November 9, 2021

California Alternative Energy and Advanced Transportation Financing Authority

Sales and Use Tax Exclusion Program

Notice of Readoption of Emergency Regulations

The California Alternative Energy and Advanced Transportation Financing Authority ("Authority" or "CAEATFA") organized and operating pursuant to Division 16 (commencing with Section 26000) of the California Public Resources Code proposes to readopt the proposed emergency regulations that were originally effective on November 4, 2020, (OAL Matter No. 2020-1026-02E) after considering all comments, objections, and recommendations regarding the proposed action. If approved, this would be the second readoption of the proposed emergency regulations. The first readoption became effective on September 1, 2021, and is set to expire on December 1, 2021, (OAL Matter No. 2021-0820-04EE).

The proposed regulations are the same as those effective on November 4, 2020. The regulations amend Sections 10031 through 10036 of Article 2 of Division 13 of Title 4 of the California Code of Regulations to address the Sales and Use Tax Exclusion Program’s oversubscription over the last three years, the unprecedented economic impact of the COVID-19 pandemic, incorporate lessons learned from program implementation, add further clarity and specificity in existing regulation provisions, and update and revise section references.

Government Code Section 11346.1(a)(2) requires that, at least five working days prior to submission of the proposed emergency regulations action to the Office of Administrative Law ("OAL"), the adopting agency provide a notice of the proposed emergency action to every person who has filed a request for notice of regulatory action with the agency. After submission of the proposed emergency regulations to OAL, OAL shall allow interested parties five (5) calendar days to submit comments on the proposed emergency regulations as set forth in Government Code Section 11349.6. Upon filing, OAL will have ten (10) calendar days within which to review and make a decision on the proposed
emergency rulemaking package. If approved, OAL will file the regulations with the Secretary of State, and the readoption of emergency regulations will become effective for ninety (90) days. Within the 90-day effective period, CAEATFA will proceed with regular rulemaking action, including a public comment period. The emergency regulations will remain in effect during this rulemaking action.

In accordance with its authority under Public Resources Code Section 26009, CAEATFA is proposing to adopt the regulation as emergency regulations. Attached to this Notice is the specific regulatory language of CAEATFA’s proposed regulatory action and the Finding of Emergency. You may also review the proposed regulatory action and the Finding of Emergency on CAEATFA’s website at the following address: http://www.treasurer.ca.gov/caeatfa/ste/regulations/index.asp.

If you prefer to receive a hard copy of the proposed emergency regulations, please contact Matthew Jumps at (916) 651-5103 or matthew.jumps@treasurer.ca.gov, and a copy will be provided at no cost.

If you have any questions regarding this proposed emergency action please contact Matthew Jumps at (916) 651-5103 or matthew.jumps@treasurer.ca.gov.

Sincerely,

Derek Chernow
Executive Director

Attachments:  Proposed Text of Regulations
              Finding of Emergency
              Legal Status Questionnaire (Revised on August 18, 2018)
              Part 121.201 of Title 13 of the Code of Federal Regulations (1-1-20 Edition)

cc: Ravinder Kapoor, Senior Attorney