

AMENDED IN SENATE JULY 8, 2013
AMENDED IN SENATE JUNE 19, 2013
AMENDED IN SENATE JUNE 4, 2013
AMENDED IN ASSEMBLY APRIL 15, 2013
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 1422

Introduced by Committee on Jobs, Economic Development, and the Economy (Medina (Chair), Daly, Fong, Fox, and ~~V. Manuel Pérez~~) V. Manuel Pérez)

March 21, 2013

An act to amend Sections 26003 and 26011.8 of the Public Resources Code, and to repeal Section 1 of Chapter 677 of the Statutes of 2012, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1422, as amended, Committee on Jobs, Economic Development, and the Economy. California Alternative Energy and Advanced Transportation Financing Authority: participating party.

(1) Existing law, the California Alternative Energy and Advanced Transportation Financing Authority Act, establishes the California Alternative Energy and Advanced Transportation Financing Authority and requires the authority to establish programs to provide financial assistance to participating parties for ~~projects~~ *projects, as defined*, related to sustainable and renewable energy sources, energy efficiency, and advanced transportation projects. The act provides financial assistance, in the form of a sales and use tax exclusion, to participating parties for

these types of projects. The act prohibits the sales and use tax exclusions granted from exceeding \$100,000,000 for each calendar year.

This bill would redefine “project” to include, but not be limited to, machinery and equipment purchased and utilized in the state, and, for purposes of the sales and use tax exclusion, would redefine “project” to mean tangible personal property that is purchased and utilized in the state for the design, manufacture, production, or assembly of advanced manufacturing, advanced transportation technologies, or alternative source products, components, or systems. The bill would clarify that for purposes of the sales and use tax exclusion, an entity located outside of the state, including an entity located overseas, is considered to be a participating party and is eligible to apply for financial assistance if the participating party commits to, and demonstrates that the participating party will be opening a manufacturing facility in the state. The bill would require that any portion of the \$100,000,000 not granted through the sales and use tax exclusions be available to be granted in the subsequent calendar year, provided that the total amount available in any year does not exceed \$200,000,000. This bill would also make technical, nonsubstantive changes to these provisions.

(2) Existing law requires the authority to evaluate project applications based on certain criteria, including, but not limited to, the extent the project will create new, permanent jobs in California and the extent the project results in a reduction in greenhouse gases, a reduction in air or water pollution, an increase in energy efficiency, or a reduction in energy consumption. Existing law requires the authority to work with the University of California or the California State University to perform a peer review of this criteria, as specified.

This bill would repeal the requirement to perform a peer review.

(3) Existing law requires the Governor’s Office of Business and Economic Development to review and identify efficient and cost-effective methods for the state to create jobs in advanced manufacturing, as specified, and to report its findings to the Legislature on or before January 1, 2017.

This bill would repeal this reporting requirement.

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. Section 26003 of the Public Resources Code, as
2 amended by Section 5 of Chapter 677 of the Statutes of 2012, is
3 amended to read:

4 26003. (a) As used in this division, unless the context
5 otherwise requires:

6 (1) (A) “Advanced manufacturing” means manufacturing
7 processes that improve existing, or create entirely new materials,
8 products, and processes through the use of science, engineering,
9 or information technologies, high-precision tools and methods, a
10 high-performance workforce, and innovative business or
11 organizational models utilizing any of the following technology
12 areas:

13 (i) Micro- and nanoelectronics, including semiconductors.

14 (ii) Advanced materials.

15 (iii) Integrated computational materials engineering.

16 (iv) Nanotechnology.

17 (v) Additive manufacturing.

18 (vi) Industrial biotechnology.

19 (B) “Advanced manufacturing” includes any of the following:

20 (i) Systems that result from substantive advancement, whether
21 incremental or breakthrough, beyond the current industry standard,
22 in the production of materials and products. These advancements
23 include improvements in manufacturing processes and systems
24 that are often referred to as “smart” or “intelligent” manufacturing
25 systems, which integrate computational predictability and
26 operational efficiency.

27 (ii) (I) Sustainable manufacturing systems and manufacturing
28 technologies that minimize the use of resources while maintaining
29 or improving cost and performance.

30 (II) Sustainable manufacturing systems and manufacturing
31 technologies do not include those required to be undertaken
32 pursuant to state or federal law or regulations, air district rules or
33 regulations, memoranda of understanding with a governmental
34 entity, or legally binding agreements or documents. The State Air
35 Resources Board shall advise the authority to ensure that the
36 requirements of this clause are met.

37 (2) (A) “Advanced transportation technologies” means
38 emerging commercially competitive transportation-related

1 technologies identified by the authority as capable of creating
2 long-term, high value-added jobs for Californians while enhancing
3 the state’s commitment to energy conservation, pollution and
4 greenhouse gas emissions reduction, and transportation efficiency.

5 (B) “Advanced transportation technologies” does not include
6 those projects required to be undertaken pursuant to state or federal
7 law or regulations, air district rules or regulations, memoranda of
8 understanding with a governmental entity, or legally binding
9 agreements or documents. The State Air Resources Board shall
10 advise the authority regarding projects that are excluded pursuant
11 to this subparagraph.

12 (3) (A) “Alternative sources” means devices or technologies
13 used for a renewable electrical generation facility, as defined in
14 paragraph (1) of subdivision (a) of Section 25741, a combined
15 heat and power system, as defined in Section 2840.2 of the Public
16 Utilities Code, distributed generation and energy storage
17 technologies eligible under the self-generation incentive program
18 pursuant to Section 379.6 of the Public Utilities Code, as
19 determined by the Public Utilities Commission, or a facility
20 designed for the production of renewable fuels, the efficient use
21 of which reduce the use of fossil or nuclear fuels, and energy
22 efficiency devices or technologies that reduce the need for new
23 electric generation and reduce emissions of toxic and criteria
24 pollutants and greenhouse gases.

25 (B) “Alternative sources” does not include a hydroelectric
26 facility that does not meet state laws pertaining to the control,
27 appropriation, use, and distribution of water, including, but not
28 limited to, the obtaining of applicable licenses and permits.

29 (4) “Authority” means the California Alternative Energy and
30 Advanced Transportation Financing Authority established pursuant
31 to Section 26004, and any board, commission, department, or
32 officer succeeding to the functions of the authority, or to which
33 the powers conferred upon the authority by this division shall be
34 given.

35 (5) “Cost” as applied to a project or portion of the project
36 financed under this division means all or part of the cost of
37 construction and acquisition of all lands, structures, real or personal
38 property or an interest in the real or personal property, rights,
39 rights-of-way, franchises, easements, and interests acquired or
40 used for a project; the cost of demolishing or removing any

1 buildings or structures on land so acquired, including the cost of
2 acquiring any lands to which those buildings or structures may be
3 moved; the cost of all machinery, equipment, and furnishings,
4 financing charges, interest prior to, during, and for a period after,
5 completion of construction as determined by the authority;
6 provisions for working capital; reserves for principal and interest
7 and for extensions, enlargements, additions, replacements,
8 renovations, and improvements; the cost of architectural,
9 engineering, financial, accounting, auditing and legal services,
10 plans, specifications, estimates, administrative expenses, and other
11 expenses necessary or incident to determining the feasibility of
12 constructing any project or incident to the construction, acquisition,
13 or financing of a project.

14 (6) “Financial assistance” includes, but is not limited to, loans,
15 loan loss reserves, interest rate reductions, proceeds of bonds issued
16 by the authority, bond insurance, loan guarantees or other credit
17 enhancements or liquidity facilities, contributions of money, or a
18 combination thereof, as determined by, and approved by the
19 resolution of, the board.

20 (7) (A) “Participating party” means a person, federal or state
21 agency, department, board, authority, or commission, state or
22 community college, or university, or a city or county, regional
23 agency, public district, school district, or other political entity
24 engaged in the business or operations in the state, whether
25 organized for profit or not for profit, that applies for financial
26 assistance from the authority for the purpose of implementing a
27 project.

28 (B) (i) For the purposes of Section 6010.8 of the Revenue and
29 Taxation Code, “participating party” means an entity specified in
30 subparagraph (A) that seeks financial assistance pursuant to Section
31 26011.8.

32 (ii) For purposes of Section 6010.8 of the Revenue and Taxation
33 Code, an entity located outside of the state, including an entity
34 located overseas, is considered to be a participating party and is
35 eligible to apply for financial assistance pursuant to Section
36 26011.8 if the participating party commits to, and demonstrates
37 that, the party will be opening a manufacturing facility in the state.

38 (iii) It is the intent of the Legislature by adding clause (ii) to
39 clarify existing law and ensure that an out-of-state entity or

1 overseas entity is eligible to apply for financial assistance pursuant
2 to Section 26011.8.

3 (8) (A) “Project” means a land, building, improvement to the
4 land or building, rehabilitation, work, property, or structure, real
5 or personal, stationary or mobile, including, but not limited to,
6 machinery and equipment *purchased and utilized in the state*,
7 whether or not in existence or under construction, that utilizes, or
8 is designed to utilize, an alternative source, or that is utilized for
9 the design, technology transfer, manufacture, production, assembly,
10 distribution, or service of advanced transportation technologies or
11 alternative source components.

12 (B) “Project,” for purposes of Section 26011.8 and Section
13 6010.8 of the Revenue and Taxation Code, means tangible personal
14 property that is ~~utilized~~ *purchased and utilized in the state* for the
15 design, manufacture, production, or assembly of advanced
16 manufacturing, advanced transportation technologies, or alternative
17 source products, components, or systems.

18 (9) “Revenue” means all rents, receipts, purchase payments,
19 loan repayments, and all other income or receipts derived by the
20 authority from a project, or the sale, lease, or other disposition of
21 alternative source or advanced transportation technology facilities,
22 or the making of loans to finance alternative source or advanced
23 transportation technology facilities, and any income or revenue
24 derived from the investment of money in any fund or account of
25 the authority.

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

30 SEC. 2. Section 26003 of the Public Resources Code, as added
31 by Section 6 of Chapter 677 of the Statutes of 2012, is amended
32 to read:

33 26003. (a) As used in this division, unless the context
34 otherwise requires:

35 (1) (A) “Advanced transportation technologies” means
36 emerging commercially competitive transportation-related
37 technologies identified by the authority as capable of creating
38 long-term, high value-added jobs for Californians while enhancing
39 the state’s commitment to energy conservation, pollution and
40 greenhouse gas emissions reduction, and transportation efficiency.

1 (B) “Advanced transportation technologies” does not include
2 those projects required to be undertaken pursuant to state or federal
3 law or regulations, air district rules or regulations, memoranda of
4 understanding with a governmental entity, or legally binding
5 agreements or documents. The State Air Resources Board shall
6 advise the authority regarding projects that are excluded pursuant
7 to this subparagraph.

8 (2) (A) “Alternative sources” means devices or technologies
9 used for a renewable electrical generation facility, as defined in
10 paragraph (1) of subdivision (a) of Section 25741, a combined
11 heat and power system, as defined in Section 2840.2 of the Public
12 Utilities Code, distributed generation and energy storage
13 technologies eligible under the self-generation incentive program
14 pursuant to Section 379.6 of the Public Utilities Code, as
15 determined by the Public Utilities Commission, or a facility
16 designed for the production of renewable fuels, the efficient use
17 of which reduce the use of fossil or nuclear fuels, and energy
18 efficiency devices or technologies that reduce the need for new
19 electric generation and reduce emissions of toxic and criteria
20 pollutants and greenhouse gases.

21 (B) “Alternative sources” does not include a hydroelectric
22 facility that does not meet state laws pertaining to the control,
23 appropriation, use, and distribution of water, including, but not
24 limited to, the obtaining of applicable licenses and permits.

25 (3) “Authority” means the California Alternative Energy and
26 Advanced Transportation Financing Authority established pursuant
27 to Section 26004, and any board, commission, department, or
28 officer succeeding to the functions of the authority, or to which
29 the powers conferred upon the authority by this division shall be
30 given.

31 (4) “Cost” as applied to a project or portion of the project
32 financed under this division means all or part of the cost of
33 construction and acquisition of all lands, structures, real or personal
34 property or an interest in the real or personal property, rights,
35 rights-of-way, franchises, easements, and interests acquired or
36 used for a project; the cost of demolishing or removing any
37 buildings or structures on land so acquired, including the cost of
38 acquiring any lands to which those buildings or structures may be
39 moved; the cost of all machinery, equipment, and furnishings,
40 financing charges, interest prior to, during, and for a period after,

1 completion of construction as determined by the authority;
2 provisions for working capital; reserves for principal and interest
3 and for extensions, enlargements, additions, replacements,
4 renovations, and improvements; the cost of architectural,
5 engineering, financial, accounting, auditing and legal services,
6 plans, specifications, estimates, administrative expenses, and other
7 expenses necessary or incident to determining the feasibility of
8 constructing any project or incident to the construction, acquisition,
9 or financing of a project.

10 (5) “Financial assistance” includes, but is not limited to, loans,
11 loan loss reserves, interest rate reductions, proceeds of bonds issued
12 by the authority, bond insurance, loan guarantees or other credit
13 enhancements or liquidity facilities, contributions of money, or a
14 combination thereof, as determined by, and approved by the
15 resolution of, the board.

16 (6) (A) “Participating party” means a person, federal or state
17 agency, department, board, authority, or commission, state or
18 community college, or university, or a city or county, regional
19 agency, public district, school district, or other political entity
20 engaged in the business or operations in the state, whether
21 organized for profit or not for profit, that applies for financial
22 assistance from the authority for the purpose of implementing a
23 project.

24 (B) (i) For purposes of Section 6010.8 of the Revenue and
25 Taxation Code, “participating party” means an entity specified in
26 subparagraph (A) that seeks financial assistance pursuant to Section
27 26011.8.

28 (ii) For purposes of Section 6010.8 of the Revenue and Taxation
29 Code, an entity located outside of the state, including an entity
30 located overseas, is considered to be a participating party and is
31 eligible to apply for financial assistance pursuant to Section
32 26011.8 if the participating party commits to, and demonstrates
33 that, the party will be opening a manufacturing facility in the state.

34 (iii) It is the intent of the Legislature by adding clause (ii) to
35 clarify existing law and ensure that an out-of-state entity or
36 overseas entity is eligible to apply for financial assistance pursuant
37 to Section 26011.8.

38 (7) (A) “Project” means a land, building, improvement to the
39 land or building, rehabilitation, work, property, or structure, real
40 or personal, stationary or mobile, including, but not limited to,

1 machinery and equipment *purchased and utilized in the state*,
2 whether or not in existence or under construction, that utilizes, or
3 is designed to utilize, an alternative source, or that is utilized for
4 the design, technology transfer, manufacture, production, assembly,
5 distribution, or service of advanced transportation technologies or
6 alternative source components.

7 (B) “Project,” for purposes of Section 26011.8 and Section
8 6010.8 of the Revenue and Taxation Code, means tangible personal
9 property that is ~~utilized~~ *purchased and utilized in the state* for the
10 design, manufacture, production, or assembly of advanced
11 transportation technologies or alternative source products,
12 components, or systems.

13 (8) “Revenue” means all rents, receipts, purchase payments,
14 loan repayments, and all other income or receipts derived by the
15 authority from a project, or the sale, lease, or other disposition of
16 alternative source or advanced transportation technology facilities,
17 or the making of loans to finance alternative source or advanced
18 transportation technology facilities, and any income or revenue
19 derived from the investment of money in any fund or account of
20 the authority.

21 (b) This section shall become operative on July 1, 2016.

22 SEC. 3. Section 26011.8 of the Public Resources Code, as
23 amended by Section 12 of Chapter 677 of the Statutes of 2012, is
24 amended to read:

25 26011.8. (a) The purpose of this section is to promote the
26 creation of California-based manufacturing, California-based jobs,
27 advanced manufacturing, the reduction of greenhouse gases, or
28 reductions in air and water pollution or energy consumption. In
29 furtherance of this purpose, the authority may approve a project
30 for financial assistance in the form of the sales and use tax
31 exclusion established in Section 6010.8 of the Revenue and
32 Taxation Code.

33 (b) For purposes of this section, “project” means a project as
34 defined in subparagraph (B) of paragraph (8) of subdivision (a) of
35 Section 26003.

36 (c) The authority shall publish notice of the availability of
37 project applications and deadlines for submission of project
38 applications to the authority.

39 (d) The authority shall evaluate project applications based upon
40 all of the following criteria:

1 (1) The extent to which the project develops manufacturing
2 facilities, or purchases equipment for manufacturing facilities,
3 located in California.

4 (2) The extent to which the anticipated benefit to the state from
5 the project equals or exceeds the projected benefit to the
6 participating party from the sales and use tax exclusion.

7 (3) The extent to which the project will create new, permanent
8 jobs in California.

9 (4) To the extent feasible, the extent to which the project, or the
10 product produced by the project, results in a reduction of
11 greenhouse gases, a reduction in air or water pollution, an increase
12 in energy efficiency, or a reduction in energy consumption, beyond
13 what is required by any federal or state law or regulation.

14 (5) The extent of unemployment in the area in which the project
15 is proposed to be located.

16 (6) Any other factors the authority deems appropriate in
17 accordance with this section.

18 (e) At a duly noticed public hearing, the authority shall approve,
19 by resolution, project applications for financial assistance.

20 (f) Notwithstanding subdivision (j), and without regard to the
21 actual date of any transaction between a participating party and
22 the authority, any project approved by the authority by resolution
23 for the sales and use tax exclusion pursuant to Section 6010.8 of
24 the Revenue and Taxation Code ~~prior to~~ *before* March 24, 2010,
25 shall not be subject to this section.

26 (g) The Legislative Analyst's Office shall report to the Joint
27 Legislative Budget Committee on the effectiveness of this program,
28 on or before January 1, 2019, by evaluating factors, including, but
29 not limited to, the following:

30 (1) The number of jobs created by the program in California.

31 (2) The number of businesses that have remained in California
32 or relocated to California as a result of this program.

33 (3) The amount of state and local revenue and economic activity
34 generated by the program.

35 (4) The types of advanced manufacturing, as defined in
36 paragraph (1) of subdivision (a) of Section 26003, utilized.

37 (5) The amount of reduction in greenhouse gases, air pollution,
38 water pollution, or energy consumption.

39 (h) The exclusions granted pursuant to Section 6010.8 of the
40 Revenue and Taxation Code for projects approved by the authority

1 pursuant to this section shall not exceed one hundred million dollars
2 (\$100,000,000) for each calendar year. Any portion of the one
3 hundred million dollars (\$100,000,000) in exclusions not granted
4 in the assigned calendar year shall be available to be granted in
5 the subsequent calendar year provided that the total amount
6 available in any year does not exceed two hundred million dollars
7 (\$200,000,000).

8 (i) (1) The authority shall study the efficacy and cost benefit
9 of the sales and use tax exemption as it relates to advanced
10 manufacturing projects. The study shall include the number of jobs
11 created, the costs of each job, and the annual salary of each job.
12 The study shall also consider a dynamic analysis of the economic
13 output to the state that would occur without the sales and use tax
14 exemption. Before January 1, 2017, the authority shall submit to
15 the Legislature, consistent with Section 9795 of the Government
16 Code, the result of the study.

17 (2) Before January 1, 2015, the authority shall, consistent with
18 Section 9795 of the Government Code, submit to the Legislature
19 an interim report on the efficacy of the program conducted pursuant
20 to this section. The study shall include recommendations on
21 program changes that would increase the program's efficacy in
22 creating permanent and temporary jobs, and whether eligibility
23 for the program should be extended or narrowed to other
24 manufacturing types. The authority may work with the Legislative
25 Analyst's Office in preparing the report and its recommendations.

26 (j) (1) Except as provided in paragraph (2), this section shall
27 become inoperative on July 1, 2016, and, as of January 1, 2017,
28 is repealed, unless a later enacted statute, that becomes operative
29 on or before January 1, 2017, deletes or extends the dates on which
30 it becomes inoperative and is repealed. The sale or purchase of
31 tangible personal property of a project approved ~~prior to~~ *before*
32 June 30, 2016, shall continue to be excluded from sales and use
33 taxes pursuant to Section 6010.8 of the Revenue and Taxation
34 Code for the period of time set forth in the authority's resolution
35 approving the project pursuant to this section.

36 (2) Notwithstanding paragraph (1), the authority's obligation
37 to submit to the Legislature a report pursuant to paragraph (2) of
38 subdivision (i) shall remain operative until the submission of the
39 report.

1 SEC. 4. Section 26011.8 of the Public Resources Code, as
2 added by Section 13 of Chapter 677 of the Statutes of 2012, is
3 amended to read:

4 26011.8. (a) The purpose of this section is to promote the
5 creation of California-based manufacturing, California-based jobs,
6 the reduction of greenhouse gases, or reductions in air and water
7 pollution or energy consumption. In furtherance of this purpose,
8 the authority may approve a project for financial assistance in the
9 form of the sales and use tax exclusion established in Section
10 6010.8 of the Revenue and Taxation Code.

11 (b) For purposes of this section, “project” means a project as
12 defined in subparagraph (B) of paragraph (7) of subdivision (a) of
13 Section 26003.

14 (c) The authority shall publish notice of the availability of
15 project applications and deadlines for submission of project
16 applications to the authority.

17 (d) The authority shall evaluate project applications based upon
18 a net benefits test that includes all of the following criteria:

19 (1) The extent to which the project develops manufacturing
20 facilities, or purchases equipment for manufacturing facilities,
21 located in California.

22 (2) The extent to which the anticipated benefit to the state from
23 the project equals or exceeds the projected benefit to the
24 participating party from the sales and use tax exclusion.

25 (3) The extent to which the project will create new, permanent
26 jobs in California.

27 (4) To the extent feasible, the extent to which the project, or the
28 product produced by the project, results in a reduction of
29 greenhouse gases, a reduction in air or water pollution, an increase
30 in energy efficiency, or a reduction in energy consumption, beyond
31 what is required by any federal or state law or regulation.

32 (5) The extent of unemployment in the area in which the project
33 is proposed to be located.

34 (6) Any other factors the authority deems appropriate in
35 accordance with this section.

36 (e) At a duly noticed public hearing, the authority shall approve,
37 by resolution, project applications for financial assistance.

38 (f) Notwithstanding subdivision (j), and without regard to the
39 actual date of any transaction between a participating party and
40 the authority, any project as defined in paragraph (7) of subdivision

1 (a) of Section 26003 approved by the authority by resolution for
2 the sales and use tax exclusion pursuant to Section 6010.8 of the
3 Revenue and Taxation Code ~~prior to~~ *before* March 24, 2010, shall
4 not be subject to this section.

5 (g) The Legislative Analyst’s Office shall report to the Joint
6 Legislative Budget Committee on the effectiveness of this program,
7 on or before January 1, 2019, by evaluating factors, including, but
8 not limited to, the following:

9 (1) The number of jobs created by the program in California.

10 (2) The number of businesses that have remained in California
11 or relocated to California as a result of this program.

12 (3) The amount of state and local revenue and economic activity
13 generated by the program.

14 (4) The amount of reduction in greenhouse gases, air pollution,
15 water pollution, or energy consumption.

16 (h) The exclusions granted pursuant to Section 6010.8 of the
17 Revenue and Taxation Code for projects approved by the authority
18 pursuant to this section shall not exceed one hundred million dollars
19 (\$100,000,000) for each calendar year. Any portion of the one
20 hundred million dollars (\$100,000,000) in exclusions not granted
21 in the assigned calendar year shall be available to be granted in
22 the subsequent calendar year provided that the total amount
23 available in any year does not exceed two hundred million dollars
24 (\$200,000,000).

25 (i) The authority shall make every effort to expedite the
26 operation of this section, and shall adopt regulations for purposes
27 of implementing the section as emergency regulations in
28 accordance with Chapter 3.5 (commencing with Section 11340)
29 of Part 1 of Division 3 of Title 2 of the Government Code. For
30 purposes of that Chapter 3.5, including Section 11349.6 of the
31 Government Code, the adoption of the regulations shall be
32 considered by the Office of Administrative Law to be necessary
33 for the immediate preservation of the public peace, health and
34 safety, and general welfare.

35 (j) This section shall become operative on July 1, 2016, and
36 shall remain in effect only until January 1, 2021, and as of that
37 date is repealed. The sale or purchase of tangible personal property
38 of a project approved ~~prior to~~ *before* January 1, 2021, shall continue
39 to be excluded from sales and use taxes pursuant to Section 6010.8
40 of the Revenue and Taxation Code for the period of time set forth

1 in the authority's resolution approving the project pursuant to this
2 section.
3 SEC. 5. Section 1 of Chapter 677 of the Statutes of 2012 is
4 repealed.

O