

AMENDED IN SENATE JUNE 15, 2004

AMENDED IN ASSEMBLY APRIL 13, 2004

CALIFORNIA LEGISLATURE—2003–04 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2924**

**Introduced by Assembly Member Wiggins**

February 20, 2004

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~~An act to add Section 25407 to the Public~~ *An act to add and repeal Chapter 5.6 (commencing with Section 25460) of Division 15 of the Public Resources Code, relating to energy, and making an appropriation therefor.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2924, as amended, Wiggins. ~~Energy: photovoltaic generation grant program~~ *Solar energy: Low-income Housing Development Revolving Loan Program.*

*Existing law establishes various revolving loan programs to provide loans for specified purposes, including recycling market development and renewable energy resources.*

*This bill would establish, until January 1, 2010, the Low-income Housing Development Revolving Loan Program to subsidize the financing gap for distributed solar energy systems in low-income housing units. The bill would create the Low-income Housing Development Revolving Loan Fund (fund), a continuously appropriated fund, to implement the program.*

*This bill would require the State Energy Resources Conservation and Development Commission (Energy Commission), commencing in 2006,*

to identify and transfer \$45,000,000 annually from the Renewable Resource Trust Fund for funding the fund.

The existing Warren-Alquist State Energy Resources Conservation and Development Act establishes the State Energy Resources Conservation and Development Commission (Energy Commission) with the policy and intent of promoting all feasible means of energy conservation and all feasible uses of alternative energy supply sources.

This bill would require the Energy Commission to report to the Legislature, on or before July 1, 2005, with recommendations for establishment of a program to provide grants to fund all expenses for the purchase and installation of photovoltaic electrical generating panels on publicly subsidized residential housing units that the Energy Commission deems to be appropriate sites for photovoltaic panels.

Vote: majority <sup>2</sup>/<sub>3</sub>. Appropriation: ~~no~~ yes. Fiscal committee: yes. State-mandated local program: no.

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

1 ~~SECTION 1.~~ Section 25407 is added to the Public Resources  
2 SECTION 1. Chapter 5.6 (commencing with Section 25460)  
3 is added to Division 15 of the Public Resources Code, to read:

4  
5 CHAPTER 5.6. LOW-INCOME HOUSING DEVELOPMENT REVOLVING  
6 LOAN PROGRAM  
7

8 25460. As used in this chapter, the following terms have the  
9 following meanings:

10 (a) "Agency" means the state agency with which the  
11 commission enters into a memorandum of understanding to  
12 administer the program.

13 (b) "Fund" means the Low-income Housing Development  
14 Revolving Loan Fund.

15 (c) "Program" means the Low-income Housing Development  
16 Revolving Loan Program.

17 25461. The Low-Income Housing Development Revolving  
18 Loan Program is hereby established to subsidize the financing gap  
19 for distributed solar energy systems in low-income housing units.

20 25462. (a) The Low-income Housing Development  
21 Revolving Loan Program Fund is hereby created in the State  
22 Treasury for the purpose of providing loans for purposes of the



1 *Low-income Housing Development Revolving Loan Program*  
2 *established pursuant to this chapter.*

3 (b) *Notwithstanding Section 13340 of the Government Code,*  
4 *money deposited in the fund is hereby continuously appropriated*  
5 *to the agency without regard to fiscal year for making loans*  
6 *pursuant to this chapter.*

7 (c) *The agency may expend interest earnings on money in the*  
8 *fund for administrative expenses incurred in carrying out the*  
9 *program, upon the appropriation of money in the fund for that*  
10 *purpose in the annual Budget Act.*

11 (d) *The money from any loan repayments and fees, including,*  
12 *but not limited to, principal and interest repayments, fees and*  
13 *points, recovery of collection costs, income earned on any asset*  
14 *recovered pursuant to a loan default, and money collected through*  
15 *foreclosure actions, shall be deposited in the fund.*

16 (e) *All interest accruing on interest payments from loan*  
17 *applicants shall be deposited in the fund.*

18 (f) *The agency may expend the money in the fund to make loans*  
19 *to local governing bodies, private businesses, and nonprofit*  
20 *entities to subsidize the financing gap for distributed solar energy*  
21 *systems in low-income housing units.*

22 (g) *The agency shall establish and collect fees for applications*  
23 *for loans authorized by this section. The application fee shall be*  
24 *set at a level that is sufficient to fund the agency's cost of processing*  
25 *applications for loans. In addition, the agency shall establish a*  
26 *schedule of fees, or points, for loans which are entered into by the*  
27 *agency, to fund the agency's administration of the program.*

28 (h) *The agency may expend money in the fund for the*  
29 *administration of the program, upon the appropriation of money*  
30 *in the fund for that purpose in the annual Budget Act.*

31 (i) *The agency may set aside money for the purposes of paying*  
32 *costs necessary to protect the state's position as a lender-creditor.*  
33 *These costs shall be broadly construed to include, but not be*  
34 *limited to, foreclosure expenses, auction fees, title searches,*  
35 *appraisals, real estate brokerage fees, attorney fees, mortgage*  
36 *payments, insurance payments, utility costs, repair costs, removal*  
37 *and storage costs for repossessed equipment and inventory, and*  
38 *additional expenditures to purchase a senior lien in foreclosure or*  
39 *bankruptcy proceedings.*



1 25463. (a) Commencing in 2006, the commission shall  
2 identify and transfer to the fund annually forty-five million dollars  
3 (\$45,000,000) from funds available in the Renewable Resource  
4 Trust Fund, established by Section 25751.

5 (b) The commission shall develop a memorandum of  
6 understanding with the appropriate state agency that currently  
7 administers loans to low-income housing developers to administer  
8 the program.

9 25464. This chapter shall remain in effect only until January  
10 1, 2010, and as of that date is repealed, unless a later enacted  
11 statute, that is enacted before January 1, 2010, deletes or extends  
12 that date.

13 ~~Code, to read:~~

14 ~~25407. The commission shall report to the Legislature on or~~  
15 ~~before July 1, 2005, with recommendations for establishment of~~  
16 ~~a program to provide grants to fund all expenses for the purchase~~  
17 ~~and installation of photovoltaic electrical generating panels on~~  
18 ~~publicly subsidized residential housing units that the commission~~  
19 ~~deems to be appropriate sites for photovoltaic panels.~~

