

AMENDED IN SENATE JUNE 10, 2002
AMENDED IN ASSEMBLY MAY 3, 2001
AMENDED IN ASSEMBLY APRIL 19, 2001
AMENDED IN ASSEMBLY APRIL 16, 2001
AMENDED IN ASSEMBLY MARCH 27, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 1138

Introduced by Assembly Member ~~La Suer~~ *Pescetti*

February 23, 2001

An act to add and repeal Section 63025.3 of the Government Code, relating to infrastructure development. An act to add Sections 57050.5 and 57132.5 to the Government Code, relating to incorporation, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

AB 1138, as amended, ~~La Suer~~ *Pescetti*. ~~Infrastructure development: low-interest loans~~ *Incorporation.*

Existing law concerning the incorporation of cities specifies that a protest hearing on the proposal may be continued from time to time not to exceed 60 days from the date specified for the hearing in the notice. Existing law requires that the election on the question of an incorporation shall be called and held on the next regular election date occurring at least 88 days after the date upon which the resolution calling the election was adopted by the conducting authority.

This bill would revise those time periods as specified with respect to the proposed incorporation of Rancho Cordova in Sacramento County.

This bill would declare that it is to take effect immediately as an urgency statute.

~~The existing Bergeson-Peace Infrastructure and Economic Development Bank Act establishes the California Infrastructure and Economic Development Bank within state government with a board of directors having prescribed duties. Existing law authorizes the bank board to make secured loans and undertake related activities for the purpose of financing projects, as defined, that relate to economic development and infrastructure improvements, including, but not limited to, utilities and power facilities.~~

~~This bill would authorize until January 1, 2007, the bank board to make a low-interest loan to a sponsor or a participating party, as defined, for costs associated with the repowering, as defined, of existing peak demand electrical powerplant facilities or for the planning, design, construction, and startup of peak demand powerplant facilities of up to 150 megawatts, subject to specified conditions. The bill would declare the intent of the Legislature to provide incentives to repower existing powerplant facilities for peak demand periods and provide for construction and startup of new peak demand powerplant facilities in California.~~

Vote: ~~majority~~ ^{2/3}. Appropriation: no. Fiscal committee: ~~yes~~ *no*. State-mandated local program: no.

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

- 1 ~~SECTION 1. The Legislature finds and declares all of the~~
- 2 *SECTION 1. Section 57050.5 is added to the Government*
- 3 *Code, to read:*
- 4 *57050.5. Notwithstanding subdivision (a) of Section 57050,*
- 5 *for the purposes of a proposed incorporation of the community of*
- 6 *Rancho Cordova in Sacramento County, the protest hearing on the*
- 7 *proposal may be continued from time to time but not after August*
- 8 *19, 2002.*
- 9 *SEC. 2. Section 57132.5 is added to the Government Code, to*
- 10 *read:*
- 11 *57132.5. Notwithstanding Section 57132, for the purposes of*
- 12 *a proposed incorporation of the community of Rancho Cordova in*
- 13 *Sacramento County, the election on the question of the*



1 *incorporation shall be called and held on the next regular election*
2 *date occurring at least 78 days after the date upon which the*
3 *resolution calling the election was adopted.*

4 *SEC. 3. This act is an urgency statute necessary for the*
5 *immediate preservation of the public peace, health, or safety*
6 *within the meaning of Article IV of the Constitution and shall go*
7 *into immediate effect. The facts constituting the necessity are:*

8 *In order for the incorporation proceedings for the proposed City*
9 *of Rancho Cordova to be completed in a timely manner that will*
10 *permit the electors to vote on the question of incorporation at the*
11 *November 5, 2002, general election, it is necessary that this act go*
12 *into effect immediately.*

13 *following:*

14 ~~(a) Beginning in the summer of 2000 and continuing to the~~
15 ~~present, the State of California has experienced unprecedented~~
16 ~~energy shortages, which have contributed to enormous increases~~
17 ~~in the prices paid for electricity in California's wholesale power~~
18 ~~market and by all ratepayers.~~

19 ~~(b) These sudden and severe energy shortages threaten the~~
20 ~~health and safety of all California citizens, weaken the vital nature~~
21 ~~of the high technology economy which is exclusive to this state,~~
22 ~~reduce the productivity of the state's farming and small business~~
23 ~~communities, and disrupt the education of the children of the state.~~

24 ~~(c) Because it is likely that serious shortages of electricity will~~
25 ~~continue until sufficient additional generation capacity is installed~~
26 ~~and operational, which could require several years, it is the intent~~
27 ~~of the Legislature in enacting this act to facilitate the long-term~~
28 ~~well-being of the citizens of this state by providing an incentive for~~
29 ~~businesses to invest in electrical generation by making private~~
30 ~~projects eligible for financing from the California Infrastructure~~
31 ~~and Economic Development Bank.~~

32 ~~(d) It is further the intent of the Legislature in enacting this act~~
33 ~~to provide an incentive for the purposes of repowering existing~~
34 ~~electrical powerplant facilities for peak demand periods and to~~
35 ~~plan and design construction and startup of peak demand~~
36 ~~powerplant facilities so they may expand their business and~~
37 ~~simultaneously assist in producing and supplying electricity to the~~
38 ~~consumers of this state.~~

39 ~~SEC. 2.—Section 63025.3 is added to the Government Code to~~
40 ~~read:~~



1 ~~63025.3. (a) In addition to other powers set forth in this~~
2 ~~division, the bank board may make a low interest loan to a sponsor~~
3 ~~or a participating party for either of the following:~~
4 ~~(1) Costs associated with the repowering of any existing~~
5 ~~powerplant facilities generating electrical power during peak~~
6 ~~demand periods.~~
7 ~~(2) Costs associated with the planning, design, construction,~~
8 ~~and startup of powerplant facilities for the generation of electrical~~
9 ~~power of up to 150 megawatts that are intended to operate only~~
10 ~~during peak demand periods.~~
11 ~~(b) Loans made pursuant to this section shall be subject to the~~
12 ~~following conditions:~~
13 ~~(1) The participating party is sponsored by a public entity.~~
14 ~~(2) The sponsor or participating party shall agree to give the~~
15 ~~Department of Water Resources, California electrical~~
16 ~~corporations, municipal corporations, irrigation districts, or other~~
17 ~~public electric utility districts a right of first refusal to purchase any~~
18 ~~electricity produced by the powerplant facility for which the loan~~
19 ~~is made.~~
20 ~~(3) The powerplant facility for which the loan is made is not or~~
21 ~~shall not be diesel or nuclear operated.~~
22 ~~(4) The electrical power generated by the powerplant facility~~
23 ~~for which the loan is made shall be used exclusively within the~~
24 ~~state.~~
25 ~~(5) The loan amount shall not exceed 75 percent of the total cost~~
26 ~~of the project.~~
27 ~~(c) For purposes of this section, "powerplant facility" means~~
28 ~~an electric transmission line, thermal powerplant, wind generating~~
29 ~~facility, hydroelectric electrical generating facility, or solar~~
30 ~~electrical generating facility.~~
31 ~~(d) This section shall remain in effect only until January 1,~~
32 ~~2007, and as of that date is repealed, unless a later enacted statute,~~
33 ~~that is enacted before January 1, 2007, deletes or extends that date.~~
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