

**SENATE BILL**

**No. 82**

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**Introduced by Senator Murray**

June 4, 2001

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An act to amend Section 14073 of the Corporations Code, and to add Section 14684 to the Government Code, relating to solar energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 82, as introduced, Murray. Solar energy systems.

(1) The California Small Business Financial Development Corporation Law provides for the creation of small business financial development corporations by the Technology, Trade, and Commerce Agency. These corporations are authorized to make loans and loan guarantees to small businesses for various purposes, including loans for energy efficiency improvement. Existing law continuously appropriates the money in the California Small Business Expansion Fund.

This bill would specifically identify solar energy systems as energy efficiency improvements for which these corporations may grant loans. The bill would specify the minimum and maximum amounts for a loan, and would require the Energy Resources Conservation and Development Commission, in cooperation with the California Office of Small Business Development, to establish criteria and procedures applicable to loans for solar energy systems made under these provisions.

(2) Existing law establishes in state government the Department of General Services, which has various responsibilities related to planning, acquisition, construction, and maintenance of state buildings and property. Existing law also establishes in the Resources Agency the

Energy Resources Conservation and Development Commission, which has various responsibilities related to energy conservation.

This bill would require the department, in consultation with the commission, to ensure that solar energy equipment is installed, no later than January 1, 2007, on all state buildings and state parking facilities where feasible, as specified. It also would require solar energy equipment to be installed as part of the construction of all state buildings and state parking facilities that commences after December 31, 2002.

This bill would authorize the Director of General Services to exempt such a solar energy equipment project from specified advertising and competitive bidding requirements. The bill would declare that solar energy equipment installation on state buildings and state parking facilities is a state energy project within the meaning of specified provisions of the Government Code, and would authorize the department to expend specified funds for these purposes.

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

3 (a) California is experiencing severe electrical shortages,  
4 which endanger the health, safety, and economic development  
5 opportunity of its citizens.

6 (b) Immediate measures are needed to increase the electrical  
7 generation capacity within California, including energy from solar  
8 energy systems.

9 (c) California has been a leader in the development of solar  
10 energy systems.

11 (d) California must take all reasonable actions necessary to  
12 encourage the use of solar energy systems at places of business.

13 SEC. 2. Section 14073 of the Corporations Code is amended  
14 to read:

15 14073. (a) Corporations may grant *loans for energy*  
16 *efficiency ~~improvement loans~~ improvements, including solar*  
17 *energy systems.*

18 (b) *The minimum amount that may be approved for a loan for*  
19 *a solar energy system is eight thousand dollars (\$8,000) and the*  
20 *maximum amount is one million dollars (\$1,000,000).*



1 (c) *The Energy Resources Conservation and Development*  
2 *Commission, in cooperation with the office, shall establish criteria*  
3 *and procedures applicable to loans for solar energy systems made*  
4 *by corporations under this section.*

5 (d) *“Solar energy system” means any new, previously unused*  
6 *solar energy device whose primary purpose is to provide for the*  
7 *collection, conversion, transfer, distribution, storage, or control of*  
8 *solar energy for water heating or electricity generation, and that*  
9 *meets applicable standards and requirements imposed by state and*  
10 *local permitting authorities, including, but not limited to, the*  
11 *National Electric Code. Solar energy systems for water heating*  
12 *purposes shall be certified by the Solar Rating and Certification*  
13 *Corporation or any other nationally recognized certification*  
14 *agency that certifies complete systems. Major components of solar*  
15 *energy systems for electricity generation shall be certified by a*  
16 *certified testing agency, such as the Underwriters Laboratory.*

17 SEC. 3. Section 14684 is added to the Government Code, to  
18 read:

19 14684. (a) Subject to subdivision (b), the department, in  
20 consultation with the Energy Resources Conservation and  
21 Development Commission, shall ensure that solar energy  
22 equipment is installed, no later than January 1, 2007, on all state  
23 buildings and state parking facilities, where feasible. The  
24 department shall establish a schedule designating when solar  
25 energy equipment will be installed on each building and facility,  
26 with priority given to buildings and facilities where installation is  
27 most feasible, both for state building and facility use and  
28 consumption and local publicly owned electric utility use, where  
29 feasible.

30 (b) Solar energy equipment shall be installed as part of the  
31 construction of all state buildings and state parking facilities that  
32 commences after December 31, 2002.

33 (c) For purposes of this section, it is feasible to install solar  
34 energy equipment if rooftop space on a building or parking facility  
35 is relatively unencumbered and receives sufficient sunshine to  
36 generate solar energy, taking into consideration life cycle cost  
37 analysis.

38 (d) The director may exempt a project described in this section  
39 to install solar energy equipment that reduces peak electricity  
40 demand or that helps to avoid electrical shortages or blackouts



1 from the advertising and competitive bidding requirements of this  
2 code and the Public Contract Code, pursuant to Section 4244.

3 (e) The Legislature finds and declares that the installation of  
4 solar energy equipment on state buildings and state parking  
5 facilities as described in this section is a state energy project within  
6 the meaning of Chapter 3.5 (commencing with Section 4240) of  
7 Division 5 of Title 1. The department may expend funds  
8 appropriated pursuant to subdivision (f) of Section 5 of Chapter 7  
9 of the Statutes of the 2001–02 First Extraordinary Session for  
10 purposes of this section.

11 (f) For purposes of this section, the following terms have the  
12 following meanings:

13 (1) “Local publicly owned electric utility” means a local  
14 publicly owned electric utility as defined in Section 9604 of the  
15 Public Utilities Code.

16 (2) “Solar energy equipment” means equipment that enables  
17 the use of solar energy as an alternative to, and in order to reduce  
18 the use of, fossil or nuclear fuels or water from established sources  
19 of supply.

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