

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE CREATION OF THE CLEAN TECHNOLOGY DISCOVERY EVALUATION GRANT PROGRAM.

Prime Sponsors: Senator Heath
Representative Riesberg

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Summary of Amendments Made to the Bill After the 01/29/09 Legislative Council Staff Fiscal Note Was Prepared (Amended by the House Local Government and Energy Committee 02/05/09)

The House Local Government and Energy Committee Report replaced everything below the enacting clause. However, the Legislative Council Staff Fiscal Note dated January 29, 2009, was prepared based on the amendment which became the committee report. No additional update is required.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Amendments/Appropriation Status

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision providing a cash fund appropriation from the Clean Technology Discovery Evaluation Cash Fund of \$5.0 million and 1.0 FTE to the Office of the Governor, Economic Development Programs.

Bill Sponsor Amendments

Staff is not aware of any sponsor amendments to be offered.

Points to Consider

1. The funding mechanism provided by the bill is a fee charged on waste motor vehicle tires. While projects involving waste tires are allowed, there is no guarantee that any such projects will be funded. The Committee may wish to consider whether a fee on waste tires is an appropriate funding mechanism for a program which appears to be primarily focused on clean energy technology efforts, but does not guarantee that any portion of the money will support projects directly involving waste tires.

2. The bill imposes an additional constraint on the Colorado Renewable Energy Authority that is not imposed on other applicants for grants: the Authority must guarantee that at least one project funded by grants for which it applies involves waste tires. The Committee may wish to consider whether it would be more appropriate for such a constraint to be imposed on the Office of Economic Development, requiring that as the provider of grants, that Office guarantee that a certain fraction be used for projects involving waste tires.
3. Current statute (Section 24-75-1201 (2) (b) (II), C.R.S.) allows the Governor's Energy Office to use moneys from the Clean Energy Fund to "assist in technology transfer into the marketplace for newly developed energy efficiency and renewable energy technologies". This broad statement would cover many of the types of grant which the Office of Economic Development would make under the authority provided by this bill. The Committee may wish to consider whether it is efficient or proper to provide funding for a new program that overlaps with an existing program without clarifying the relationship between the two.