

Date of Hearing: January 20, 2022

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Chris Holden, Chair
AB 1078 (Patterson) – As Introduced February 18, 2021

Policy Committee: Natural Resources Vote: 7-0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill extends the exemption from current requirements for solar photovoltaic (PV) systems for residential construction intended to “repair, restore, or replace” a building damaged or destroyed as a result of a declared disaster.

Specifically, this bill extends the exemption from the state’s solar PV requirements and standards, from January 1, 2023, to January 1, 2024, if the construction is intended to “repair, restore, or replace” a residential building damaged or destroyed as a result of a disaster in an area the Governor has declared to be in a state of emergency before 2021, if:

- 1) The income of the owner of the residential building is at or below the median income of the county in which the building is located.
- 2) The construction does not exceed the square footage of the property at the time it was damaged.
- 3) The new construction is located at the site of the home that was damaged.
- 4) The owner of the residential building did not have code upgrade insurance at the time the property was damaged.

FISCAL EFFECT:

Minor, if any state costs.

COMMENTS:

- 1) **Background and Purpose.** The 2019 Building Energy Efficiency Standards went into effect on January 1, 2020. The new standards are the first in the nation to require PV systems for new construction. The standards also include improved thermal building envelope standards (i.e., insulating the interior), residential and nonresidential ventilation requirements and nonresidential lighting requirements. The California Energy Commission (CEC) developed the standards and projects them to result in about 53% less energy use than under the 2016 standards. The CEC further estimates the new standards will reduce GHG emissions by 700,000 metric tons over three years.

CEC established a few exemptions to the new solar requirement. Primarily, homes that are sufficiently shaded by trees, hills or things like other structures are not required to install solar. This likely excludes a number of homes impacted by fires in wooded areas.

Homeowners in areas with community solar programs are also exempt from the solar PV requirements. Additionally, reduced system size is permitted for low-rise residential homes with two stories and for low-rise multifamily or single-family homes with three or more stories.

This bill extends, by one year, the existing exemption that allows lower-income homeowners to fix or replace solar systems damaged in emergencies declared by the Governor under specified conditions.

- 2) **2020 Emergency Declarations.** This bill extends the solar exemption to include any home damaged or destroyed in a disaster in an area in which the Governor declared a state of emergency in 2020. States of Emergency declared by the Governor in 2020 include:
 - a) November 18, 2020, issued for Mono County for the Mountain View Fire.
 - b) September 28, 2020, issued for the counties of Napa, Sonoma and Shasta for the Glass and Zogg fires.
 - c) September 25, 2020, issued for the counties of Del Norte, Los Angeles and Mendocino to bolster the response to various fires.
 - d) September 10, 2020, issued for Siskiyou County due to fires.
 - e) September 6, 2020, issued for the counties of Fresno, Madera and Mariposa for the Creek Fire; for San Bernardino County for the El Dorado Fire; and, for San Diego County for the Valley Fire.
 - f) August 18, 2020, issued statewide to help ensure the availability of vital resources to combat fires throughout the state.
- 3) **Prior Legislation.** AB 178 (Dahle), Chapter 259, Statutes of 2019, established the exemption from current requirements for solar photovoltaic (PV) systems for residential construction intended to “repair, restore, or replace” a building damaged or destroyed as a result of a declared disaster. AB 178 sunsets January 1, 2023.