



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

FOR IMMEDIATE RELEASE

PR15:04  
January 21, 2015

Contact: Jacob Roper  
(916) 653-2995

## Treasurer Chiang Suspends Fees for Water and Energy Efficiency Program

*Annual Savings Could Total \$750,000 for Participants*

**SACRAMENTO** – State Treasurer John Chiang today announced the suspension of administrative fees for the Property Assessed Clean Energy (PACE) Loss Reserve Program, which allows California homeowners to finance energy and water efficiency projects through property assessment payments over a five-, 10- or 20-year period.

“This popular program enables homeowners to finance energy-efficient windows, heating and air-conditioning systems, solar power and water conservation measures,” Chiang said. “I hope that by cutting fees we will make it more affordable for more Californians to make green investments in their own homes.”

The program, which currently supports \$350 million of PACE financing, is part of the State’s larger efforts to promote California-based jobs and reduce greenhouse gas emissions while limiting air and water pollution. The fees were cut when the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA), chaired by Chiang, adopted emergency regulations at a meeting Tuesday in Sacramento.

The most active PACE program is the Western Riverside County of Government’s Home Energy Renovation Opportunity (HERO) Program, which has enrolled \$189 million in financings. Another \$80 million has been enrolled by a similar program in neighboring San Bernardino County. A complete list of local programs can be found [here](#).

“We in Sonoma County are very pleased that Treasurer Chiang took no time in removing the fees for the CAEATFA loss reserve program. This program protects mortgage lenders from any losses that could result from a PACE assessment,” said David Sundstrom, Sonoma County’s auditor-controller and treasurer-tax collector. “Removing the fees will help promote energy efficient retrofits and move us toward our goals of reducing greenhouse gas emissions and our dependency on foreign oil.”

Previously, the program required participants to pay an administrative fee of one quarter of one percent of the principal value of each enrolled financing, or roughly \$50 for each \$20,000 of financing. Suspension of the program’s administrative fee could save enrolled PACE programs and homeowners an estimated \$750,000 annually.

The PACE Loss Reserve program has supported 17,401 financings since its launch. It covers first mortgage lenders for PACE payments paid while the first mortgage lender is in possession of a foreclosed property and losses incurred resulting from PACE assessments being paid before the outstanding balance in a forced sale.

Visit the Treasurer's website to learn more about the [PACE Loss Reserve Program](#).

Read this press release in [Spanish](#).

For more news, please follow the Treasurer on Twitter at [@CalTreasurer](#), and on Facebook at [California State Treasurer's Office](#).

###