

AMENDED IN ASSEMBLY JUNE 14, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE APRIL 23, 2013

AMENDED IN SENATE APRIL 9, 2013

AMENDED IN SENATE APRIL 1, 2013

SENATE BILL

No. 64

Introduced by Senator Corbett

January 10, 2013

An act to add ~~Chapter 7 (commencing with Section 26250) to Division 16.3 of the Public Resources Code, relating to energy efficiency, and making an appropriation therefor Section 16428.96 to the Government Code, relating to greenhouse gases.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 64, as amended, Corbett. ~~Proposition 39: implementation.~~ *California Global Warming Solutions Act of 2006: market-based compliance mechanisms: Clean Technology Investment Account.*

The California Global Warming Solutions Act of 2006, hereafter the Global Warming Solutions Act, designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act authorizes the state board to include use of market-based compliance mechanisms. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be

deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation by the Legislature. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law permits moneys from the fund be allocated for the research, development, and deployment of innovative technologies, measures, and practices related to programs and projects funded under the Global Warming Solutions Act.

This bill would create the Clean Technology Investment Account within the Greenhouse Gas Reduction Fund. The bill would require the Legislature to annually appropriate moneys from the Greenhouse Gas Reduction Fund or other funds to the Clean Technology Investment Account in the Budget Act. The bill would make the moneys in the Clean Technology Investment Account available to the state board for the purposes of providing grants to nonprofit public benefit corporations and regional technology alliances to design and implement programs that accelerate the development, demonstration, and deployment by companies and entrepreneurs of transformative technologies that would reduce or have the potential to reduce greenhouse gas emissions and foster job creation in the state, as specified.

~~The California Clean Energy Jobs Act, an initiative approved by the voters at the November 6, 2012, statewide general election as Proposition 39, made changes to corporate income taxes and, except as specified, provides for the transfer of \$550,000,000 annually from the General Fund to the Clean Energy Job Creation Fund for 5 fiscal years beginning with the 2013–14 fiscal year. Moneys in the Clean Energy Job Creation Fund are available, upon appropriation by the Legislature, for purposes of funding eligible projects that create jobs in California improving energy efficiency and expanding clean energy generation. Existing law provides for the allocation of these funds for eligible projects at public school facilities, university and college facilities, and other public buildings and facilities, as well as job training and workforce development, and public-private partnerships, as specified.~~

~~This bill would require the State Energy Resources Conservation and Development Commission to develop and administer a competitive financial assistance program for energy efficiency and clean energy onsite generation projects that are consistent with specified provisions of the act and to develop and adopt certain guidelines for the program.~~

~~The bill would provide that eligible facilities for the competitive financial assistance program include, but are not limited to, hospitals and wastewater treatment facilities. The bill would also provide that eligible facilities include facilities in public school districts, as provided. The bill would appropriate for the 2013–14 fiscal year an unspecified sum from the Clean Energy Job Creation Fund to the commission for the above purpose, thereby making an appropriation.~~

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

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

1 SECTION 1. *It is the intent of the Legislature that moneys in*
2 *the Clean Technology Investment Account be used to facilitate the*
3 *achievement of reductions of greenhouse gas emissions in this*
4 *state consistent with paragraph (7) of subdivision (c) of Section*
5 *39712 of the Health and Safety Code.*

6 SEC. 2. *Section 16428.96 is added to the Government Code,*
7 *to read:*

8 16428.96. (a) *There is hereby created the Clean Technology*
9 *Investment Account within the Greenhouse Gas Reduction Fund,*
10 *established pursuant to Section 16428.8. Moneys in the Clean*
11 *Technology Investment Account shall be available for expenditure*
12 *by the State Air Resources Board for the purposes of this section,*
13 *upon appropriation by the Legislature. The Legislature shall*
14 *annually appropriate moneys from the Greenhouse Gas Reduction*
15 *Fund or other funds to the Clean Technology Investment Account*
16 *in the annual Budget Act.*

17 (b) (1) *Moneys in the Clean Technology Investment Account*
18 *shall be expended by the State Air Resources Board for grants to*
19 *design and implement programs that accelerate the development,*
20 *demonstration, and deployment by companies and entrepreneurs*
21 *of transformative technologies that would reduce or have the*
22 *potential to reduce greenhouse gas emissions and foster job*
23 *creation in the state.*

24 (2) *The State Air Resources Board shall make grants available*
25 *pursuant to paragraph (1) to either of the following:*

26 (A) *Nonprofit public benefit corporations formed pursuant to*
27 *the Nonprofit Corporation Law (Division 2 (commencing with*
28 *Section 5000) of the Corporations Code) that are qualified to do*

1 *business in California and are qualified under Section 501(c)(3)*
 2 *of the Internal Revenue Code.*

3 *(B) Regional technology alliances.*

4 *(3) Not more than 5 percent of the moneys appropriated to the*
 5 *State Air Resources Board pursuant to this section shall be used*
 6 *to pay the costs associated with administering this section.*

7 *(c) Priority for grants awarded pursuant to subdivision (b) shall*
 8 *be given to nonprofit public benefit corporations and regional*
 9 *technology alliances that have one or more of the following:*

10 *(1) A demonstrated ability to accelerate innovative technologies*
 11 *intended to reduce greenhouse gas emissions.*

12 *(2) A demonstrated ability to attract private capital.*

13 *(3) Access to a broad network of resources, including, but not*
 14 *limited to, sponsoring entities, outside venture capital, academia,*
 15 *volunteers, and mentors.*

16 *(4) Operate as part of a larger effort that it can leverage for*
 17 *the purposes of the programs designed pursuant to paragraph (1)*
 18 *of subdivision (b).*

19 *(5) An ability to match public funds with private resources,*
 20 *whether actual cash or in-kind contributions.*

21 *(d) Prior to disbursing moneys pursuant to this section, the*
 22 *State Air Resources Board shall develop and adopt project*
 23 *solicitation and evaluation guidelines. The state board shall*
 24 *conduct a public meeting to consider public comments prior to*
 25 *finalizing the guidelines. At least 30 days prior to the public*
 26 *meeting, the state board shall publish the draft solicitation and*
 27 *evaluation guidelines on its Internet Web site.*

28 *(e) The Administrative Procedure Act (Chapter 3.5 (commencing*
 29 *with Section 11340) of Part 1 of Division 3 of Title 2) does not*
 30 *apply to the development of program guidelines and solicitation*
 31 *and evaluation guidelines developed pursuant to this section.*

32 ~~SECTION 1. Chapter 7 (commencing with Section 26250) is~~
 33 ~~added to Division 16.3 of the Public Resources Code, to read:~~

34

35 ~~CHAPTER 7. PROGRAMS FOR PUBLIC BUILDINGS~~

36

37 ~~26250. (a) The State Energy Resources Conservation and~~
 38 ~~Development Commission shall develop and adopt guidelines for,~~
 39 ~~and develop and administer, a competitive financial assistance~~
 40 ~~program for energy efficiency and clean energy onsite generation~~

1 projects that are consistent with paragraph (3) of subdivision (a)
 2 of Section 26205. Eligible facilities may include, but are not limited
 3 to, hospitals and wastewater treatment facilities. Eligible facilities
 4 shall also include facilities in public school districts with
 5 kindergarten or grade 1 to 12, inclusive, for clean energy onsite
 6 generation projects.

7 (b) In addition to the criteria specified in Section 26206, the
 8 guidelines adopted pursuant to subdivision (a) shall do all of the
 9 following:

10 (1) Establish audit standards and procedures.

11 (2) Ensure that the projects receiving financial assistance are
 12 consistent with the state's loading order, as described in the Energy
 13 Plan II jointly adopted by the State Energy Resources Conservation
 14 and Development Commission and the Public Utilities
 15 Commission.

16 (3) Ensure that the projects are reliable and feasible with total
 17 energy savings benefits exceeding project costs.

18 (4) Establish energy savings measurement and verification
 19 standards.

20 (5) If the project is for clean energy onsite generation, require
 21 that the energy cost savings over 75 percent of the expected life
 22 of the project will exceed the initial investment.

23 (6) Give priority to projects that have the highest energy savings
 24 relative to the amount of public moneys used to finance the project.

25 (e) The State Energy Resources Conservation and Development
 26 Commission may use its existing grant and financing programs to
 27 minimize administrative costs associated with the program,
 28 including the program developed pursuant to the Energy
 29 Conservation Assistance Act of 1979 (Chapter 5.2 (commencing
 30 with Section 25410) of Division 15).

31 26251. The sum of _____ dollars (\$ _____) is hereby appropriated
 32 for the 2013-14 fiscal year from the Clean Energy Job Creation
 33 Fund to the State Energy Resources Conservation and Development
 34 Commission for the purposes of this chapter.