

ASSEMBLY BILL

No. 1383

Introduced by Assembly Member Pavley

February 22, 2005

An act to add and repeal Chapter 5.6 (commencing with Section 25460) of Division 15 of the Public Resources Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

AB 1383, as introduced, Pavley. Solar energy: Low-Income Housing Development Revolving Loan Program.

(1) 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, 2011, 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 (the fund) for the purpose of providing loans for program purposes.

The bill would require the State Energy Resources Conservation and Development Commission to take various actions to administer the program, upon the appropriation of money in the fund for that purpose in the annual Budget Act.

(2) The bill would provide that its provisions shall only be implemented if funding for its purposes is made available in the annual Budget Act.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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

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

CHAPTER

5.6. LOW-INCOME HOUSING DEVELOPMENT REVOLVING LOAN PROGRAM

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

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

(b) "Fund" means the Low-income Housing Development Revolving Loan Fund created by Section 25462.

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

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

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

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

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

(d) All interest accruing on interest payments from loan applicants shall be deposited in the fund.

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

1 (f) The agency shall establish and collect fees for applications
2 for loans authorized by this section. The application fee shall be
3 set at a level that is sufficient to fund the agency's cost of
4 processing applications for loans. In addition, the agency shall
5 establish a schedule of fees, or points, for loans which are entered
6 into by the agency, to fund the agency's administration of the
7 program.

8 (g) The agency may expend money in the fund for the
9 administration of the program, upon the appropriation of money
10 in the fund for that purpose in the annual Budget Act.

11 (h) The agency may set aside money for the purposes of
12 paying costs necessary to protect the state's position as a
13 lender-creditor. These costs shall be broadly construed to
14 include, but not be limited to, foreclosure expenses, auction fees,
15 title searches, appraisals, real estate brokerage fees, attorney fees,
16 mortgage payments, insurance payments, utility costs, repair
17 costs, removal and storage costs for repossessed equipment and
18 inventory, and additional expenditures to purchase a senior lien
19 in foreclosure or bankruptcy proceedings.

20 25463. This chapter shall remain in effect only until
21 January 1, 2011, and as of that date is repealed, unless a later
22 enacted statute, that is enacted before January 1, 2011, deletes or
23 extends that date.

24 SEC. 2. This act shall only be implemented if funding for its
25 purposes is made available in the annual Budget Act.