



CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED
TRANSPORTATION FINANCING AUTHORITY

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January 12, 2015

**PACE LOSS RESERVE PROGRAM
NOTICE OF MODIFICATIONS TO THE TEXT OF
PROPOSED REGULATIONS**

Pursuant to the requirements of Government Code section 11346.8 (c), and Section 44 of Title 1 of the California Code of Regulations, the California Alternative Energy and Advanced Transportation Financing Authority (“Authority” or “CAEATFA”) is providing notice of changes made to the initially proposed regulations which were published in the Notice Register on August 29, 2014.

Subsequent to adopting the initial Program regulations in March 2014, CAEATFA staff (“Staff”) continued to review and evaluate the Program’s structure and procedures. Staff recently learned that the Program will receive ongoing funding designated for the Program’s administrative costs through another source. Therefore, based on revised estimates of available Program funding, a fee is not necessary to cover the Program’s administrative costs at this time.

Because the availability of the administrative funding is subject to change, the proposed amendments suspend the administrative fee requirement and continue to require the Authority to review the administrative fee. The proposed modifications also change the month in which the Authority shall review the fee from March to May to provide sufficient time to collect the March semi-annual reports and analyze the information received for consideration when reviewing the administrative fee, and to ensure there is sufficient time to incorporate any administrative fee adjustments, if applicable, in the Program’s regulations before the subsequent reporting period begins on July 1st. For purposes of clarity, the proposed modifications remove the reference to those financings outstanding at the time of enrollment because under the proposed modifications, financings outstanding at the time of enrollment and financings enrolled through the semi-annual reports will not be assessed a fee.

By suspending the administrative fee, the proposed modifications should provide more cost savings to local PACE programs and property owners wishing to take advantage of PACE financing and help increase the availability of residential PACE financing throughout the state.

If you have any comments regarding the proposed changes, the Authority will accept written comments between January 12, 2015 and January 27, 2015. All written comments must be submitted to the Authority no later than 5:00 PM on January 27, 2015, and sent to:

Ashley.Bonnett@treasurer.ca.gov or Alejandro.Ruiz@treasurer.ca.gov or mailed to:

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All written comments received by January 27, 2015, which pertain to the indicated changes will be reviewed and responded to by the Authority's staff as part of the compilation of the rulemaking file. Please limit your comments to the modifications to the text.

All currently proposed modifications are in red text. All originally proposed text and modified text noticed on October 15, 2014, is in black text. All currently proposed deletions are illustrated in strikeout text, and all currently proposed additions are illustrated in underlined and italicized text.

Attached: Modified Regulation