

GOVERNOR'S VETO
AB 1078 (Patterson)
As Enrolled August 25, 2022
2/3 vote

SUMMARY

This bill extends by one year, from January 1, 2023, to January 1, 2024, an exemption from the state's solar requirement for residential construction intended to repair, restore, or replace a residential building that was damaged or destroyed as a result of a disaster. This bill also expands, by one year, eligibility for the exemption to homes affected in disasters in the year 2020.

Governor's Veto Message

This bill would extend, for one additional year, an exemption from the state's rooftop photovoltaic requirement (solar requirement) for residential buildings damaged or destroyed as a result of a disaster declared during the 2020 calendar year.

The solar requirement is an innovative and forward leaning policy that requires new residential buildings to install a minimum amount of cost-effective solar photovoltaic capacity to reduce homeowner energy costs, improve energy resiliency and reduce greenhouse gas emissions.

Extending this exemption would nullify these positive outcomes and instead would increase homeowner energy costs at a time when many homeowners are facing rising electric rates and bills. This exemption also undermines the energy resiliency of homes, especially those in high-fire risk areas, and increases greenhouse gas emissions. Further, this exemption is overly broad and fails to assist those disaster victims who are the most disadvantaged. For these reasons, I cannot sign this bill.

COMMENTS

Background. The 2019 Building Energy Efficiency Standards went into effect on January 1, 2020. The new standards are the first in the nation to require photovoltaic (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 greenhouse gas (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.

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:

- 1) November 18, 2020, issued for Mono County for the Mountain View Fire.
- 2) September 28, 2020, issued for the counties of Napa, Sonoma and Shasta for the Glass and Zogg fires.
- 3) September 25, 2020, issued for the counties of Del Norte, Los Angeles and Mendocino to bolster the response to various fires.
- 4) September 10, 2020, issued for Siskiyou County due to fires.
- 5) 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.
- 6) August 18, 2020, issued statewide to help ensure the availability of vital resources to combat fires throughout the state.

According to the Author

In a state where many Californians already face a housing affordability crisis, thousands of Californians now also have to deal with the financial cost of rebuilding their homes. All of this in the midst of a pandemic and economic recession. Requiring these victims to also adhere to the CEC's solar panel mandate that was instated in 2020 - well after many of these homes were originally built – would be adding insult to injury; the additional \$20,000 average cost of a solar panel system will be enough to discourage many homeowners from rebuilding at all. AB 1078 will be an important life raft for thousands of Californians who may otherwise choose not to or be unable to rebuild their homes after a wildfire or related natural disaster in 2020.

Arguments in Support

According to the Rural County Representatives" of California, AB 1078 provides much-needed relief for the repair, restoration, or replacement of residential structures damaged or destroyed in 2020 by a disaster in an area for which the Governor declared a state of emergency."

Arguments in Opposition

According to the Natural Resources Defense Council, "Rebuilding homes to standards in place at the time of construction, instead of current standards, would result in homes that are low-performance, less resilient, and cost more to live in – locking occupants into higher energy bills for decades. They may also require after-the-fact retrofits resulting in significant additional capital outlay, a far greater cost than integrating efficient measures during the initial construction."

FISCAL COMMENTS

According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, this bill has negligible state costs.

VOTES**ASM NATURAL RESOURCES: 7-0-4**

YES: Luz Rivas, Flora, Mathis, Seyarto, Stone, Wood, Bennett

ABS, ABST OR NV: Reyes, Cristina Garcia, McCarty, Muratsuchi

ASM APPROPRIATIONS: 15-0-1

YES: Holden, Bigelow, Bryan, Calderon, Luz Rivas, Davies, Fong, Gabriel, McCarty, Levine, Quirk, Robert Rivas, Akilah Weber, Stone, Mullin

ABS, ABST OR NV: Megan Dahle

ASSEMBLY FLOOR: 61-0-15

YES: Aguiar-Curry, Arambula, Bauer-Kahan, Bennett, Berman, Bigelow, Bloom, Boerner Horvath, Bryan, Burke, Calderon, Cervantes, Choi, Cooley, Cooper, Cunningham, Daly, Davies, Fong, Friedman, Gabriel, Gallagher, Cristina Garcia, Gipson, Grayson, Holden, Jones-Sawyer, Kalra, Kiley, Lackey, Lee, Levine, Low, Mathis, McCarty, Medina, Mullin, Muratsuchi, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Reyes, Luz Rivas, Robert Rivas, Rodriguez, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Ward, Wicks, Wood, Rendon

ABS, ABST OR NV: Mia Bonta, Carrillo, Chen, Megan Dahle, Flora, Eduardo Garcia, Gray, Irwin, Maienschein, Mayes, Blanca Rubio, Villapudua, Voepel, Waldron, Akilah Weber

SENATE FLOOR: 29-4-7

YES: Archuleta, Atkins, Bates, Borgeas, Bradford, Caballero, Dahle, Dodd, Eggman, Glazer, Grove, Hertzberg, Hueso, Hurtado, Jones, Laird, Leyva, Limón, McGuire, Melendez, Newman, Nielsen, Ochoa Bogh, Pan, Portantino, Rubio, Umberg, Wieckowski, Wilk

NO: Kamlager, Skinner, Stern, Wiener

ABS, ABST OR NV: Allen, Becker, Cortese, Durazo, Gonzalez, Min, Roth

ASSEMBLY FLOOR: 67-0-13

YES: Aguiar-Curry, Alvarez, Arambula, Bauer-Kahan, Bennett, Berman, Boerner Horvath, Bryan, Calderon, Cervantes, Chen, Choi, Cooley, Cooper, Cunningham, Megan Dahle, Daly, Flora, Mike Fong, Fong, Gallagher, Cristina Garcia, Eduardo Garcia, Gipson, Grayson, Haney, Holden, Jones-Sawyer, Kiley, Lackey, Levine, Low, Maienschein, Mathis, Mayes, McCarty, McKinnor, Medina, Mullin, Nazarian, Nguyen, O'Donnell, Patterson, Petrie-Norris, Quirk, Quirk-Silva, Ramos, Luz Rivas, Robert Rivas, Rodriguez, Blanca Rubio, Salas, Santiago, Seyarto, Smith, Stone, Ting, Valladares, Villapudua, Voepel, Waldron, Ward, Akilah Weber, Wicks, Wilson, Wood, Rendon

ABS, ABST OR NV: Bigelow, Bloom, Mia Bonta, Carrillo, Davies, Friedman, Gabriel, Gray, Irwin, Kalra, Lee, Muratsuchi, Reyes

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