sales and use tax exclusion for projects approved by the authority exceeds \$100,000,000

annually, the authority to provide a 20-day notice to the Legislature for additional project approval.

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

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

1 SECTION 1. Section 19991.14 is added to the Government
2 Code, to read:

3 19991.14. (a) If a retired state employee dies from a
4 nonwork-related illness or injury within 12 months of retirement,
5 a request may be made to his or her employer to allow state
6 employees to donate leave credits to a leave bank. This donated
7 leave, not to exceed fifty thousand dollars (\$50,000), shall be
8 cashed out to the person designated to receive the deceased
9 employee's leave balance. Donations shall be accepted for 30 days
10 following approval of the request, except as specified in subdivision
11 (b).

12 (b) This section shall apply retroactively to anyone who retired
13 on or after December 1, 2009. Any leave donations for a retired
14 state employee who died on or before December 31, 2010, shall
15 be accepted until January 31, 2011.

16 (c) For the purposes of this section, the following definitions
17 shall apply:

18 (1) "Leave" includes annual leave, vacation, holiday, personnel
19 leave, or excess leave.

20 (2) "Retired state employee" means any retired state employee
21 who at the time of retirement was a member of a collective
22 bargaining unit that had bargained for a survivor's benefit that
23 authorizes the donation of leave credits from employees to a leave
24 bank on behalf of an employee on pay status who dies from a
25 nonwork-related illness or injury.

26 SECTION 1. ~~Section 26003 of the Public Resources Code is~~
27 ~~amended to read:~~

28 26003. ~~As used in this division, unless the context otherwise~~
29 ~~requires:~~

30 (a) ~~"Authority" means the California Alternative Energy and~~
31 ~~Advanced Transportation Financing Authority established pursuant~~
32 ~~to Section 26004, and any board, commission, department, or~~
33 ~~officer succeeding to the functions of the authority, or to which~~

1 the powers conferred upon the authority by this division shall be
2 given.

3 (b) “Cost” as applied to a project or portion of the project
4 financed under this division means all or part of the cost of
5 construction and acquisition of all lands, structures, real or personal
6 property or an interest in the real or personal property, rights,
7 rights-of-way, franchises, easements, and interests acquired or
8 used for a project; the cost of demolishing or removing any
9 buildings or structures on land so acquired, including the cost of
10 acquiring any lands to which those buildings or structures may be
11 moved; the cost of all machinery, equipment, and furnishings;
12 financing charges, interest prior to, during, and for a period after,
13 completion of construction as determined by the authority; the cost
14 of the purchase or sale of energy derived from an alternative source
15 pursuant to subdivision (g) of Section 26011; provisions for
16 working capital; reserves for principal and interest and for
17 extensions, enlargements, additions, replacements, renovations,
18 and improvements; the cost of architectural, engineering, financial,
19 accounting, auditing and legal services, plans, specifications,
20 estimates, administrative expenses, and other expenses necessary
21 or incident to determining the feasibility of constructing any project
22 or incident to the construction, acquisition, or financing of a
23 project.

24 (e) (1) “Alternative sources” means the application of
25 cogeneration technology, as defined in Section 25134; advanced
26 electric distributive generation technology, as defined in Section
27 379.8 of the Public Utilities Code; the conservation of energy; or
28 the use of solar, biomass, wind, geothermal, hydroelectricity under
29 30 megawatts, or any other source of energy, the efficient use of
30 which will reduce the use of fossil and nuclear fuels.

31 (2) “Alternative sources” does not include a hydroelectric facility
32 that does not meet state laws pertaining to the control,
33 appropriation, use, and distribution of water, including, but not
34 limited to, the obtaining of applicable licenses and permits.

35 (d) “Advanced transportation technologies” means emerging
36 commercially competitive transportation-related technologies
37 identified by the authority as capable of creating long-term, high
38 value-added jobs for Californians while enhancing the state’s
39 commitment to energy conservation, pollution reduction, and

1 transportation efficiency. Those technologies may include, but are
2 not limited to, any of the following:

- 3 (1) ~~Intelligent vehicle highway systems.~~
- 4 (2) ~~Advanced telecommunications for transportation.~~
- 5 (3) ~~Command, control, and communications for public transit~~
6 ~~vehicles and systems.~~
- 7 (4) ~~Electric vehicles and ultralow-emission vehicles.~~
- 8 (5) ~~High-speed rail and magnetic levitation passenger systems.~~
- 9 (6) ~~Fuel cells.~~
- 10 (7) ~~Energy storage technologies and their component materials.~~

11 (e) ~~“Financial assistance” includes, but is not limited to, either,~~
12 ~~or any combination, of the following:~~

- 13 (1) ~~Loans, loan loss reserves, interest rate reductions, proceeds~~
14 ~~of bonds issued by the authority, insurance, guarantees or other~~
15 ~~credit enhancements or liquidity facilities, contributions of money,~~
16 ~~property, labor, or other items of value, or any combination thereof,~~
17 ~~as determined by, and approved by the resolution of, the authority.~~
- 18 (2) ~~Any other type of assistance the authority determines is~~
19 ~~appropriate.~~

20 (f) ~~“Participating party” means either of the following:~~

- 21 (1) ~~A person or an entity or group of entities engaged in business~~
22 ~~or operations in the state, whether organized for profit or not for~~
23 ~~profit, that does either of the following:~~
- 24 (A) ~~Applies for financial assistance from the authority for the~~
25 ~~purpose of implementing a project in a manner prescribed by the~~
26 ~~authority.~~
- 27 (B) ~~Participates in the purchase or sale of energy derived from~~
28 ~~an alternative source pursuant to subdivision (g) of Section 26011.~~

29 (2) ~~A public agency or nonprofit corporation that does either of~~
30 ~~the following:~~

- 31 (A) ~~Applies for financial assistance from the authority for the~~
32 ~~purpose of implementing a project in a manner prescribed by the~~
33 ~~authority.~~
- 34 (B) ~~Participates in the purchase or sale of energy derived from~~
35 ~~an alternative source pursuant to subdivision (g) of Section 26011.~~

36 (g) ~~“Project” means a land, building, improvement to the land~~
37 ~~or building, rehabilitation, work, property, or structure, real or~~
38 ~~personal, stationary or mobile, including, but not limited to,~~
39 ~~machinery and equipment, whether or not in existence or under~~
40 ~~construction, that utilizes, or is designed to utilize, an alternative~~

1 source, or that is utilized for the design, technology transfer,
2 manufacture, production, assembly, distribution, or service of
3 advanced transportation technologies, alternative source products,
4 components, or systems, or an arrangement for the purchase,
5 including prepayment, or sale of energy derived from an alternative
6 source pursuant to subdivision (g) of Section 26011.

7 (h) “Public agency” means a federal or state agency, department,
8 board, authority, state or community college, university, or
9 commission, or a county, city and county, city, regional agency,
10 public district, school district, or other political entity.

11 (i) (1) “Renewable energy” means a device or technology that
12 conserves or produces heat, processes heat, space heating, water
13 heating, steam, space cooling, refrigeration, mechanical energy,
14 electricity, or energy in any form convertible to these uses, that
15 does not expend or use conventional energy fuels, and that uses
16 any of the following electrical generation technologies:

17 (A) Biomass.

18 (B) Solar thermal.

19 (C) Photovoltaic.

20 (D) Wind.

21 (E) Geothermal.

22 (2) For purposes of this subdivision, “conventional energy fuel”
23 means any fuel derived from petroleum deposits, including, but
24 not limited to, oil, heating oil, gasoline, fuel oil, or natural gas,
25 including liquefied natural gas, or nuclear fissionable materials.

26 (3) Notwithstanding paragraph (1), for purposes of this section,
27 “renewable energy” also means ultralow-emission equipment for
28 energy generation based on thermal energy systems such as natural
29 gas turbines and fuel cells.

30 (j) “Revenue” means all rents, receipts, purchase payments,
31 loan repayments, and all other income or receipts derived by the
32 authority from a project, or the sale, lease, or other disposition of
33 alternative source or advanced transportation technology facilities,
34 or the making of loans to finance alternative source or advanced
35 transportation technology facilities, and any income or revenue
36 derived from the investment of money in any fund or account of
37 the authority.

38 SEC. 2. Section 26011.7 is added to the Public Resources Code,
39 to read:

1 ~~26011.7. (a) To promote the creation of jobs and reduction of~~
2 ~~greenhouse gases, the authority may approve a project for which~~
3 ~~the purchase, sale, or lease of tangible personal property qualifies~~
4 ~~for the sales and use tax exclusion pursuant to Section 6010.8 of~~
5 ~~the Revenue and Taxation Code.~~

6 ~~(b) In approving a project for which the purchase, sale, or lease~~
7 ~~of tangible personal property qualifies for the sales and use tax~~
8 ~~exclusion pursuant to Section 6010.8 of the Revenue and Taxation~~
9 ~~Code, the authority shall consider all of the following criteria:~~

10 ~~(1) The extent to which the anticipated benefit to the state from~~
11 ~~the project equals or exceeds the projected benefit to the~~
12 ~~participating party from the sales and use tax exemption exclusion.~~

13 ~~(2) The extent to which the project will create new, permanent~~
14 ~~jobs in California.~~

15 ~~(3) The extent to which the project is consistent with local and~~
16 ~~state planning.~~

17 ~~(4) The extent to which the project will produce reductions in~~
18 ~~the emissions of greenhouse gases as defined in subdivision (g)~~
19 ~~of Section 38505 of the Health and Safety Code.~~

20 ~~(5) Any other factors that the authority deems appropriate.~~

21 ~~(c) Once exclusions pursuant to Section 6010.8 of the Revenue~~
22 ~~and Taxation Code, for projects approved by the authority pursuant~~
23 ~~to this section exceed one hundred million dollars (\$100,000,000)~~
24 ~~annually, the authority shall provide a 20-day notice to the~~
25 ~~Legislature for additional approvals made pursuant to this section.~~