

ASSEMBLY BILL

No. 2551

Introduced by Assembly Member Hueso
(Coauthor: Senator Vargas)

February 24, 2012

An act to add Section 53395.26 to the Government Code, relating to local planning.

LEGISLATIVE COUNSEL'S DIGEST

AB 2551, as introduced, Hueso. Infrastructure financing districts: renewable energy zones.

Existing law authorizes counties and cities to form infrastructure financing districts, in accordance with a prescribed procedure, and requires that a district finance only public capital facilities of communitywide significance, as specified. Existing law authorizes a legislative body, by ordinance, to adopt an infrastructure financing plan and create the district with the full force and effect of law, if $\frac{2}{3}$ of the registered voters within the territory of the proposed district are in favor of creating the district.

This bill would authorize a legislative body to establish an infrastructure financing district in a renewable energy zone area, as defined, for the purpose of promoting renewable energy projects. The bill would exempt the creation of the district from the voter-approval requirement.

Under the California Constitution, the Legislature is prohibited, except by a $\frac{2}{3}$ vote, from changing the pro rata shares in which ad valorem property tax revenues are allocated among local agencies in a county.

Because this measure would provide property tax revenues that would otherwise be received by affected taxing entities from incremental tax

revenue of the city or county to instead be received by the newly formed infrastructure financing district, the bill would constitute a change in the pro rata share of property tax allocations in that county and require the passage of the bill by a $\frac{2}{3}$ vote.

Vote: $\frac{2}{3}$. 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 53395.26 is added to the Government
2 Code, to read:
3 53395.26. (a) This section shall apply only to a city that
4 contains within its jurisdiction a renewable energy zone. To the
5 extent of any conflict, the provisions of this section shall prevail
6 over any other provision of law.
7 (b) For purposes of this section, “renewable energy zone” means
8 an area that is characterized by the proposed development of more
9 than 10 megawatts of renewable energy projects, including, but
10 not limited to, solar, wind, and geothermal projects, as determined
11 by the legislative body. In determining whether an area constitutes
12 a renewable energy zone, the legislative body may consider zones
13 that are not contiguous and may aggregate the total megawatts of
14 several areas.
15 (c) The legislative body of a city may use the provisions of this
16 chapter to form an infrastructure financing district in renewable
17 energy zone areas for the purpose of promoting renewable energy
18 projects.
19 (d) The creation of an infrastructure financing district shall be
20 exempt from the voter-approval requirement in Section 53395.23.
21 The legislative body shall comply with all other applicable
22 requirements of this chapter relating to the proposal and adoption
23 of the formation and financing of the infrastructure financing
24 district.