



® March 30, 2017

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The Honorable Mike McGuire
Chair, Senate Governance and Finance Committee
State Capitol, Room 408
Sacramento, CA 95814

**Re: SB 242 (Skinner) – Property Assessed Clean Energy Program: Program Administrator
As Amended March 20, 2017 – SUPPORT
Set for Hearing April 5, 2017- Senate Governance and Finance Committee**

Dear Senator McGuire,

The California State Association of Counties (CSAC) supports SB 242 (Skinner), related to property assessed clean energy program (PACE) administration. SB 242 adds consumer protections to strengthen the PACE program.

CSAC strongly supports the PACE program, which allows property owners to finance energy and water efficiency and renewable energy improvements through locally-backed financing, which is then repaid through an assessment on the property tax bill. SB 242 includes a number of enhanced consumer protections to protect participating property owners.

SB 242 adds requirements to program administrators related to notification of key contract terms and eligible improvement measures as approved by the sponsoring public agency. Additionally, program administrators would be prohibited from making representations about the tax deductibility of contracts or disclosing information about the maximum PACE assessment for which a property has been approved. SB 242 also adds limits to contractors to prevent advertising and soliciting property owners, or receiving cash payments or incentives. Additional language is added regarding forbearance of PACE assessments in cases where property owners and mortgage lenders come to an agreement. Finally, SB 242 requires annual reporting from program administrators.

These improvements will strengthen the program and provide for needed consumer protections in this valuable program. It is for these reasons that CSAC supports SB 242. If you have any questions about our position, please do not hesitate to contact me at cmartinson@counties.org or 916-327-7500, ext. 504.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Cara Martinson'.

Cara Martinson
Legislative Representative

cc: The Honorable Nancy Skinner, Member, State Senate
Members, Senate Governance & Finance Committee
Jimmy MacDonald, Consultant, Senate Governance & Finance Committee
Scott Chavez, Senate Republican Caucus