

AMENDED IN ASSEMBLY JUNE 19, 2012

AMENDED IN SENATE MAY 25, 2012

AMENDED IN SENATE MAY 1, 2012

AMENDED IN SENATE APRIL 9, 2012

SENATE BILL

No. 1222

Introduced by Senator Leno

February 23, 2012

An act to add and repeal Chapter 7.5 (commencing with Section 66015) of Division 1 of Title 7 of the Government Code, relating to solar energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1222, as amended, Leno. Solar energy: permits.

Existing law provides that it is the policy of the state to promote and encourage the use of solar energy systems, as defined, and to limit obstacles to their use. Existing law provides that the implementation of consistent statewide standards to achieve timely and cost-effective installation of solar energy systems is not a municipal affair, but is instead a matter of statewide concern. Existing law requires a city or county to administratively approve applications to install solar energy systems through the issuance of a building permit or similar nondiscretionary permit. Existing law requires fees charged by a local agency for specified purposes, including permits, to not exceed the estimated reasonable cost of providing the service for which the fee is charged, unless a question regarding the amount of the fee charged in excess of this cost is submitted to, and approved by, $\frac{2}{3}$ of the electors.

This bill would require permit fees for rooftop solar energy systems, as specified, by a city, county, city or county, or charter city to not

exceed the estimated reasonable cost of providing the service for which the fee is charged, which cannot exceed ~~\$400 or \$400 and \$5 per kilowatt for each kilowatt above 15 kW, as specified~~ *plus \$15 per kilowatt for each kilowatt above 15kW for residential rooftop solar energy systems, and \$1,000 plus \$7 per kilowatt for each kilowatt between 51kW and 250kW, plus \$5 for every kilowatt above 250kW, for commercial rooftop solar energy systems*, unless certain conditions are met.

By requiring local agencies to perform additional duties, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

The provisions of the bill would remain in effect only until January 1, 2018.

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

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

- 1 SECTION 1. The Legislature finds and declares all of the
- 2 following:
- 3 (a) Rooftop solar energy systems are a leading renewable energy
- 4 technology that will help this state reach its energy and
- 5 environmental goals.
- 6 (b) It is anticipated that more than 1,000,000 additional rooftop
- 7 solar energy systems will be deployed in this state in the coming
- 8 years.
- 9 (c) Various reports show that the permitting costs associated
- 10 with the installation of rooftop solar energy systems varies widely
- 11 across jurisdictions in this state.
- 12 (d) High permitting fees increase the costs of installation and
- 13 reduce the ability for solar to be deployed across all income
- 14 spectrums.
- 15 (e) Providing statewide permit fee standards will increase the
- 16 deployment of solar distributed generation, provide solar customers

1 greater installation ease, improve the state’s ability to reach its
2 clean energy goals, and create jobs in this state.

3 SEC. 2. Chapter 7.5 (commencing with Section 66015) is added
4 to Division 1 of Title 7 of the Government Code, to read:

5

6 CHAPTER 7.5. FEES FOR ROOFTOP SOLAR ENERGY SYSTEMS

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8 66015. (a) For *a residential* rooftop solar energy ~~systems~~
9 ~~system that produce less than or equal to 15 kilowatts (kW) of peak~~
10 ~~produces~~ direct current electricity:

11 (1) A city, county, city and county, or charter city shall not
12 charge *a residential* permit ~~fees for rooftop solar energy systems~~
13 ~~that exceed fee that exceeds~~ the estimated reasonable cost of
14 providing the service for which the fee is charged, ~~which~~. *Except*
15 *as provided in paragraph (2), that fee* shall not exceed four hundred
16 dollars (\$400) *plus fifteen dollars (\$15) per kilowatt for each*
17 *kilowatt above 15kW.*

18 (2) Notwithstanding paragraph (1), a city, county, city and
19 county, or charter city may charge *a residential* permit ~~fees~~ *fee* for
20 *a* rooftop solar energy ~~systems~~ *system* that ~~exceed four hundred~~
21 ~~dollars (\$400)~~ *exceeds the fees specified in paragraph (1)* if, as
22 part of a written finding and an adopted resolution or ordinance,
23 it provides substantial evidence of the ~~administrative~~ *reasonable*
24 cost to issue the permit.

25 (b) For *a commercial* rooftop solar energy ~~systems~~ *system* that
26 ~~produce more than 15 kW of peak~~ *direct produces* current
27 electricity:

28 (1) A city, county, city and county, or charter city shall not
29 charge *a commercial* permit ~~fees for rooftop solar energy systems~~
30 ~~that exceed fee that exceeds~~ the estimated reasonable cost of
31 providing the service for which the fee is charged, ~~which~~. *Except*
32 *as provided in paragraph (2), the fee* shall not exceed ~~four hundred~~
33 ~~dollars (\$400) and five dollars (\$5) per kilowatt for each kilowatt~~
34 ~~above 15 kW~~ *one thousand dollars (\$1,000) for systems up to*
35 *50kW plus seven dollars (\$7) per kilowatt for each kilowatt between*
36 *51kW and 250 kW, plus five dollars (\$5) per kilowatt for each*
37 *kilowatt above 250kW.*

38 (2) Notwithstanding paragraph (1), a city, county, city and
39 county, or charter city may charge *a commercial* permit ~~fees~~ *fee*
40 *for a* rooftop solar energy ~~systems~~ *system* that ~~exceed four hundred~~

1 ~~dollars (\$400) and five dollars (\$5) per kilowatt for each kilowatt~~
 2 ~~above 15 kW exceeds the applicable fee specified in paragraph~~
 3 (1) if, as part of a written finding and an adopted resolution or
 4 ordinance, it provides substantial evidence of the ~~administrative~~
 5 *reasonable* cost to issue the permit.

6 (c) A written finding adopted pursuant to subdivision (a) or (b)
 7 shall include all of the following:

8 (1) A determination that the municipality has adopted
 9 appropriate ordinances, permit fees, and processes to streamline
 10 the submittal and approval of permits for solar energy systems
 11 pursuant to the practices and policies in state guidelines and model
 12 ordinances.

13 (2) A calculation related to the administrative cost of issuing a
 14 solar rooftop permit.

15 (3) A description of how the higher fee will result in a quick
 16 and streamlined approval process.

17 (d) For purposes of this section, “administrative costs” means
 18 the costs incurred in connection with the review, approval, and
 19 issuance of the permit, and the hourly site inspection and followup
 20 costs, and may also include an amortization of the costs incurred
 21 in connection with producing a written finding and adopting an
 22 ordinance or resolution pursuant to subdivision (a) or (b).

23 (e) It is the intent of the Legislature that a city, county, city and
 24 county, or charter city that meets the obligations of subdivisions
 25 (a) and (b) receive priority access to state funds for the purposes
 26 of distributed energy generation planning, permitting, training, or
 27 implementation.

28 (f) This chapter shall remain in effect only until January 1, 2018,
 29 and as of that date is repealed.

30 SEC. 3. If the Commission on State Mandates determines that
 31 this act contains costs mandated by the state, reimbursement to
 32 local agencies and school districts for those costs shall be made
 33 pursuant to Part 7 (commencing with Section 17500) of Division
 34 4 of Title 2 of the Government Code.

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