

AMENDED IN ASSEMBLY AUGUST 16, 2010

AMENDED IN SENATE APRIL 2, 2009

SENATE BILL

No. 675

Introduced by Senator Steinberg
(Principal coauthors: Senators Hancock and Romero)
(Coauthor: Senator Alquist)
(Coauthor: Assembly Member Hayashi)

February 27, 2009

~~An act to add Part 70 (commencing with Section 102000) to Division 14 of Title 3 of the Education Code, relating to energy job training. An act to add and repeal Article 5.5 (commencing with Section 54698) of Chapter 9 of Part 29 of Division 4 of Title 2 of the Education Code, relating to partnership academies.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 675, as amended, Steinberg. ~~Energy job training: Partnership academies: Clean Technology and Renewable Energy Job Training, Career Technical Education, and Dropout Prevention Act of 2010. Program.~~

Existing law establishes the partnership academies program in this state as a school-business partnership program to provide occupational training to educationally disadvantaged high school students. Under existing law, the Superintendent of Public Instruction is required to issue grants to school districts maintaining high schools to plan, establish, and maintain these partnership academies.

Existing law requires the surcharge imposed on the consumption of electricity in the state be transferred to the Energy Resources Programs Account in the General Fund, which is available, upon appropriation by the Legislature, for ongoing energy programs and projects.

The bill would require the Controller to annually allocate the sum of \$8,000,000 from the Energy Resources Program Account, upon appropriation by the Legislature, to the Superintendent of Public Instruction for expenditure in the form of local grants to be allocated pursuant to the existing provisions for creating and maintaining partnership academies. The bill would require a grantee to implement or maintain a partnership academy that focuses on employment in clean technology businesses and renewable energy businesses and provides skilled workforces for the products and services for energy or water conservation, or both, renewable energy, pollution reduction, or other technologies.

The bill would authorize a school district to apply for planning grants for implementing a partnership academy and would allow the Superintendent to expend up to 4% of the funds transferred to the Superintendent to pay the costs incurred in the administration of this program. The bill would provide that the bill's provisions would become inoperative on June 30, 2016, and, as of January 1, 2017, would repeal these provisions.

~~Existing law provides various funding sources for energy efficiency projects and related purposes:~~

~~Existing law establishes the Public Interest Research, Development, and Demonstration Fund in the State Treasury, and provides that the money collected by the public goods charge to support cost-effective energy efficiency and conservation activities, and public interest research and development not adequately provided by competitive and regulated markets, be deposited in the fund for use by the State Energy Resources Conservation and Development Commission to develop, implement, and administer the Public Interest Research, Development, and Demonstration Program to develop technologies to improve environmental quality, enhance electrical system reliability, increase efficiency of energy-using technologies, lower electrical system costs, or provide other tangible benefits.~~

~~This bill would enact the Clean Technology and Renewable Energy Job Training, Career Technical Education, and Dropout Prevention Act of 2010 and would create the Clean Technology and Renewable Energy Job Training, Career Technical Education, and Dropout Prevention Fund (fund) in the State Treasury. The bill would provide that the moneys in the fund would be available, upon appropriation by the Legislature, in the form of competitive grants that would be administered by the State Allocation Board and awarded to qualifying entities for~~

~~the purposes of the construction of new facilities or the reconfiguration of existing facilities to enhance the educational opportunities for program participants, as defined, to provide them with the skills and knowledge necessary for careers directly related to clean technology, renewable energy, or energy efficiency that may also contribute to California’s goal in reducing greenhouse gas emissions. The bill would create the Clean Technology and Renewable Energy Job Training, Career Technical Education, and Dropout Prevention Council comprised of 9 members. The council would be required to issue guidelines to implement the purposes of this act. The bill would authorize the council to issue and renew negotiable bonds, notes, debentures, or other sources of security of up to an unspecified amount that would be secured by moneys appropriated by the Legislature in the annual Budget Act from the Public Interest Research, Development, and Demonstration Fund. Proceeds from the sale of the bonds, notes, debentures, or other sources of security would be deposited into the fund.~~

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. Article 5.5 (commencing with Section 54698) is
 2 added to Chapter 9 of Part 29 of Division 4 of Title 2 of the
 3 Education Code, to read:

4
 5 Article 5.5. Clean Technology and Renewable Energy Job
 6 Training, Career Technical Education, and Dropout Prevention
 7 Program

8
 9 54698. (a) The Legislature finds and declares all of the
 10 following:

11 (1) California’s international leadership in renewable energy,
 12 energy conservation, clean technology, and climate change policies
 13 creates significant, but dramatically underfunded, opportunities
 14 to provide strategic capital investments in energy conservation,
 15 clean technologies, and renewable energy, including projects that
 16 contribute directly to workforce development and educational
 17 opportunities for high school pupils, young workers, community
 18 college students and graduates, youth who participate in
 19 community or state service organizations, college and university

1 *students and graduates, apprenticeship programs for building and*
2 *construction trades and other technical and vocational careers,*
3 *and training programs for unemployed, underemployed, or*
4 *displaced workers and high school dropouts.*

5 *(2) California has an opportunity to combine the education and*
6 *training of both its future college-educated workforce, the*
7 *underemployment of recent high school graduates, and its highly*
8 *skilled technical workforce with its effort to combat high school*
9 *dropout rates and the retraining of workers who have been*
10 *displaced by the loss of high-wage jobs in California. Clean*
11 *technology jobs and renewable energy jobs (green collar jobs)*
12 *can provide underserved communities with a pathway out of*
13 *poverty, a new and inspiring focus for educational institutions and*
14 *nonprofit organizations, and significant statewide economic and*
15 *environmental benefits.*

16 *(3) A 2006 poll of at-risk California 9th and 10th graders by*
17 *Peter D. Hart Research Associates found that six in ten pupils*
18 *were not motivated to succeed in school. Of those pupils, more*
19 *than 90 percent said they would be more engaged in their*
20 *education if classes helped them acquire skills and knowledge*
21 *relevant to future careers. Career technical education programs*
22 *that create paths to further education, advanced training, or*
23 *productive jobs in high opportunity careers can keep pupils*
24 *engaged and on track toward a diploma.*

25 *(4) Investments in training students in industries that focus on*
26 *renewable energy, energy conservation, clean technologies, and*
27 *climate change mitigation, will develop the workforce for these*
28 *industries and provide multiple benefits to California in all of the*
29 *following ways:*

30 *(A) Helping to achieve the state's climate change goals required*
31 *by the California Global Warming Solutions Act of 2006 (Division*
32 *25.5 (commencing with Section 38500) of the Health and Safety*
33 *Code).*

34 *(B) Creating employment opportunities for Californians that*
35 *would otherwise not be fully realized.*

36 *(C) Creating opportunities for new businesses, and expanding*
37 *and retrofitting existing businesses.*

38 *(D) Expanding the state's utilization of renewable energy.*

39 *(E) Contributing to the growth of clean technology businesses*
40 *in California.*

1 (5) A failure to act by California will perpetuate the lack of an
2 integrated education, job training, and business infrastructure
3 that otherwise could take advantage of the projected growth in
4 these industries and the corresponding increase in state and local
5 taxes, other public revenues, and additional economic benefits
6 associated with the likely surge in clean technology and renewable
7 energy jobs.

8 (6) The American Solar Energy Association, for example,
9 concluded that in 2006 approximately 3.6 million Americans were
10 directly employed by renewable energy and energy efficiency firms
11 and that another 5 million Americans held jobs indirectly
12 attributable to these industries. The renewable energy and energy
13 efficiency industries of America generated approximately nine
14 hundred seventy-five million dollars (\$975,000,000) in revenue in
15 2006. These industries could employ a workforce of up to 40
16 million Americans, and could generate four trillion five hundred
17 billion dollars (\$4,500,000,000,000) in annual revenue by 2030
18 if these industries were expanded aggressively.

19 (7) The Renewable and Appropriate Energy Laboratory at the
20 University of California, Berkeley, found that renewable energy
21 creates more jobs per megawatt of power installed, per unit of
22 energy produced, and per dollar of investment, than the fossil fuel
23 energy-based sector.

24 (8) A study by the Apollo Alliance, a coalition of business, labor,
25 and environmental organizations, showed that a major national
26 investment in renewable energy, alternative automobiles and fuels,
27 high-performance buildings, and infrastructure would result in
28 the creation of nearly 3.5 million green collar jobs for Americans
29 over a 10-year period.

30 (9) Reducing high school dropout and joblessness rates among
31 California's young people who are preparing for and entering the
32 job market are important state priorities and it is especially
33 important that high school and community college students who
34 choose to do so are trained in careers that will help California
35 achieve its greenhouse gas reduction goals and contribute to the
36 development of California's renewable energy resources.

37 (b) (1) It is the intent of the Legislature to stimulate the economy
38 of the State of California by creating partnership academies that
39 will lead to the creation of tens of thousands of good paying jobs
40 in industries and businesses that are in compliance with the state's

1 environmental protection laws and regulations, providing
2 entrepreneurs and employers the best-trained workforce in the
3 United States, and preparing young people and adults to work in
4 clean, green industries and professions. These jobs would provide
5 green pathways out of poverty for individuals in communities that
6 suffer higher high school dropout rates, joblessness, and pollution.
7 These jobs would help achieve California's climate change
8 mitigation obligations and conserve our state's vital resources of
9 water, air quality, land, and energy. These partnership academies
10 would enable California to offer opportunities for business leaders,
11 communities, young people, and adults alike, all of which would
12 benefit from California's emerging new green economy.

13 (2) It is the intent of the Legislature that the grants authorized
14 by this article should be expended by school districts to train in
15 industries that will be located in California.

16 (c) The Legislature finds and declares that the State Energy
17 Resources Conservation and Development Commission is currently
18 authorized by Section 40016 of the Revenue and Taxation Code
19 to increase the amount of the existing surcharge imposed on the
20 consumption of electrical energy pursuant to that section. It is the
21 intent of the Legislature that if the commission takes this authorized
22 action, the resulting funds deposited in the Energy Resources
23 Programs Account would be available to fund the program
24 established by this article.

25 54698.1. As used in this article, the following terms have the
26 following meanings:

27 (a) "Clean technology business" means a business that focuses
28 on one or more of the following:

29 (1) Energy audits for determining the energy savings that could
30 be recovered through utility bill financing.

31 (2) Retrofitting and weatherization activities that increase
32 energy efficiency and conservation.

33 (3) Energy- and water-efficient public buildings.

34 (4) Retrofitting and installing energy-efficient household
35 appliances, windows, doors, insulation, and lighting.

36 (5) Retrofitting and installing water and energy conservation
37 technologies in existing homes, industrial buildings, commercial
38 and public buildings, and farms, forestlands, and ranches, to
39 improve efficiency, including the use of energy and water
40 management technologies and control systems.

1 (6) *The manufacture, sale, assembly, installation, construction,*
2 *and maintenance of energy-efficient technologies and renewable*
3 *energy facilities or the component parts of renewable energy*
4 *technologies.*

5 (7) *Energy-efficient technologies or practices and renewable*
6 *energy production or the component parts of renewable energy*
7 *plants and energy distribution, including energy storage, energy*
8 *infrastructure (including transmission), transportation (including*
9 *logistics), clean vehicle technology, clean heat and power, and*
10 *water and wastewater (including water conservation).*

11 (8) *Natural resource conservation for the purpose of adapting*
12 *to climate change, including fish and wildlife habitat restoration,*
13 *reforestation, native species preservation, invasive species*
14 *eradication, community tree planting, and other activities that*
15 *address stressors on natural resources generated by climate*
16 *change.*

17 (b) *“Renewable energy business” means a business that focuses*
18 *on one or more of the following:*

19 (1) *Research and development, manufacturing, generation,*
20 *development, or maintenance of appropriately sited power line*
21 *transmission.*

22 (2) *Power storage.*

23 (3) *Installation, repair, maintenance, or related activities*
24 *necessary to produce energy from wind, photovoltaic, solar*
25 *thermal, geothermal, biomass, including cellulosic ethanol,*
26 *biodiesel, and biomass power, green waste, and fuel cells.*

27 54699. (a) *The Controller shall annually allocate the sum of*
28 *eight million dollars (\$8,000,000) from the Energy Resources*
29 *Program Account, upon appropriation by the Legislature, to the*
30 *Superintendent of Public Instruction for expenditure in the form*
31 *of local grants to school districts, which shall be allocated using*
32 *the same criteria as provided in Article 5 (commencing with Section*
33 *54690), except as provided in subdivision (b) of Section 54691,*
34 *and pursuant to the additional requirements of this article.*

35 (b) *In addition to the requirements specified in Article 5*
36 *(commencing with Section 54690), a school district applying for*
37 *a grant shall propose to implement a partnership academy, or to*
38 *maintain an existing academy, that focuses on employment in clean*
39 *technology businesses or renewable energy businesses and*
40 *provides skilled workforces for the products and services for energy*

1 *or water conservation, or both, renewable energy, pollution*
2 *reduction, or other technologies that improve the environment in*
3 *furtherance of state environmental laws.*

4 *(c) The Superintendent shall consult with the State Energy*
5 *Resources Conservation and Development Commission to ensure*
6 *that grantee programs are consistent with current state energy*
7 *policies and priorities.*

8 *(d) (1) The Superintendent shall give first priority for grants*
9 *pursuant to this article to school districts that propose to establish*
10 *a partnership academy at school sites that do not currently*
11 *participate in the partnership academies program pursuant to*
12 *Article 5 (commencing with Section 54690) and shall give second*
13 *priority to school districts that would establish a partnership*
14 *academy at school sites that do not currently participate in the*
15 *green partnership academies program funded pursuant to Section*
16 *32 of Chapter 757 of the Statutes of 2008.*

17 *(2) The Superintendent shall provide grants to a district to*
18 *establish or operate a partnership academy pursuant to this article*
19 *in the following amounts:*

20 *(A) A district operating a partnership academy may receive one*
21 *thousand four hundred dollars (\$1,400) per year for each qualified*
22 *student enrolled in an academy during the first year of that*
23 *academy's operation, except no more than forty-two thousand*
24 *dollars (\$42,000) may be granted to any one academy for the*
25 *initial year.*

26 *(B) A district operating a partnership academy may receive one*
27 *thousand four hundred dollars (\$1,400) per year for each qualified*
28 *student enrolled in an academy during the second year of that*
29 *academy's operation, except that no more than eighty-four*
30 *thousand dollars (\$84,000) may be granted to any one academy*
31 *for the second year.*

32 *(C) A district operating a partnership academy may receive one*
33 *thousand two hundred dollars (\$1,200) for each qualified student*
34 *enrolled in an academy during the third year of that academy's*
35 *operation, except that no more than one hundred eight thousand*
36 *dollars (\$108,000) may be granted to any one academy for the*
37 *third year.*

38 *(D) A district operating a partnership academy may receive*
39 *nine hundred dollars (\$900) for each qualified student enrolled*
40 *in an academy during the fourth and following years of that*

1 academy's operation, except that no more than one hundred
2 thirty-eight thousand dollars (\$138,000) may be granted to any
3 one academy for each fiscal year.

4 (3) For purposes of this section, "qualified student" has the
5 same meaning as described in subdivision (c) of Section 54691,
6 but shall also include a 9th grade student who meets the at-risk
7 criteria specified in Section 54690, who is enrolled in an academy
8 for the 9th grade, obtains 90 percent of the credits each academic
9 year in courses that are required for graduation, and successfully
10 completes a school year during the 9th grade with an attendance
11 record of not less than 80 percent.

12 (e) The Superintendent may provide a grant to a school district
13 that has received a grant pursuant to Article 5 (commencing with
14 Section 54690), subject to subdivision (d) and the availability of
15 funds.

16 (f) The Superintendent shall encourage a school district that
17 receives a grant under this article to work and coordinate with
18 regional occupational centers and programs for the required
19 career technical education sequence of courses.

20 (g) A school district may apply for planning grants, in
21 accordance with subdivision (a) of Section 54691, for implementing
22 a partnership academy pursuant to this article.

23 (h) Up to 4 percent of the funds transferred to the Superintendent
24 pursuant to this article may be expended to pay the costs incurred
25 in the administration of this article.

26 54699.1. This article shall become inoperative on June 30,
27 2016, and, as of January 1, 2017, is repealed, unless a later
28 enacted statute, that becomes operative on or before January 1,
29 2017, deletes or extends the dates on which it becomes inoperative
30 and is repealed.

31 ~~SECTION 1. Part 70 (commencing with Section 102000) is~~
32 ~~added to Division 14 of Title 3 of the Education Code, to read:~~

1 PART 70. CLEAN TECHNOLOGY AND RENEWABLE
2 ENERGY JOB TRAINING, CAREER TECHNICAL
3 EDUCATION, AND DROPOUT PREVENTION ACT OF 2010

4
5 CHAPTER 1. GENERAL PROVISIONS
6

7 102000. This part shall be known and may be cited as the Clean
8 Technology and Renewable Energy Job Training, Career Technical
9 Education, and Dropout Prevention Act of 2010.

10 102001. (a) The Legislature, in approving this measure, find
11 and declare all of the following:

12 (1) ~~California's international leadership in renewable energy,~~
13 ~~energy conservation, clean technology, and climate change policies~~
14 ~~creates significant, but dramatically underfunded, opportunities to~~
15 ~~provide strategic capital investments in energy conservation, clean~~
16 ~~technologies, and renewable energy, including projects that~~
17 ~~contribute directly to workforce development and educational~~
18 ~~opportunities for high school pupils, young workers, community~~
19 ~~college students and graduates, youth who participate in community~~
20 ~~or state service organizations, college and university students and~~
21 ~~graduates, apprenticeship programs for building and construction~~
22 ~~trades and other technical and vocational careers, and training~~
23 ~~programs for unemployed, underemployed, or displaced workers~~
24 ~~and high school dropouts.~~

25 (2) ~~California has an opportunity to combine the education and~~
26 ~~training of both its future college-educated workforce, the~~
27 ~~underemployment of recent high school graduates, and its highly~~
28 ~~skilled technical workforce with its effort to combat high school~~
29 ~~dropouts and the retraining of workers who have been displaced~~
30 ~~by the loss of high-wage jobs in California. Clean technology jobs~~
31 ~~and renewable energy jobs (green collar jobs) can provide~~
32 ~~underserved communities with a pathway out of poverty, a new~~
33 ~~and inspiring focus for educational institutions and nonprofit~~
34 ~~organizations, and significant statewide economic and~~
35 ~~environmental benefits.~~

36 (3) ~~A 2006 poll of at-risk California 9th and 10th graders by~~
37 ~~Peter D. Hart Research Associates found that six in 10 pupils were~~
38 ~~not motivated to succeed in school. Of those pupils, more than 90~~
39 ~~percent said they would be more engaged in their education if~~
40 ~~classes helped them acquire skills and knowledge relevant to future~~

1 careers. Career technical education programs that create paths to
2 further education, advanced training, or productive jobs in high
3 opportunity careers can keep pupils engaged and on track toward
4 a diploma.

5 (4) Investments in renewable energy, energy conservation, clean
6 technologies, and climate change mitigation, and investments that
7 develop the workforce for these industries, will provide multiple
8 benefits to California in all of the following ways:

9 (A) Helping to achieve the state's climate change goals required
10 by the California Global Warming Solutions Act of 2006 (Division
11 25.5 (commencing with Section 38500) of the Health and Safety
12 Code).

13 (B) Creating employment opportunities for Californians that
14 would otherwise not be fully realized.

15 (C) Creating opportunities for new businesses, and expanding
16 and retrofitting existing businesses.

17 (D) Expanding the state's utilization of renewable energy.

18 (E) Contributing to the growth of clean technology businesses
19 in California.

20 (5) A failure to act by California will perpetuate the lack of an
21 integrated education, job training, and business infrastructure that
22 otherwise could take advantage of the projected growth in these
23 industries and the corresponding increase in state and local taxes,
24 other public revenues, and additional economic benefits associated
25 with the likely surge in clean technology and renewable energy
26 jobs.

27 (6) The American Solar Energy Association, for example,
28 concluded that in 2006 approximately 3.6 million Americans were
29 directly employed by renewable energy and energy efficiency
30 firms and that another 5 million Americans held jobs indirectly
31 attributable to these industries. The renewable energy and energy
32 efficiency industries of America generated approximately nine
33 hundred seventy-five million dollars (\$975,000,000) in revenue
34 in 2006. These industries could employ a workforce of up to 40
35 million Americans, and could generate four trillion five hundred
36 billion dollars (\$4,500,000,000,000) in annual revenue by 2030 if
37 these industries were expanded aggressively.

38 (7) The Renewable and Appropriate Energy Laboratory at the
39 University of California, Berkeley, found that renewable energy
40 creates more jobs per megawatt of power installed, per unit of

1 energy produced, and per dollar of investment, than the fossil fuel
2 energy-based sector.

3 ~~(8) A study by the Apollo Alliance, a coalition of business,~~
4 ~~labor, and environmental organizations, showed that a major~~
5 ~~national investment in renewable energy, alternative automobiles~~
6 ~~and fuels, high-performance buildings, and infrastructure would~~
7 ~~result in the creation of nearly 3.5 million green collar jobs for~~
8 ~~Americans over a 10-year period.~~

9 ~~(9) Reducing high school dropout and joblessness rates among~~
10 ~~California's young people who are preparing for and entering the~~
11 ~~job market are important state priorities and it is especially~~
12 ~~important that high school and community college students who~~
13 ~~choose to do so are trained in careers that will help California~~
14 ~~achieve its greenhouse gas reduction goals and contribute to the~~
15 ~~development of California's renewable energy resources.~~

16 ~~(b) (1) It is the intent of the Legislature to stimulate the~~
17 ~~economy of the State of California, to create tens of thousands of~~
18 ~~good paying jobs in industries and businesses that are in~~
19 ~~compliance with the state's environmental protection laws and~~
20 ~~regulations, to provide to entrepreneurs and employers the~~
21 ~~best-trained workforce in the United States, and to prepare young~~
22 ~~people and adults to work in clean, green industries and~~
23 ~~professions. These jobs would provide green pathways out of~~
24 ~~poverty for individuals in communities that suffer higher high~~
25 ~~school dropout rates, joblessness, and pollution. These jobs would~~
26 ~~help achieve California's climate change mitigation obligations~~
27 ~~and conserve our state's vital resources of water, air quality, land,~~
28 ~~and energy. These investments would enable California to offer~~
29 ~~opportunities for business leaders, communities, young people,~~
30 ~~and adults alike, all of which would benefit from California's~~
31 ~~emerging new green economy.~~

32 ~~(2) It is the intent of the Legislature that federally recognized~~
33 ~~California Indian tribes should be eligible to apply for and expend~~
34 ~~funds authorized in this part.~~

35 ~~(3) It is the intent of the Legislature that the grants authorized~~
36 ~~by this part should be expended on projects that will occur in~~
37 ~~California.~~

38 ~~102002. As used in this part, the following terms have the~~
39 ~~following meanings:~~

40 ~~(a) "Board" means the State Allocation Board.~~

1 (b) “Clean technology projects” means the following:

2 (1) Energy audits that include a determination of the energy
3 savings that could be achieved from projects funded under this
4 part and that may be recovered through utility bill financing.

5 (2) Retrofitting and weatherization activities that increase energy
6 efficiency and conservation.

7 (3) Energy- and water-efficient public buildings.

8 (4) Retrofitting and installing energy-efficient household
9 appliances, windows, doors, insulation, and lighting.

10 (5) Retrofitting and installing water and energy conservation
11 technologies in existing homes, industrial buildings, commercial
12 and public buildings, and farms, forestlands, and ranches, to
13 improve efficiency, including the use of energy and water
14 management technologies and control systems.

15 (6) The manufacture, sale, assembly, installation, construction,
16 and maintenance of energy-efficient technologies and renewable
17 energy facilities or the component parts of renewable energy
18 technologies.

19 (7) Projects related to energy-efficient technologies or practices
20 and renewable energy production or the component parts of
21 renewable energy plants and energy distribution, including energy
22 storage, energy infrastructure (including transmission),
23 transportation (including logistics), clean vehicle technology, clean
24 heat and power, and water and wastewater (including water
25 conservation).

26 (8) Natural resource conservation projects related to adapting
27 to climate change such as fish and wildlife habitat restoration,
28 reforestation, native species preservation, invasive species
29 eradication, community tree planting, and other projects that
30 address stressors on natural resources generated by climate change.

31 (c) “Council” means the Clean Technology and Renewable
32 Energy Job Training, Career Technical Education, and Dropout
33 Prevention Council and shall be comprised of the following nine
34 individuals:

35 (1) The Secretary of the Natural Resources Agency, who will
36 serve as chair of the council.

37 (2) The Secretary of Labor and Workforce Development.

38 (3) The Secretary for Environmental Protection.

39 (4) The Superintendent of Public Instruction.

40 (5) The Chancellor of the California Community Colleges.

- 1 ~~(6) Two members appointed by the Senate Committee on Rules~~
2 ~~who shall be representatives of each of the following:~~
3 ~~(A) An employer engaged in the industries described in~~
4 ~~subdivisions (b) and (i).~~
5 ~~(B) A nonprofit environmental advocacy organization.~~
6 ~~(7) Two members appointed by the Speaker of the Assembly~~
7 ~~who shall be representatives of each of the following:~~
8 ~~(A) A community-based organization representing the interests~~
9 ~~of disadvantaged communities in the state, including, but not~~
10 ~~limited to, communities with the highest rates of school dropouts.~~
11 ~~(B) A labor organization that provides state-approved~~
12 ~~preapprenticeship and apprenticeship training programs related to~~
13 ~~energy efficiency or renewable energy development.~~
14 ~~(d) “Disadvantaged community” means a community with a~~
15 ~~median household income that is less than 89 percent of the~~
16 ~~statewide average. “Severely disadvantaged community” means~~
17 ~~a community with a median household income that is less than 60~~
18 ~~percent of the statewide average.~~
19 ~~(e) “Eligible entity” means any of the following:~~
20 ~~(1) A public school that serves any of grades 7 to 12, inclusive.~~
21 ~~(2) A California community college.~~
22 ~~(3) Other public entity that provides career technical education,~~
23 ~~including a county office of education or school agency joint~~
24 ~~powers authority.~~
25 ~~(4) A publicly owned or investor-owned utility.~~
26 ~~(5) A nonprofit organization that is qualified under Section~~
27 ~~501(c)(3) of the Internal Revenue Code and that is registered to~~
28 ~~do business in California.~~
29 ~~(6) A labor organization.~~
30 ~~(7) A business entity.~~
31 ~~(8) A state-approved apprenticeship program.~~
32 ~~(9) A regional collaborative consisting of local educational~~
33 ~~agencies, higher education institutions, businesses, labor~~
34 ~~organizations, or community-based organizations, including~~
35 ~~workforce investment boards and regional workforce or economic~~
36 ~~development entities.~~
37 ~~(10) The California Conservation Corps or a certified local~~
38 ~~conservation corps.~~
39 ~~(11) A public postsecondary educational institution.~~
40 ~~(12) Any other entity approved by the council.~~

1 (f) “Fund” means the Clean Technology and Renewable Energy
2 Job Training, Career Technical Education, and Dropout Prevention
3 Fund created pursuant to subdivision (a) of Section 102003.

4 (g) “Program participant” means middle or high school pupils,
5 community college students, job trainees, incumbent workers,
6 members of the California Conservation Corps and certified local
7 conservation corps, or minors or adults under 22 years of age who
8 are on probation or participating in a program that includes career
9 technical education as an alternative to conviction, incarceration,
10 or adjudication as described in paragraph (3) of subdivision (i) of
11 Section 102003, served by eligible entities.

12 (h) “Reconfiguration” means a modification of a structure of
13 any age that will enhance the educational opportunities for program
14 participants in order to provide them with the skills and knowledge
15 necessary for their successful employment in careers directly
16 related to clean technology, renewable energy, or energy efficiency
17 that may also contribute to California’s goals to reduce greenhouse
18 gas emissions. “Reconfiguration” may include new construction
19 necessary to accommodate the reconfiguration.

20 (i) “Renewable energy projects” means research and
21 development, manufacturing, generation, development, and
22 maintenance of appropriately sited power line transmission, power
23 storage, installation, repair, maintenance, and related activities
24 necessary to produce energy from wind, photovoltaic, solar
25 thermal, geothermal, biomass, including cellulosic ethanol,
26 biodiesel, and biomass power, green waste, and fuel cells.

27
28 CHAPTER 2. CLEAN TECHNOLOGY AND RENEWABLE ENERGY
29 JOB TRAINING, CAREER TECHNICAL EDUCATION, AND DROPOUT
30 PREVENTION
31

32 102003. — (a) The Clean Technology and Renewable Energy
33 Job Training, Career Technical Education, and Dropout Prevention
34 Fund is hereby established in the State Treasury to provide funding,
35 upon appropriation by the Legislature, consisting of, but not limited
36 to, funds from the sale of bonds pursuant to Section 102006, in
37 the form of competitive grants to qualifying entities for the purpose
38 of constructing new facilities or reconfiguring existing facilities;
39 including, but not limited to, purchasing equipment with an average
40 useful life expectancy of at least 10 years, to enhance educational

~~1 opportunities for program participants in order to provide them
2 with the skills and knowledge necessary for their successful
3 employment in careers directly related to clean technology,
4 renewable energy, or energy efficiency that may also contribute
5 to California's goal in reducing greenhouse gas emissions. New
6 construction and reconfiguration must have a useful life expectancy
7 of at least 20 years or the length of bond maturity.~~

~~8 (b) The council shall develop criteria to evaluate the fund. The
9 criteria shall include measures of education, job readiness, and
10 environmental outcomes and shall ensure equity, program relevance
11 to industry needs, and articulation with more advanced coursework
12 at qualified community colleges, public universities, or private
13 institutions.~~

~~14 (c) Grant applications shall be administered by the board.~~

~~15 (d) Grants shall be allocated on a per-square-foot basis for the
16 applicable type of construction proposed or deemed necessary by
17 the board consistent with the approved application for the project.~~

~~18 (e) New construction grants shall not exceed three million
19 dollars (\$3,000,000) per project per eligible entity, including
20 equipment, and be allocated to eligible entities pursuant to this
21 section, in either of the following methods:~~

~~22 (1) For a stand-alone project on a per-square-foot basis for the
23 applicable type of construction proposed, based on the criteria
24 established pursuant to subdivision (b), consistent with the
25 approved application for the project.~~

~~26 (2) For new construction projects, as a supplement to the per
27 pupil allocation pursuant to Section 17072.10. The supplement is
28 intended to cover excess costs uniquely related to the facilities
29 required to provide the career technical education program or
30 programs.~~

~~31 (f) Modernization grants shall not exceed one million five
32 hundred thousand dollars (\$1,500,000) per project per eligible
33 entity, inclusive of equipment and may be awarded to schools
34 serving pupils in any of grades 7 to 12, inclusive, community
35 colleges or joint power authorities currently operating career
36 technical education programs that have an active career technical
37 advisory committee pursuant to Section 8070 for the purpose of
38 reconfiguration, or other eligible entities. For schools serving pupils
39 in any of grades 7 to 12, inclusive, the grant shall be supplemental
40 to the per pupil allocation pursuant to Section 17074.10. The~~

1 supplement is intended to cover excess costs uniquely related to
2 the facilities required to provide the career technical education
3 program or programs:

4 (g) (1) An eligible entity shall contribute a dollar amount that
5 is equal to the amount of the grant of state funds awarded under
6 subdivisions (d), (e), and (f). The local contribution may be
7 provided by private industry groups, the school district, or a joint
8 powers authority, and may be reduced but not eliminated at the
9 discretion of the council. The local contribution may be a dollar
10 amount that is used to fund career technical education programs
11 that will be housed in the projects or used to purchase the durable
12 equipment described in subdivision (a).

13 (2) A school or community college district shall not be required
14 to demonstrate that it has unhoused pupils or that a permanent
15 school building is more than 25 years old in order to receive a
16 grant under the program.

17 (h) The program shall allow the local contribution to be paid
18 over time should sufficient local funds not be immediately
19 available. The State Allocation Board may provide for a repayment
20 schedule consistent with subparagraphs (C) and (D) of paragraph
21 (1) of subdivision (a) of Section 17078.57. The board shall not
22 waive the local contribution on the basis of financial hardship or
23 on any other basis.

24 (i) Applicants shall meet the criteria developed under subdivision
25 (b) and shall do one of the following:

26 (1) Enter into agreements, including, but not limited to,
27 partnerships, contracts, memoranda of understanding, or other
28 mutually agreed upon arrangements with middle schools, high
29 schools, or community colleges to support middle school career
30 exploration activities; curriculum and professional development;
31 high school pathway programs that integrate academic and
32 technical learning to prepare pupils for both college and careers,
33 including a sequence or cluster of three or more courses that align
34 with the State Board of Education approved career technical
35 education standards and frameworks, and may be delivered through
36 high schools, regional occupation centers or programs, adult
37 education programs, partnership academies, or alternative education
38 programs, including continuation schools and programs
39 administered by county offices of education.

1 ~~(2) Enter into agreements, including, but not limited to,~~
2 ~~partnerships, contracts, memoranda of understanding, or other~~
3 ~~mutually agreed upon arrangements with any other eligible entity~~
4 ~~to provide school dropouts or high school graduates under 22 years~~
5 ~~of age with inadequate job skills, or members of the California~~
6 ~~Conservation Corps and certified local conservation corps, the~~
7 ~~knowledge, skills, and credentials necessary for their successful~~
8 ~~employment in careers directly related to clean technology,~~
9 ~~renewable energy, or energy efficiency that may also contribute~~
10 ~~to California's goals to reduce greenhouse gas emissions.~~

11 ~~(3) Enter into agreements, including, but not limited to,~~
12 ~~partnerships, contracts, memoranda of understanding, or other~~
13 ~~mutually agreed upon arrangements with a state, local, regional,~~
14 ~~or county program, or qualified nonprofit organization that provides~~
15 ~~education, job training, or career opportunities for minors or adults~~
16 ~~under 22 years of age who are on probation or parole or with a~~
17 ~~similar program or organization providing education, job training,~~
18 ~~or career opportunities to minors or adults under 22 years of age~~
19 ~~as part of an alternative to conviction, incarceration, or adjudication~~
20 ~~that is consistent with the Penal Code.~~

21 ~~(j) A grant application shall include all of the following:~~

22 ~~(1) A clear and comprehensive career technical education plan~~
23 ~~for each course of study applicable to the instructional space that~~
24 ~~includes programs that focus on clean technology, renewable~~
25 ~~energy, or energy efficient systems.~~

26 ~~(2) Projections of program participant enrollment.~~

27 ~~(3) Identification of feeder schools and institutions, industry,~~
28 ~~labor organizations, community colleges, or other postsecondary~~
29 ~~schools participating in the development, articulation, and review~~
30 ~~of the educational program, or other appropriate collaborating~~
31 ~~entities.~~

32 ~~(4) Written approval of the plan by entities listed in paragraph~~
33 ~~(3).~~

34 ~~(5) The method by which accountability for program participant~~
35 ~~enrollments and outcomes will be maintained. Outcomes shall~~
36 ~~include, but are not limited to, certificate completion, the successful~~
37 ~~employment of program participants in the applicable industry,~~
38 ~~and successful transition to postsecondary institutions or~~
39 ~~state-approved apprenticeship training programs for work in the~~
40 ~~applicable industry or other areas of study.~~

1 ~~(6) Evidence of coordination with appropriate feeder schools,~~
2 ~~middle schools, high schools, state-approved apprenticeship~~
3 ~~training programs, or other relevant entities within the area to~~
4 ~~ensure that the project and programs complement career technical~~
5 ~~education offerings in the area.~~

6 ~~(7) Evidence that upon completion of the project local~~
7 ~~educational agencies will meet all of their obligations under Section~~
8 ~~51228 relating to career technical education.~~

9 ~~(k) Applications shall specify the number of program~~
10 ~~participants expected to attend, the cost per program participant,~~
11 ~~financial participation by industry partners in the construction and~~
12 ~~equipping of the facility, commitment to accountability for~~
13 ~~outcomes and participation, the strength and relevance of the~~
14 ~~educational plans to the needs of industry for qualified technical~~
15 ~~employees applicable to the economic development and~~
16 ~~environmental needs of the region in which the project will be~~
17 ~~located, and coordination and articulation with feeder schools,~~
18 ~~other high schools, community colleges, labor organizations, and~~
19 ~~relevant community-based organizations.~~

20 ~~(l) The board shall implement this part pursuant to applicable~~
21 ~~regulations and guidelines established by the council.~~

22 ~~102004. (a) The council shall develop guidelines for~~
23 ~~competitive grants for the purposes specified in Section 102003.~~
24 ~~Priority shall be given to the following:~~

25 ~~(1) Projects serving pupils in any of grades 7 to 12, inclusive,~~
26 ~~and dedicated to dropout prevention and career technical education.~~

27 ~~(2) Projects in communities containing a school that serves~~
28 ~~pupils in any of grades 7 to 12, inclusive, and that ranks in the~~
29 ~~bottom three deciles of the Academic Performance Index (API),~~
30 ~~or containing a school participating in the Alternative Schools~~
31 ~~Accountability Model (ASAM) with an API score that, if ranked~~
32 ~~in the API, would fit within any of deciles 1 to 3, inclusive.~~

33 ~~(3) Projects in communities with higher than average rates of~~
34 ~~dropout, low-income households and very low income households,~~
35 ~~crime, incarceration, unemployment, foster care, teen pregnancy,~~
36 ~~or the highest historic levels of exposure to air pollution. The~~
37 ~~council shall grant not less than 20 percent of the moneys in the~~
38 ~~fund to projects in communities in this category.~~

39 ~~(4) Projects initiated by the California Conservation Corps or~~
40 ~~a certified local conservation corps.~~

1 ~~(b) The council may coordinate outreach efforts to communities~~
2 ~~described in paragraph (a) with State Air Resources Board efforts,~~
3 ~~under the requirements of the California Global Warming Solutions~~
4 ~~Act of 2006 (Division 25.5 (commencing with Section 38500) of~~
5 ~~the Health and Safety Code). The council may use appropriate~~
6 ~~state agency personnel in administering the public outreach,~~
7 ~~education, technical assistance, guideline development, and grant~~
8 ~~application review provisions if these efforts are otherwise~~
9 ~~consistent with this part.~~

10 ~~(e) The council shall award and adopt guidelines for awarding~~
11 ~~competitive grants pursuant to this part.~~

12 ~~(d) The council shall give special consideration to projects that~~
13 ~~create partnerships among labor, management, and the public~~
14 ~~sector in clean technology, renewable energy, or energy efficiency~~
15 ~~sectors.~~

16 ~~102005. (a) Every proposed activity or project to be financed~~
17 ~~pursuant to this part shall be in compliance with the California~~
18 ~~Environmental Quality Act (Division 13 (commencing with Section~~
19 ~~21000) of the Public Resources Code).~~

20 ~~(b) Acquisitions of real property pursuant to this part shall be~~
21 ~~from willing sellers.~~

22 ~~(e) Up to 5 percent of the funds allocated to a program pursuant~~
23 ~~to this part may be used to pay the costs incurred in the~~
24 ~~administration of that program.~~

25 ~~(d) The body awarding a contract for a public works project~~
26 ~~financed in part from funds made available pursuant to this part~~
27 ~~shall adopt and enforce, or contract with a third party to enforce,~~
28 ~~a labor compliance program pursuant to subdivision (b) of Section~~
29 ~~1771.5 of the Labor Code that shall be applicable to that public~~
30 ~~works project.~~

31 ~~(e) Chapter 3.5 (commencing with Section 11340) of Part 1 of~~
32 ~~Division 3 of Title 2 of the Government Code does not apply to~~
33 ~~the development and adoption of program guidelines and selection~~
34 ~~criteria adopted pursuant to this part.~~

35 ~~(f) The chair of the council shall provide for an annual~~
36 ~~independent audit of expenditures pursuant to this part to ensure~~
37 ~~that all moneys are expended in accordance with this part.~~

CHAPTER 3. FISCAL PROVISIONS

1
2
3 ~~102006. The council may incur indebtedness and issue and~~
4 ~~renew negotiable bonds, notes, debentures, or other securities of~~
5 ~~any kind or class. All indebtedness, however, evidenced, shall be~~
6 ~~payable solely from moneys from the Public Interest Research,~~
7 ~~Development, and Demonstration Fund created pursuant to Section~~
8 ~~384 of the Public Utilities Code and from the fund that are~~
9 ~~appropriated by the Legislature in the annual Budget Act for the~~
10 ~~purposes of this section and shall not exceed an unspecified~~
11 ~~amount. Proceeds from the sale of the bonds, notes, debentures,~~
12 ~~or other securities shall be deposited into the fund.~~

13 ~~102007. The Legislature may, by statute, authorize the council~~
14 ~~to issue bonds, as defined in Section 102008, in excess of the~~
15 ~~amount provided in Section 102006.~~

16 ~~102008. (a) The council is authorized from time to time to~~
17 ~~issue its negotiable bonds, notes, debentures, or other securities~~
18 ~~(hereafter collectively called "bonds") for any of the purposes of~~
19 ~~this part. In anticipating the sale of bonds as authorized in Section~~
20 ~~102006, or as may be authorized pursuant to Section 102007, the~~
21 ~~council may issue negotiable bond anticipation notes and may~~
22 ~~renew the notes from time to time. The bond anticipation notes~~
23 ~~may be paid from the proceeds of sale of the bonds of the council~~
24 ~~in anticipation of which they were issued. Notes and agreements~~
25 ~~relating to the notes and bond anticipation notes, collectively called~~
26 ~~notes, and the resolution or resolutions authorizing the notes may~~
27 ~~contain any provisions, conditions, or limitations that a bond,~~
28 ~~agreement relating to the bond, and bond resolution of the council~~
29 ~~may contain. However, a note or renewal of the note shall mature~~
30 ~~at a time not exceeding two years from the date of issue of the~~
31 ~~original note.~~

32 ~~(b) Except as may otherwise be expressly provided by the~~
33 ~~council, every issue of its bonds, notes, or other obligations shall~~
34 ~~be general obligations of the board payable from any moneys~~
35 ~~appropriated by the Legislature in the annual Budget Act from the~~
36 ~~Public Interest Research, Development, and Demonstration Fund~~
37 ~~available for these purposes and not otherwise pledged, subject~~
38 ~~only to any agreements with the holders of particular bonds, notes,~~
39 ~~or other obligations pledging any particular revenues or moneys~~
40 ~~and subject to any agreements with any participating party.~~

1 Notwithstanding that the bonds, notes, or other obligations may
2 be payable from a special fund, they are for all purposes negotiable
3 instruments, subject only to the provisions of the bonds, notes, or
4 other obligations for registration.

5 (e) Subject to the limitations in Sections 102006 and 102007,
6 the bonds may be issued as serial bonds or as term bonds, or the
7 council, in its discretion, may issue bonds of both types. The bonds
8 shall be authorized by resolution of the council and shall bear the
9 date or dates, mature at the time or times, not exceeding 50 years
10 from their respective dates, bear interest at the rate or rates, be
11 payable at the time or times, be in the denominations, be in the
12 form, either coupon or registered, carry the registration privileges,
13 be executed in a manner, be payable in lawful money of the United
14 States of America at a place or places, and be subject to terms of
15 redemption, as the resolution or resolutions may provide. The
16 bonds or notes shall be sold by the Treasurer within 60 days of
17 receipt of a certified copy of the council's resolution authorizing
18 the sale of the bonds. However, the council, at its discretion, may
19 adopt a resolution extending the 60-day period. The sales may be
20 a public or private sale, and for the price or prices and on the terms
21 and conditions, that the council shall determine after giving due
22 consideration to the recommendations of any participating party
23 to be assisted from the proceeds of the bonds or notes. Pending
24 preparation of the definitive bonds, the Treasurer may issue interim
25 receipts, certificates, or temporary bonds that shall be exchanged
26 for the definitive bonds. The Treasurer may sell bonds, notes, or
27 other evidence of indebtedness at a price below their par value.
28 However, the discount on a security sold pursuant to this section
29 shall not exceed 6 percent of the par value.

30 (d) A resolution or resolutions authorizing bonds or an issue of
31 bonds may contain provisions that shall be a part of the contract
32 with the holders of the bonds to be authorized, as to all of the
33 following:

34 (1) Pledging the full faith and credit of the council to secure the
35 payment of the bonds or of any particular issue of bonds, subject
36 to the agreements with bondholders as may then exist.

37 (2) The rentals, fees, purchase payments, loan repayments, and
38 other charges to be charged, and the amounts to be raised in each
39 year by the charges, and the use and disposition of the revenues.

- 1 ~~(3) The setting aside of reserves or sinking funds, and the~~
2 ~~regulation and disposition of the reserves or sinking funds.~~
- 3 ~~(4) Limitations on the right of the council or its agent to restrict~~
4 ~~and regulate the use of the project or projects to be financed out~~
5 ~~of the proceeds of the bonds or any particular issue of bonds.~~
- 6 ~~(5) Limitations on the purpose to which the proceeds of sale of~~
7 ~~an issue of bonds then or thereafter to be issued may be applied~~
8 ~~and pledging those proceeds to secure the payment of the bonds~~
9 ~~or the issue of the bonds.~~
- 10 ~~(6) Limitations on the issuance of additional bonds, the terms~~
11 ~~upon which additional bonds may be issued and secured, and the~~
12 ~~refunding of outstanding bonds.~~
- 13 ~~(7) The procedure, if any, by which the terms of a contract with~~
14 ~~bondholders may be amended or abrogated, the amount of bonds~~
15 ~~the holders of which must consent to the amendment or abrogation,~~
16 ~~and the manner in which that consent may be given.~~
- 17 ~~(8) Limitations on expenditures for operating, administrative,~~
18 ~~or other expenses of the council and board.~~
- 19 ~~(9) Defining the acts or omissions to act that constitute a default~~
20 ~~in the duties of the council to holders of its obligations and~~
21 ~~providing the rights and remedies of the holders in the event of a~~
22 ~~default.~~
- 23 ~~(10) The mortgaging of a project and the site of the project for~~
24 ~~the purpose of securing the bondholders.~~
- 25 ~~(11) The mortgaging of land, improvements, or other assets~~
26 ~~owned by a program participant for the purpose of securing the~~
27 ~~bondholders.~~
- 28 ~~(12) Procedures for the selection of projects to be financed with~~
29 ~~the proceeds of the bonds authorized by the resolution, if the bonds~~
30 ~~are to be sold in advance of the designation of the projects and~~
31 ~~program participants to receive the financing.~~
- 32 ~~(e) Neither the members of the council nor a person executing~~
33 ~~the bonds or notes shall be liable personally on the bonds or notes~~
34 ~~or be subject to personal liability or accountability by reason of~~
35 ~~the issuance of the bond or note.~~
- 36 ~~(f) The council shall have power, out of any funds available for~~
37 ~~these purposes, to purchase its bonds or notes. The council may~~
38 ~~hold, pledge, cancel, or resell those bonds, subject to and in~~
39 ~~accordance with agreements with bondholders.~~

1 ~~102009. (a) In the discretion of the council, any bonds issued~~
2 ~~under the provisions of this part may be secured by a trust~~
3 ~~agreement by and between the council and a corporate trustee or~~
4 ~~trustees, which may be the Treasurer or any trust company or bank~~
5 ~~having the powers of a trust company within or without the state.~~
6 ~~The trust agreement or the resolution providing for the issuance~~
7 ~~of the bonds may pledge moneys appropriated by the Legislature~~
8 ~~in the annual Budget Act from the Public Interest Research,~~
9 ~~Development, and Demonstration Fund for the implementation of~~
10 ~~this part, or mortgage the project or projects, or any portion thereof,~~
11 ~~to be financed out of the proceeds of the bonds.~~

12 ~~(b) The trust agreement or resolution providing for the issuance~~
13 ~~of bonds may contain provisions for protecting and enforcing the~~
14 ~~rights and remedies of the bondholders as may be reasonable and~~
15 ~~proper and not in violation of law, including particularly those~~
16 ~~provisions that have been specifically authorized to be included~~
17 ~~in any resolution or resolutions of the council authorizing bonds.~~

18 ~~(c) A bank or trust company doing business under the laws of~~
19 ~~this state may act as depository of the proceeds of bonds or of~~
20 ~~revenues or other moneys and may furnish indemnifying bonds or~~
21 ~~pledge securities as may be required by the council.~~

22 ~~(d) A trust agreement may set forth the rights and remedies of~~
23 ~~the bondholders and of the trustee or trustees, and may restrict the~~
24 ~~individual right of action by bondholders. In addition, any trust~~
25 ~~agreement or resolution may contain other provisions that the~~
26 ~~council may deem reasonable and proper for the security of the~~
27 ~~bondholders.~~

28 ~~(e) Notwithstanding any other provision of law, the Treasurer~~
29 ~~shall not be deemed to have a conflict of interest by reason of~~
30 ~~acting as trustee pursuant to this part.~~

31 ~~(f) All expenses incurred in carrying out the provisions of the~~
32 ~~trust agreement or resolution may be treated as a part of the cost~~
33 ~~of the operation of a project.~~

34 ~~102010. (a) Bonds issued under this part shall not be deemed~~
35 ~~to constitute a debt or liability of the state or of any political~~
36 ~~subdivision of the state, other than the council, or a pledge of the~~
37 ~~faith and credit of the state or of any political subdivision, other~~
38 ~~than the council, but shall be payable solely from the funds~~
39 ~~provided under the authority of this part. A bond shall contain on~~
40 ~~its face a statement to the following effect:~~

1 “Neither the faith and credit nor the taxing power of the State
2 of California is pledged to the payment of the principal of or
3 interest on this bond.”

4 (b) The issuance of bonds under the provisions of this part shall
5 not directly, indirectly, or contingently obligate the state or any
6 political subdivision of the state to levy or to pledge any form of
7 taxation therefor or to make any appropriation for their payment.
8 This section does not prevent the council from pledging its full
9 faith and credit to the payment of bonds or issue of bonds
10 authorized pursuant to this part.

11 102011. (a) The council is hereby authorized to provide for
12 the issuance of bonds of the council for the purpose of refunding
13 any bonds, notes, or other securities of the council then outstanding,
14 including the payment of any redemption premium thereon and
15 any interest accrued or to accrue to the earliest or subsequent date
16 of redemption, purchase, or maturity of those bonds, and, if deemed
17 advisable by the council, for the additional purpose of paying all
18 or any part of the cost of constructing and acquiring additions,
19 improvements, extensions, or enlargements of a project or any
20 portion of a project.

21 (b) The proceeds of any bonds issued for the purpose of
22 refunding outstanding bonds, notes, or other securities may, in the
23 discretion of the council, be applied to the purchase or retirement
24 at maturity or redemption of outstanding bonds either on their
25 earliest or any subsequent redemption date or upon the purchase
26 or retirement at the maturity of the outstanding bonds and may,
27 pending application, be placed in escrow to be applied to the
28 purchase or retirement at maturity or redemption on the date as
29 may be determined by the council.

30 (c) Pending the use, any escrowed proceeds may be invested
31 and reinvested by the Treasurer in obligations of, or guaranteed
32 by, the United States of America, or in certificates of deposit or
33 time deposits secured by obligations of, or guaranteed by, the
34 United States of America, maturing at a time or times as shall be
35 appropriate to ensure the prompt payment, as to principal, interest,
36 and redemption premium, if any, of the outstanding bonds to be
37 so refunded. The interest, income, and profits, if any, earned or
38 realized on any investment may also be applied to the payment of
39 the outstanding bonds to be so refunded. After the terms of the
40 escrow have been fully satisfied and carried out, any balance of

1 proceeds and interest, income, and profits, if any, earned or realized
2 on the investments thereof may be returned to the council for use
3 by it in any lawful manner.

4 (d) ~~The portion of the proceeds of any bonds issued for the~~
5 ~~additional purpose of paying all or any part of the cost of~~
6 ~~constructing and acquiring additions, improvements, extensions,~~
7 ~~or enlargements of a project may be invested and reinvested by~~
8 ~~the Treasurer in obligations of, or guaranteed by, the United States~~
9 ~~of America, or in certificates of deposit or time deposits secured~~
10 ~~by obligations of, or guaranteed by, the United States of America,~~
11 ~~maturing not later than the time or times when the proceeds will~~
12 ~~be needed for the purpose of paying all or any part of the cost. The~~
13 ~~interest, income, and profits, if any, earned or realized on that~~
14 ~~investment may be applied to the payment of all or any part of the~~
15 ~~cost or may be used by the council in any lawful manner.~~

16 (e) ~~A bond issued pursuant to this section shall be subject to the~~
17 ~~provisions of this part in the same manner and to the same extent~~
18 ~~as other bonds issued pursuant to this part.~~

19 ~~102012. Bonds issued by the council are legal investments for~~
20 ~~all trust funds, the funds of all insurance companies, banks, both~~
21 ~~commercial and savings, trust companies, savings and loan~~
22 ~~associations, and investment companies, for executors,~~
23 ~~administrators, trustees, and other fiduciaries, for state school~~
24 ~~funds, and for any funds that may be invested in county, municipal,~~
25 ~~or school district bonds, and bonds are securities that may properly~~
26 ~~and legally be deposited with, and received by, any state or~~
27 ~~municipal officer or agency or political subdivision of the state~~
28 ~~for any purpose for which the deposit of bonds or obligations of~~
29 ~~the state, is now, or may hereafter be, authorized by law, including~~
30 ~~deposits to secure public funds if, and only to the extent that,~~
31 ~~evidence of indebtedness or debt securities of the participating~~
32 ~~party receiving financing through the issuance of those bonds~~
33 ~~qualify or are eligible for those purposes and uses.~~

34 ~~102013. Liability shall not be incurred by the council beyond~~
35 ~~the extent to which moneys have been provided under this part,~~
36 ~~except that for the purposes of meeting the necessary expenses of~~
37 ~~initial organization and operation until such date as the council~~
38 ~~derives revenues or proceeds from bonds or notes as provided~~
39 ~~under this part, the council may borrow money as needed for those~~
40 ~~expenses from the State Energy Resources Conservation and~~

1 ~~Development Special Account in the General Fund in the State~~
2 ~~Treasury. The borrowed moneys shall be repaid with interest within~~
3 ~~a reasonable time after the council receives revenues or proceeds~~
4 ~~from bonds or notes as provided under this part.~~

5 ~~102014. The State of California does hereby pledge to and~~
6 ~~agree with the holders of any obligations issued under this part~~
7 ~~pursuant to the provisions of this part, that the state will not limit~~
8 ~~or alter the rights hereby vested in the council until those~~
9 ~~obligations, together with the interest thereon, are fully met and~~
10 ~~discharged and such contracts are fully performed on the part of~~
11 ~~the council. This section does not preclude imitation or alteration~~
12 ~~if and when adequate provision shall be made by law for the~~
13 ~~protection of the holders of the obligations of the council. The~~
14 ~~council as agent for the state is authorized to include this pledge~~
15 ~~and undertaking for the state in those obligations.~~

16 ~~102015. The powers granted to the council by this part may~~
17 ~~be exercised without regard or reference to any department or~~
18 ~~agency of the state. All other general or special laws, or parts~~
19 ~~thereof, inconsistent with this part are hereby declared to be~~
20 ~~inapplicable to the provisions of this part. Nothing contained in~~
21 ~~this part shall be interpreted to exempt the construction or~~
22 ~~acquisition of any project by any program participant from~~
23 ~~compliance with all applicable local, state, or federal laws and~~
24 ~~regulations.~~

O