

Introduced by Senators De León and Steinberg
(Coauthors: Senators Beall, Block, Calderon, Corbett, DeSaulnier,
Evans, Galgiani, Hancock, Hernandez, Hill, Jackson, Lara, Leno,
Lieu, Liu, Negrete McLeod, Padilla, Pavley, Price, Roth, Rubio,
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(Coauthors: Assembly Members Skinner and Torres)

December 5, 2012

An act to add Chapter 5 (commencing with Section 26230) to Division 16.3 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 39, as introduced, De León. Energy: school facilities: energy efficiency upgrade projects.

The California Clean Energy Jobs Act, an initiative measure enacted by voters at the November 6, 2012, statewide general election, establishes the Clean Energy Job Creation Fund and requires moneys in the fund to be available for appropriation during specified fiscal years for, among other things, the purposes of funding energy efficiency projects in school facilities.

This bill would enact the Clean Energy Employment and Student Advancement Act of 2013 and would require the Office of Public School Construction to establish a school district assistance program to distribute grants, on a competitive basis, for energy efficiency upgrade projects pursuant to the California Clean Energy Jobs Act. The bill would require the office, upon the approval of the State Allocation Board, to award a school district grants for energy efficiency upgrade projects meeting specified criteria. The bill would require the office to give priority applications meeting specified criteria.

This bill would state the intent of the Legislature to appropriate moneys to the Office of Public School Construction from the fund for the purposes of awarding energy efficiency grants to the most disadvantaged schools in need of modernization for the purposes of energy efficiency upgrades.

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. (a) The Legislature finds and declares all of the
2 following:

3 (1) The people of the State of California voiced their strong
4 support for the California Clean Energy Jobs Act by enacting
5 Proposition 39 at the November 6, 2012, statewide general election.
6 The voters closed an egregious corporate tax loophole that only
7 benefitted out-of-state companies at the expense of expanded
8 employment in our state.

9 (2) It is the duty of the Legislature to put these dollars to work
10 in a manner that voters can see and experience the benefit.
11 Proposition 39 enumerated the following key principles in guiding
12 the expenditure of the revenues raised through the California Clean
13 Energy Jobs Act (Division 16.3 (commencing with Section 26200)
14 of the Public Resources Code):

- 15 (A) Maximize job creation.
- 16 (B) Shrink our carbon footprint.
- 17 (C) Minimize bureaucratic costs.
- 18 (D) Create full transparency.
- 19 (E) Demand rigorous accountability.
- 20 (F) Create measurable results.

21 (3) Since the recession began in late 2007, California has lost
22 nearly 1.4 million jobs, including 400,000 in the construction
23 industry alone. Investing in energy efficiency will maximize job
24 creation and will help the state regain a sense of economic security
25 and sustainability at a time when unemployment remains high.
26 The state can further stimulate its economy by putting the industry
27 segment back to work that is most in need – the construction trades.

28 (4) Studies show the continuing high cost of energy and utilities
29 due to inefficient lighting, insulation, heating, ventilation, and air
30 conditioning systems, plumbing, windows, and irrigation systems

1 take local money away from educational programs. For example,
2 the Los Angeles Unified School District spends \$105,000,000
3 annually on electricity. Energy efficiency improvements for public
4 schools will reduce long-term energy costs and the savings can be
5 directed to the classroom.

6 (5) Substandard physical environments are strongly associated
7 with truancy and other behavior problems in pupils. Lower pupil
8 attendance leads to lower scores on standardized tests in
9 English-language arts and math. Schools with better building
10 conditions have up to 14 percent lower pupil suspension rates.
11 Improving a school's health and safety standards can lead to a
12 36-point increase in California Academic Performance Index
13 scores.

14 (6) Several studies have determined that children suffer
15 significant health consequences from excessive heat, inadequate
16 heating, ventilation, and air conditioning systems, mold and other
17 biological hazards, pest infestations, lead and other toxic hazards,
18 and overcrowding beyond the stated capacity of the school
19 structure. Research repeatedly shows the detrimental impact to the
20 health of pupils due to poor indoor air quality in classrooms.
21 Increasing energy efficiency will reduce air pollution that causes
22 asthma and lung disease.

23 (7) Economically disadvantaged school communities are often
24 the same areas that suffer most from high unemployment and
25 destructive or unlawful conduct by youth. The program funded by
26 revenues generated by the California Clean Energy Jobs Act will
27 encourage community participation in, and a greater sense of
28 responsibility toward, educational, environmental, and fiscal
29 benefits of modernizing facilities, which will enhance community
30 pride and sustain neighborhood vitality.

31 (b) It is the intent of the Legislature that:

32 (1) The funds made available through the California Clean
33 Energy Jobs Act be used to award competitive grants statewide to
34 economically disadvantaged school communities that are
35 accomplished by delivering project funds to neighborhoods in
36 areas of highest need, while offering technical assistance to all
37 applicants and potential applicants for grant preparation to
38 encourage full participation in the grant program.

39 (2) The grant program funded by revenues generated by the
40 California Clean Energy Jobs Act will finance competitive grants

1 for energy efficiency upgrade projects that provide operational
2 cost-savings improvements in K-12 school facilities.

3 (3) Energy efficiency upgrade projects create long-term benefits
4 and cost savings for school districts by significantly reducing
5 energy operational costs, creating a healthy indoor environment
6 for our pupils and staff and reducing the impact that energy creation
7 and consumption has on our natural environment.

8 (4) Energy efficiency upgrade projects also provide short-term
9 benefits, including the creation of prevailing-wage paying jobs in
10 communities around the state, and stimulate local economies.

11 SEC. 2. It is the intent of the Legislature to make moneys
12 available to the Office of Public School Construction, upon
13 appropriation, from the Clean Energy Job Creation Fund to award
14 energy efficiency upgrade grants to the most disadvantaged schools
15 in need of modernization for the purposes of energy efficiency
16 upgrades pursuant to the California Clean Energy Jobs Act
17 (Division 16.3 (commencing with Section 26200) of the Public
18 Resources Code).

19 SEC. 3. Chapter 5 (commencing with Section 26230) is added
20 to Division 16.3 of the Public Resources Code, to read:

21

22 CHAPTER 5. CLEAN ENERGY EMPLOYMENT AND STUDENT
23 ADVANCEMENT ACT OF 2013
24

25 26230. This chapter shall be known, and may be cited, as the
26 Clean Energy Employment and Student Advancement Act of 2013.

27 26231. As used in this chapter, the following terms shall have
28 the following meanings:

29 (a) "Energy efficiency upgrade project" means a school facility
30 project that reduces energy consumption and operational costs
31 through means that include, but are not limited to, improvements
32 to one or a combination of the following:

- 33 (1) Ventilation.
- 34 (2) Lighting and other system controls.
- 35 (3) Air infiltration.
- 36 (4) Water use.
- 37 (5) Windows and doors (fenestration).
- 38 (6) Heating and Cooling (HVAC).
- 39 (7) Electrical System.
- 40 (8) Insulation.

1 (b) “Office” means the Office of Public School Construction.

2 (c) “School district” means a school district or a county office
3 of education.

4 26232. The office shall establish a school district assistance
5 program to distribute grants, on a competitive basis, prioritizing
6 economically disadvantaged school communities for energy
7 efficiency upgrade projects that offer the highest energy efficiency
8 saving, pursuant to this division.

9 26233. (a) The office shall offer technical assistance to all
10 applicants and potential applicants for grant preparation to
11 encourage full participation in the grant program.

12 (b) The office shall use existing benchmarking tools to determine
13 present average energy consumption for a school facility by size
14 and type.

15 26234. Upon approval by the State Allocation Board, the office
16 shall award to a school district a grant pursuant to this chapter only
17 for an energy efficiency upgrade project that meets all of the
18 following criteria:

19 (a) The proposed project meets the qualifications of an energy
20 efficiency upgrade project.

21 (b) The school district complies with the required labor
22 compliance and contractor qualification standards.

23 (c) The amount of the grant applied for, together with any
24 matching contribution, will meet all of the costs of implementing
25 the energy efficiency upgrade project.

26 (d) The school district allows the office to audit all expenditures
27 made with grant funds.

28 (e) The school district agrees to track and report to the office
29 the number of jobs created as a result of the energy efficiency
30 upgrade project.

31 (f) The school district reports to the office the operational cost
32 savings resulting from the energy efficiency upgrade project, both
33 at the district level, in aggregate, and school facility site level.

34 26235. In evaluating applications for grants that meet the
35 requirements of Section 26234, the office shall assign higher
36 priority to applications that meet each of the following criteria:

37 (a) The energy efficiency upgrade project is located at a school
38 facility with an above average energy consumption, as determined
39 by the benchmark pursuant to subdivision (b) of Section 26233.

1 (b) The energy efficiency upgrade project is located in an
2 economically disadvantaged school community, based on the
3 percentage of pupils eligible for the federal free and reduced price
4 lunch program.

5 (c) The energy efficiency project is located in an area with an
6 above average unemployment rate as compared to the statewide
7 unemployment rate.

8 (d) The school district has actively involved pupils at the school
9 facility site in the planning and design of the energy efficiency
10 upgrade project.

11 (e) The energy efficiency upgrade project will enhance
12 workforce development and employment opportunities, utilize
13 members of the California Conservation Corps or certified local
14 conservation corps, if available, or accommodate learning
15 opportunities for school pupils or at-risk youth in the community.

16 (f) The energy efficiency upgrade project is a joint partnership
17 between two or more agencies, including, but not limited to, other
18 school districts, nonprofit organizations, and local government
19 agencies to maximize the investment and benefit to the public.