

ASSEMBLY BILL

No. 1131

Introduced by Assembly Member Skinner

February 22, 2013

An act to amend Sections 26073, 26080, and 26081 of the Public Resources Code, relating to energy, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1131, as introduced, Skinner. Energy: renewable energy and energy efficiency projects: financial assistance.

(1) Existing law authorizes local governments to assist property owners to finance the installation of distributed generation renewable energy sources, electric vehicle charging infrastructure, or energy or water efficiency improvements through the issuance of bonds that are secured by a voluntary contractual assessment on property (PACE bonds). Existing law requires the California Alternative Energy and Advanced Transportation Financing Authority to develop and administer a program to reduce the overall costs to property owners of PACE bonds by providing a reserve of no more than 10% of the initial principal amount of the PACE bonds. Existing law requires the authority to administer a Clean Energy Upgrade Program to reduce overall costs to property owners of a loan provided by a financial institution to finance the installation of distributed generation renewable energy sources, electric vehicle charging infrastructure, or energy or water efficiency improvements that are permanently fixed to real property by providing a reserve or other financial assistance at a level to be determined by the State Energy Resources Conservation and Development Commission and the authority. Existing law, until January 1, 2015, appropriates up

to \$50,000,000 from the Renewable Resource Trust Fund for the above purposes. Existing law requires the authority, until January 1, 2015, to submit a report to the Legislature regarding the implementation of the above programs.

This bill would extend that appropriation and the reporting requirement to January 1, 2017.

(2) Existing law requires the authority, in evaluating the eligibility of a loan program for the Clean Energy Upgrade Program, to consider, among other things, whether the loans made under the loan program are for less than 10% of the value of the property.

This bill would delete that consideration. By expanding the eligibility of loan programs under the Clean Energy Upgrade Program, this bill would make an appropriation.

Vote: 2/3. Appropriation: yes. Fiscal committee: yes.

State-mandated local program: no.

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

1 SECTION 1. Section 26073 of the Public Resources Code is
2 amended to read:

3 26073. (a) In evaluating eligibility, the authority shall consider
4 whether the applicant’s loan program includes the following
5 conditions:

- 6 (1) Loan recipients are legal owners of underlying property.
- 7 (2) Loan recipients are current on mortgage and property tax
8 payments.
- 9 (3) Loan recipients are not in default or in bankruptcy
10 proceedings.

11 ~~(4) Loans are for less than 10 percent of the value of the~~
12 ~~property.~~

13 ~~(5)~~

14 (4) The program offers financing for energy and water
15 efficiency improvements.

16 ~~(6)~~

17 (5) Improvements financed by the program follow applicable
18 standards of energy efficiency retrofit work, including any
19 guidelines adopted by the State Energy Resources Conservation
20 and Development Commission.

21 (b) In evaluating an application, the authority shall consider all
22 of the following factors:

1 (1) The use by the loan program of best practices, adopted by
2 the authority, to qualify eligible properties for participation in
3 underwriting the loan program.

4 (2) The cost efficiency of the applicant's loan program.

5 (3) The projected number of jobs created by the loan program.

6 (4) The applicant's loan program requirements for quality
7 assurance and consumer protection, as related to achieving
8 efficiency and clean energy production, in accordance with the
9 standards developed pursuant to subdivision (b) of Section 26072.

10 (5) The mechanisms by which savings produced by this program
11 are passed on to the property owners.

12 (6) Any other factors deemed appropriate by the authority.

13 (c) The authority may approve a loan program that offers
14 financing for electric vehicle charging infrastructure if the electric
15 vehicle charging infrastructure is part of a project to install energy
16 efficiency improvements and distributed generation renewable
17 energy resources and is designed so that the project does not
18 increase peak energy demand.

19 SEC. 2. Section 26080 of the Public Resources Code is
20 amended to read:

21 26080. (a) Until January 1, ~~2015~~ 2017, an amount of up to
22 fifty million dollars (\$50,000,000) from the Renewable Resource
23 Trust Fund, established pursuant to Section 25751, is hereby
24 appropriated to the authority for the purposes of this chapter. The
25 moneys appropriated shall remain in the Renewable Resource
26 Trust Fund until the funds are needed by the authority pursuant to
27 this chapter.

28 (b) Of the moneys appropriated in subdivision (a), up to five
29 hundred fifty thousand dollars (\$550,000) may be expended by
30 the authority for the initial administrative costs in implementing
31 this chapter.

32 (c) All repayments of moneys disbursed pursuant to this chapter
33 shall be deposited into the Renewable Resource Trust Fund.

34 SEC. 3. Section 26081 of the Public Resources Code is
35 amended to read:

36 26081. (a) On March 31, 2011, and annually thereafter, the
37 authority shall submit to the Legislature a report pursuant to Section
38 9795 of the Government Code on all of the following:

39 (1) The status of the account.

1 (2) A summary of the PACE bonds that received assistance
2 pursuant to Article 2 (commencing with Section 26060) and a
3 summary of the loans that received assistance pursuant to Article
4 3 (commencing with Section 26070).

5 (3) A summary of the benefits provided by this division,
6 including reduced interest rates on the PACE bonds or on loans
7 receiving assistance pursuant to this division.

8 (4) The number of jobs created by the PACE programs or loans
9 that received assistance pursuant to this chapter.

10 (5) Information on energy and water savings resulting from the
11 PACE programs or loans that received assistance pursuant to this
12 chapter.

13 (6) Other information deemed appropriate by the authority.

14 (b) This section shall remain in effect only until January 1, ~~2015~~
15 ~~2017~~, and as of that date is repealed, unless a later enacted statute,
16 that is enacted before January 1, ~~2015~~ ~~2017~~, deletes or extends
17 that date.