

# CITY OF LOS ANGELES

CALIFORNIA



ERIC GARCETTI  
MAYOR

**HOLLY L. WOLCOTT**  
Interim City Clerk

When making inquiries relative to  
this matter, please refer to the  
Council File No.

Office of the  
CITY CLERK

**Council and Public Services**  
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**SHANNON HOPPES**  
Council and Public Services  
Division

[www.cityclerk.lacity.org](http://www.cityclerk.lacity.org)

September 24, 2013

To All Interested Parties:

**Chief Legislative Analyst**

I HEREBY CERTIFY that the City Council adopted the action(s), as attached, under  
Council File No. 13-0002-S124, at its meeting held September 17, 2013.



City Clerk  
os

cc: 8 Certified copies sent to Sacramento Representatives

Mayor's Time Stamp  
 OFFICE OF THE MAYOR  
 RECEIVED  
 2013 SEP 18 PM 4:02  
 CITY OF LOS ANGELES

City Clerk's Time Stamp  
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 2013 SEP 18 PM 3:52  
 CITY CLERK  
 BY \_\_\_\_\_ DEPUTY

# FORTHWITH

SUBJECT TO THE CONCURRENCE OF THE MAYOR

COUNCIL FILE NO. 13-0002-S124

COUNCIL DISTRICT \_\_\_\_\_

COUNCIL APPROVAL DATE September 17, 2013

RE: ESTABLISHING A CITY POSITION ON AB 792 (MULLIN) WHICH WOULD EXEMPT FROM A MUNICIPAL UTILITY USER TAX THE CONSUMPTION OF ELECTRICITY GENERATED BY A RENEWABLE DISTRIBUTED GENERATION SYSTEM INSTALLED BEFORE JANUARY 1, 2020, FOR USE OF A SINGLE CUSTOMER

LAST DAY FOR MAYOR TO ACT SEP 30 2013  
 [10 Day Charter requirement as per Charter Section 231(h)]

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**DO NOT WRITE BELOW THIS LINE - FOR MAYOR USE ONLY**

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APPROVED  
 ✓

\*DISAPPROVED

\*Transmit objections in writing pursuant to Charter Section 231(h)

DATE OF MAYOR APPROVAL OR DISAPPROVAL 9/23/13

E.G.  
 MAYOR

RECEIVED  
 CITY CLERK'S OFFICE  
 2013 SEP 23 PM 4:02  
 CITY CLERK  
 DEPUTY

43 13-0002-S12

AUG 28 2013

RESOLUTION

RULES, ELECTIONS & INTERGOVERNMENTAL RELATIONS

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, Assembly Bill (AB) 792 would exempt from a municipal Utility User Tax (UUT) the consumption of electricity generated by a renewable distributed generation system installed before January 1, 2020, for use of a single customer; and

WHEREAS, the California Constitution allows a city, with the consent of the local voters, to govern its "municipal affairs" by adopting a charter. The "municipal affairs" doctrine allows charter cities, such as the City of Los Angeles, to levy taxes which are not preempted by the state or federal government; and

WHEREAS, supporters of AB 792 believe that uncertainty about the potential application of UUTs to electricity from distributed generation systems poses a threat to the continued growth of the distributed solar generation market; and

WHEREAS, according to the bill's author, applying a UUT to third-party power purchase agreement financing would greatly disadvantage this business model; and

WHEREAS, some opponents see the exemption as regressive, allowing property owners to avoid paying UUTs for electricity from renewable sources while requiring renters, who can't install on-site renewable generation, to pay the tax; and

WHEREAS, the exemption could likely favor the consumption of solar electricity produced on-site over utility programs that allow customers to consume solar electricity that is transmitted through the grid; and

WHEREAS, the Department of Water and Power (DWP) is already pursuing an aggressive renewable energy program that will meet all state RPS requirements; the program is progressing as planned, suffering no hindrance as a result of a UUT or any other form of taxation; and

WHEREAS, exempting renewable distributed generation electricity from UUTs erodes local officials' authority and their ability to raise scarce general fund revenues; and

WHEREAS, if AB 792 becomes law, the City of Los Angeles, until 2020 or possibly later, will suffer an infringement of its local control and potentially harm its renewable energy program;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2013-2014 State Legislative Program OPPOSITION to AB 792 (Mullin) UNLESS AMENDED to exempt Charter cities/jurisdictions, such as the City of Los Angeles, from the provisions of the measure thereby ensuring local control.

**ADOPTED**  
SEP 17 2013

PRESENTED BY:

*[Signature]*  
FELIPE FUENTES  
Councilmember, 7th District

SECONDED BY:

*[Signature]*  
Paul Kellorin

AUG 28 2013

LOS ANGELES CITY COUNCIL  
TO THE MAYOR FORTHWITH

ORIGINAL

MAYOR WITH FILE