

**FINAL
FISCAL NOTE**

Drafting Number: LLS 09-0301
Prime Sponsor(s): Sen. Carroll M.
 Rep. Levy

Date: June 4, 2009
Bill Status: Signed into Law
Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING MEASURES TO FACILITATE THE FINANCING OF ENERGY-EFFICIENT STRUCTURES.

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011
State Revenue Cash Funds Clean Energy Program Fund	Gifts, Grants, Donations, or Advance Deposits	
State Expenditures Cash Funds Clean Energy Program Fund	See the State Expenditures Section	
FTE Position Change		
Effective Date: The Governor signed the bill into law on April 22, 2009, and it takes effect September 1, 2009. The bill applies to agreements entered into on or after that date.		
Appropriation Summary for FY 2009-2010: None required.		
Local Government Impact: None.		

Summary of Legislation

SB09-051 increases the amount that the state treasurer may invest as part of the Colorado Clean Energy Finance Program. The amount is increased from \$30 million to \$40 million of state moneys in bonds or notes issued by participating public or private lenders for the purpose of funding clean energy loans from FY 2008-09 through FY 2010-11. The cap on loans guaranteed by the state treasurer is increased from \$10 million to \$15 million during FY 2008-09, and to no more than \$25 million during the two-year period of FY 2008-09 through FY 2009-10. Subject to the limitations in current law on the investment of state moneys by the state treasurer, up to \$10 million during FY 2008-09, and a total of up to \$15 million during FY 2009-10 and FY 2010-11 may be invested in projects related to clean energy loans.

As administrator of the Colorado Clean Energy Finance Program, the Governor's Energy Office is authorized to produce a logo that promotes the "Colorado Clean & Green" slogan. Logo design and production costs would be recovered through license fees. Design and production could occur upon the receipt of gifts, grants, donations, or advance deposits that are sufficient to defray the design and production costs.

SB09-051 provides for the facilitation of clean energy loans for large-scale commercial, industrial, and institutional installations of solar electric generation facilities which hold great potential for clean energy development but have certain limitations concerning economic feasibility. A participating public or private lender may finance one or more clean energy improvements to commercial, industrial, or government-owned real property, subject to certain conditions.

The bill also requires landlords to allow energy audits of rental properties if requested by a tenant, at the tenant's expense. Finally, the bill states that the supply of electricity or heat to a consumer from solar generating equipment not owned by the consumer, but which is located on the consumer's property, shall not be subject to regulation as a public utility by the Public Utilities Commission.

State Revenue

Governor's Energy Office. The Governor's Energy Office, as administrator of the Colorado Clean Energy Finance Program, is authorized to accept gifts, grants, donations, or advance deposits in an amount sufficient to defray the costs of design and production of a "Colorado Clean & Green" logo. No source of revenue has been identified at this time.

State Expenditures

Governor's Energy Office. The bill authorizes the Governor's Energy Office to produce a logo that may contain the slogan "Colorado Clean & Green". The title to the logo and copyrights for all marketing materials will remain with the office. Lenders and certified contractors may be permitted to use the logo in advertising, labeling, or marketing certain products and services. Logo design and production costs have not been identified at this time. Similarly, any expenditure impact to the office has not been estimated. It is assumed that the logo will not be designed until advance receipt of sufficient funding has been secured. No further appropriation is necessary since under current law, moneys in the Clean Energy Program Fund are continuously appropriated to the office.

State Treasurer. The bill increases the amount that the state treasurer may invest as part of the Colorado Clean Energy Finance Program created in SB08-184. To invest in these securities, the treasurer requires a rate of return from clean energy loans equivalent to the rate that could have been achieved through other investments. Therefore, this provision will not affect state revenue or expenditures.

Departments Contacted

Regulatory Agencies

Governor's Office

State Treasury