

AMENDED IN SENATE AUGUST 23, 2012

AMENDED IN ASSEMBLY APRIL 26, 2011

AMENDED IN ASSEMBLY APRIL 25, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 1255

**Introduced by Assembly Member V. Manuel Pérez
(~~Coauthor: Assembly Member Swanson~~)**

February 18, 2011

~~An act to amend Section 312 of the Corporations Code, relating to corporations.~~ *An act to amend Section 25619 of the Public Resources Code, relating to energy, and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1255, as amended, V. Manuel Pérez. ~~Corporations: boards of directors.~~ *Energy: renewable energy resources.*

Existing law, the Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission (Energy Commission) and requires the Energy Commission to provide \$7,000,000 in grants to qualified counties, as defined, for the development or revision of rules and policies, including, but not limited to, general plan elements, zoning ordinances, and a natural community conservation plan as a plan participant, to facilitate the development of eligible renewable energy resources, and their associated electric transmission facilities, and the processing of permits for eligible renewable energy resources. For a county in the Desert Renewable Energy Conservation Plan planning area, existing law prohibits the

commission from awarding a grant to such a county if it is not a “plan participant,” as defined, in the Desert Renewable Energy Conservation Plan.

This bill would authorize the commission to award a grant to such a county if the county enters into a specified memorandum of understanding with the commission in which the county agrees to participate in the development of the natural community conservation plan.

This bill would declare that it is to take effect immediately as an urgency statute.

~~Existing law provides for the formation and operation of a corporation and prescribes the powers and duties of a corporation’s board of directors in the direction and management of the corporation. Existing law also requires the Secretary of State to develop a registry of distinguished women and minorities who are available to serve on corporate boards of directors, as specified.~~

~~This bill would require the Secretary of State to post on his or her Internet Web site, as specified, a link to the Internet Web pages of either the California Public Employees’ Retirement System or the California State Teachers’ Retirement System, or both, where information on registries of potential qualified candidates for corporate boards, if available, can be found. The bill would also make findings and declarations of the Legislature and state the intent of the Legislature regarding future membership on corporate boards of directors.~~

Vote: ~~majority~~^{2/3}. 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 25619 of the Public Resources Code is
- 2 amended to read:
- 3 25619. (a) For purposes of this section, “qualified counties”
- 4 means the Counties of Fresno, Imperial, Inyo, Kern, Kings, Los
- 5 Angeles, Madera, Merced, Riverside, San Bernardino, San Diego,
- 6 San Joaquin, Stanislaus, and Tulare.
- 7 (b) The commission shall provide up to seven million dollars
- 8 (\$7,000,000) in grants to qualified counties for the development
- 9 or revision of rules and policies, including, but not limited to,
- 10 general plan elements, zoning ordinances, and a natural community
- 11 conservation plan as a plan participant, that facilitate the

1 development of eligible renewable energy resources, and their
2 associated electric transmission facilities, and the processing of
3 permits for eligible renewable energy resources. The commission
4 may allocate not more than 1 percent of appropriated funds to
5 provide training to county planning staff to facilitate the siting and
6 permitting of eligible renewable energy resources. A general plan
7 element or zoning ordinance that is adopted or revised pursuant
8 to this section shall be completed within two years of receipt of
9 the grant and shall be consistent with the conservation strategies
10 of any natural community conservation plan if one has been
11 approved, or is under development, pursuant to the Natural
12 Community Conservation Planning Act (Chapter 10 (commencing
13 with Section 2800) of Division 3 of the Fish and Game Code). For
14 counties within the Desert Renewable Energy Conservation Plan
15 planning area, the commission ~~shall not~~ *may* award a grant to a
16 county ~~that is not a~~ *only if the county meets one of the following*
17 *conditions:*

18 (1) *The county is a “plan participant,” as defined by paragraph*
19 *(1) of subdivision (j) of Section 2805 of the Fish and Game Code,*
20 *in the Desert Renewable Energy Conservation Plan.*

21 (2) *The county enters into a memorandum of understanding*
22 *with the commission in which the county agrees to participate in*
23 *the development of a natural community conservation plan for the*
24 *purpose of ensuring that the natural community conservation plan*
25 *can achieve the goals set forth in the planning agreement entered*
26 *into pursuant to Section 2810 of the Fish and Game Code, that is*
27 *dated May 2010, for the preparation of a natural community*
28 *conservation plan, in a manner that is consistent with the*
29 *applicable policies of the county.*

30 (c) In its initial round of grant funding, the commission shall
31 establish a preference for a grant to a qualified county in an amount
32 that is adequate to develop a renewable energy element in its
33 general plan that will facilitate the development and siting of
34 eligible renewable energy resources that utilize multiple renewable
35 energy technologies. The commission shall also establish a
36 preference for a grant for those counties that have experience in
37 geothermal energy development and have adopted a geothermal
38 element, as defined in Section 25133, to its general plan.

39 (d) The commission shall only implement this section upon
40 receiving a specific appropriation for the purposes of this section

1 by the Legislature from the Renewable Resources Trust Fund or
2 other funds from the Energy Resources Program Account.

3 *SEC. 2. This act is an urgency statute necessary for the*
4 *immediate preservation of the public peace, health, or safety within*
5 *the meaning of Article IV of the Constitution and shall go into*
6 *immediate effect. The facts constituting the necessity are:*

7 *In order to ensure, as soon as possible, that local government*
8 *site renewable energy projects are located in areas that are least*
9 *damaging to the environment, it is necessary that this act take*
10 *effect immediately.*

11 SECTION 1. The Legislature finds and declares the following:

12 ~~(a) As unprecedented numbers of baby boomers prepare to retire~~
13 ~~from the marketplace, many corporate boards will be seeking new~~
14 ~~members to help shape their businesses for the future. This~~
15 ~~demographic trend reflects not only a generational shift in the~~
16 ~~United States, but it also marks a shift in the race and ethnicity of~~
17 ~~the nation's working age population.~~

18 ~~(b) The California Budget Project estimates that by 2020, nearly~~
19 ~~60 percent of the working age population in California will be~~
20 ~~comprised of Latinos, African Americans, and Asian Americans.~~
21 ~~Similarly, the composition of the United States consumer base is~~
22 ~~changing. Minority purchasing power in the United States is~~
23 ~~expected to triple from \$1.3 trillion in 2000 to over \$4 trillion by~~
24 ~~2045. This represents over a 70-percent growth of total United~~
25 ~~States purchasing power during the same time period.~~

26 ~~(c) While companies that want to remain competitive are~~
27 ~~designing new and adapting existing products and services to meet~~
28 ~~this expanding market, corporate leadership is not keeping pace~~
29 ~~with the changing demographics. There remains a significant gap~~
30 ~~in the ethnic and gender diversity of corporate boards. Research~~
31 ~~shows that while women comprise slightly more than half the~~
32 ~~United States population, they hold only 17 percent of the positions~~
33 ~~on corporate boards of Fortune 100 companies. Research also~~
34 ~~suggests that companies with more diverse boards have higher~~
35 ~~performance and other financial metrics, including return on equity,~~
36 ~~return on sales, and return on investment.~~

37 ~~(d) One of the initial barriers to broadening the demographic~~
38 ~~diversity of corporate board membership is that slates of candidates~~
39 ~~presented to corporate boards often have a limited number, if any,~~
40 ~~of female candidates or candidates of color. With corporate boards~~

1 most interested in choosing from among the very best prospective
2 board members, increasing diversity among the pool of qualified
3 candidates is essential.

4 ~~(e) Increasing awareness of corporate board candidate directories~~
5 ~~assists corporate boards and their consultants to more~~
6 ~~cost-effectively consider a broader range of individuals when~~
7 ~~selecting members of the board of directors. The state would also~~
8 ~~benefit from having stronger corporate boards of directors and the~~
9 ~~resulting better performing companies through higher tax revenues~~
10 ~~as a result of higher corporate revenues and greater job retention~~
11 ~~and creation.~~

12 ~~(f) The following are among the public purposes served by the~~
13 ~~distribution and promotion of these directories: increasing the~~
14 ~~number of jobs created and retained in the state; increasing income~~
15 ~~tax revenues collected as a result of increased job creation and~~
16 ~~retention; increasing tax revenues collected by the state as a result~~
17 ~~of higher corporate revenues; increasing sales tax revenues~~
18 ~~collected as a result of increased sales of products produced in the~~
19 ~~state.~~

20 ~~SEC. 2. Section 312 of the Corporations Code is amended~~
21 ~~toread:~~

22 ~~312. (a) A corporation shall have a chairman of the board or~~
23 ~~a president or both, a secretary, a chief financial officer and such~~
24 ~~other officers with such titles and duties as shall be stated in the~~
25 ~~bylaws or determined by the board and as may be necessary to~~
26 ~~enable it to sign instruments and share certificates. The president,~~
27 ~~or if there is no president the chairman of the board, is the general~~
28 ~~manager and chief executive officer of the corporation, unless~~
29 ~~otherwise provided in the articles or bylaws. Any number of offices~~
30 ~~may be held by the same person unless the articles or bylaws~~
31 ~~provide otherwise.~~

32 ~~(b) Except as otherwise provided by the articles or bylaws,~~
33 ~~officers shall be chosen by the board and serve at the pleasure of~~
34 ~~the board, subject to the rights, if any, of an officer under any~~
35 ~~contract of employment. Any officer may resign at any time upon~~
36 ~~written notice to the corporation without prejudice to the rights, if~~
37 ~~any, of the corporation under any contract to which the officer is~~
38 ~~a party.~~

39 ~~(c) The Secretary of State shall, on the next regular Internet~~
40 ~~Web site update after January 1, 2012, post on his or her Internet~~

- 1 ~~Web site a link to the Internet Web pages of either the California~~
- 2 ~~Public Employees' Retirement System or the California State~~
- 3 ~~Teachers' Retirement System, or both, where information on~~
- 4 ~~registries of potential qualified candidates for corporate boards, if~~
- 5 ~~available, can be found.~~

O