


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 07-0490
Prime Sponsor(s): Rep. Fischer
 Sen. Romer

Date: February 7, 2007
Bill Status: House Transportation and Energy
Fiscal Analyst: Bill Goosmann (303-866-3561)

TITLE: CONCERNING GRANTS ADMINISTERED BY THE GOVERNOR'S OFFICE OF ENERGY MANAGEMENT AND CONSERVATION REGARDING ENERGY, AND, IN CONNECTION THEREWITH, AUTHORIZING A COLORADO ENERGY PROFILE AND A COUNTY-LEVEL CARBON SEQUESTRATION STUDY.

Fiscal Impact Summary	FY 2007-2008	FY 2008-2009
State Revenue	\$0	\$0
State Expenditures		
General Fund	\$491,000	\$0
FTE Position Change	0.0 FTE	0.0 FTE
Effective Date: Upon signature of the Governor.		
Appropriation Summary for FY 2007-2008: See State Appropriations section of fiscal note.		
Local Government Impacts: None		

Summary of Legislation

This bill directs the Governor's Office of Energy Management and Conservation to award \$491,000 in FY 2007-08 for the following studies:

- \$175,000 to Colorado State University for a study of the potential for carbon sequestration and greenhouse gas mitigation in Colorado; and
- \$316,000 to the School of Law at the University of Colorado to develop a "Colorado energy profile" that details the state's current and projected future energy resources.

The energy profile will be developed in conjunction with the Colorado Energy Research Institute at the Colorado School of Mines. This information would be used to establish a market-based approach for carbon credits in the state. A final report from the study must be submitted to the state legislature by March 15, 2009.

Background

"Carbon sequestration" refers to the removal of carbon dioxide from the atmosphere and using one or more mechanisms to store it long term. Carbon may be stored as living things such as trees in a forest or as non-living components (e.g., geologic formations). Capturing atmospheric carbon in this way is intended to reduce the concentration of carbon dioxide in the atmosphere and its contribution to global warming.

State Expenditures

For FY 2007-08, the bill directs the Governor's Office of Energy Management and Conservation to award \$491,000 as follows: \$175,000 to Colorado State University and \$316,000 to the School of Law at the University of Colorado at Boulder for the studies noted above.

State Appropriations

For FY 2007-08, the Governor's Office of Energy Management and Conservation will need a General Fund appropriation of \$491,000 to award the two grants noted above. No FTE are indicated.

Departments Contacted

Higher Education
Agriculture
Public Health and Environment

Governor's Office
Natural Resources