

**First Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 09-0621.01 Richard Sweetman

HOUSE BILL 09-1312

HOUSE SPONSORSHIP

Kerr A., Merrifield, Middleton, Scanlan, Todd

SENATE SPONSORSHIP

(None),

House Committees
Education

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR**
102 **SCHOOLS LOAN PROGRAM.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Creates the renewable energy and energy efficiency for schools loan program (loan program) to fund renewable energy projects and battery-powered and hybrid-electric bus projects in qualified school districts. Makes administration of the loan program a permissible use of moneys appropriated from the public school energy efficiency fund. Extends the repeal date associated with the public school energy efficiency fund.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

HOUSE
Amended 2nd Reading
April 2, 2009

Requires the governor's energy office (office) to administer the loan program. Requires the state board of education, in consultation with the office, to promulgate rules establishing policies and procedures for the administration of the program. Requires the office to review each loan application, evaluate each project associated with a loan application, and make recommendations to the state treasurer as to whether to award a loan and the amount of the loan.

Creates the renewable energy and energy efficiency for schools loan program administration fund (fund) in the state treasury. Specifies that the moneys in the fund shall be used to pay for costs incurred by the office in administering the program but shall not be included in any loan made to a qualified school district.

Authorizes the state treasurer to make loans and determine the interest rates and repayment terms of loans under the program. Authorizes the state treasurer to withhold amounts from a school district's payments of the state's share of the school district's total program received in accordance with the "Public School Finance Act of 1994" in the event that the school district fails to make timely payments against a loan received from the program.

Allows a qualified school district that receives a loan from the loan program for a renewable energy project to use the moneys received to finance the acquisition of a renewable energy project. Requires a qualified school district that receives a loan from the loan program for a renewable energy project to contact its local electrical utility and allow the utility, at the discretion of the utility, to place a representative of the utility on the school district's renewable energy project team.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** Title 22, Colorado Revised Statutes, is amended BY
3 THE ADDITION OF A NEW ARTICLE to read:

4 **ARTICLE 92**

5 **Renewable Energy and Energy Efficiency**
6 **for Schools Loan Program**

7 **22-92-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND MAY
8 BE CITED AS THE "RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR
9 SCHOOLS LOAN PROGRAM ACT".

10 **22-92-102. Legislative declaration.** (1) THE GENERAL

1 ASSEMBLY HEREBY FINDS THAT:

2 (a) COLORADO'S SCHOOL DISTRICTS FACE A PERENNIAL STRUGGLE
3 WITH TIGHT BUDGETS, AND THEIR FINANCIAL DIFFICULTIES ARE WORSENERD
4 BY VOLATILE ENERGY PRICES THAT OFTEN LEAD TO HIGH UTILITY BILLS;

5 (b) A SMALL BUT GROWING NUMBER OF SCHOOL DISTRICTS HAVE
6 RESPONDED TO THESE DIFFICULTIES BY BEGINNING TO PRODUCE THEIR
7 OWN ENERGY WITH RENEWABLE ENERGY SOURCES;

8 (c) BY PRODUCING THEIR OWN ENERGY WITH RENEWABLE ENERGY
9 SOURCES, SOME SCHOOL DISTRICTS HAVE REDUCED THEIR ENERGY COSTS
10 WHILE PROMOTING ENERGY INDEPENDENCE AND ENVIRONMENTAL
11 RESPONSIBILITY AND HAVE PROVIDED STUDENTS WITH AN OPPORTUNITY
12 TO UNDERSTAND THIS BURGEONING TECHNOLOGY; AND

13 (d) SOME SCHOOL DISTRICTS HAVE ALSO REDUCED THEIR ENERGY
14 COSTS BY IMPROVING THE EFFICIENCY OF THEIR EXISTING ENERGY
15 SOURCES.

16 (2) THE GENERAL ASSEMBLY FURTHER FINDS THAT SECTION 3 OF
17 ARTICLE IX OF THE STATE CONSTITUTION AUTHORIZES THE GENERAL
18 ASSEMBLY TO ADOPT LAWS ESTABLISHING THE TERMS AND CONDITIONS
19 UPON WHICH THE STATE TREASURER MAY MAKE LOANS TO SCHOOL
20 DISTRICTS IN ORDER TO ASSIST PUBLIC SCHOOLS IN PROVIDING NECESSARY
21 BUILDINGS, LAND, AND EQUIPMENT.

22 (3) NOW, THEREFORE, THE GENERAL ASSEMBLY DETERMINES AND
23 DECLARES THAT IT WOULD SERVE THE BEST INTERESTS OF COLORADO
24 SCHOOLS FOR THE STATE TO MAKE AVAILABLE LOANS TO SUPPORT THE
25 EFFORTS OF SCHOOL DISTRICTS THAT CHOOSE TO UNDERTAKE RENEWABLE
26 ENERGY PROJECTS OR BATTERY-POWERED, COMPRESSED NATURAL GAS, OR
27 HYBRID-ELECTRIC BUS PROJECTS.

1 **22-92-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
2 CONTEXT OTHERWISE REQUIRES:

3 (1) "BATTERY-POWERED, COMPRESSED NATURAL GAS, OR
4 HYBRID-ELECTRIC BUS PROJECT" MEANS A PROJECT TO HELP A QUALIFIED
5 SCHOOL DISTRICT ATTAIN AND EMPLOY BATTERY-POWERED, COMPRESSED
6 NATURAL GAS, OR HYBRID-ELECTRIC BUSES IN ITS DAILY TRANSPORTATION
7 OPERATIONS FOR THE PURPOSE OF REDUCING ENERGY CONSUMPTION AND
8 EXPENDITURES.

9 (2) "GOVERNOR'S ENERGY OFFICE" OR "OFFICE" MEANS THE
10 GOVERNOR'S ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S., OR
11 ANY SUCCESSOR OFFICE.

12 (3) "PUBLIC SCHOOL FUND" MEANS THE PUBLIC SCHOOL FUND
13 CREATED AND EXISTING PURSUANT TO SECTION 3 OF ARTICLE IX OF THE
14 STATE CONSTITUTION.

15 (4) "QUALIFIED SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT IN
16 THE STATE THAT HAS A RENEWABLE ENERGY PROJECT TEAM.

17 (5) "RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS
18 LOAN PROGRAM" OR "LOAN PROGRAM" MEANS THE RENEWABLE ENERGY
19 AND ENERGY EFFICIENCY FOR SCHOOLS LOAN PROGRAM CREATED IN
20 SECTION 22-92-104.

21 (6) "RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS
22 LOAN PROGRAM ADMINISTRATION FUND" OR "FUND" MEANS THE
23 RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS LOAN
24 PROGRAM ADMINISTRATION FUND CREATED IN SECTION 22-92-106.

25 (7) "RENEWABLE ENERGY PROJECT" MEANS A PROJECT TO HELP A
26 QUALIFIED SCHOOL DISTRICT INSTALL EQUIPMENT AND RELATED
27 INFRASTRUCTURE THAT WILL HELP DEFRAY THE SCHOOL DISTRICT'S

1 ENERGY COSTS AND PROVIDE EDUCATIONAL OPPORTUNITIES FOR
2 STUDENTS RELATING TO THE GENERATION OF RENEWABLE ENERGY. A
3 "RENEWABLE ENERGY PROJECT" SHALL BE OPERATED IN COMPLIANCE WITH
4 EXISTING LAWS AND MAY INCORPORATE ONE OR MORE OF THE FOLLOWING:

- 5 (a) WIND ENERGY;
- 6 (b) SOLAR ENERGY; OR
- 7 (c) OTHER SOURCES OF RENEWABLE ENERGY.

8 (8) "RENEWABLE ENERGY PROJECT TEAM" MEANS A TEAM OF
9 PEOPLE WHO ARE DEDICATED TO A RENEWABLE ENERGY PROJECT AT A
10 SCHOOL DISTRICT. A RENEWABLE ENERGY PROJECT TEAM SHALL INCLUDE,
11 AT A MINIMUM, REPRESENTATIVES OF THE SCHOOL DISTRICT,
12 REPRESENTATIVES OF THE LOCAL COMMUNITY, AND AT LEAST ONE
13 MEMBER WHO PROVIDES PROFESSIONAL TECHNICAL ASSISTANCE TO THE
14 SCHOOL DISTRICT TO FACILITATE A RENEWABLE ENERGY PROJECT OR A
15 BATTERY-POWERED, COMPRESSED NATURAL GAS, OR HYBRID-ELECTRIC
16 BUS PROJECT. THE MEMBER OF A RENEWABLE ENERGY PROJECT TEAM
17 WHO PROVIDES PROFESSIONAL TECHNICAL ASSISTANCE TO THE SCHOOL
18 DISTRICT MAY BE A REPRESENTATIVE OF A LOCAL ELECTRICAL UTILITY.

19 **22-92-104. Renewable energy and energy efficiency for schools**
20 **loan program - created - applications - permissible uses of loans.**

21 (1) THERE IS HEREBY CREATED THE RENEWABLE ENERGY AND ENERGY
22 EFFICIENCY FOR SCHOOLS LOAN PROGRAM TO FUND RENEWABLE ENERGY
23 PROJECTS AND BATTERY-POWERED, COMPRESSED NATURAL GAS, OR
24 HYBRID-ELECTRIC BUS PROJECTS AT QUALIFIED SCHOOL DISTRICTS. A
25 QUALIFIED SCHOOL DISTRICT MAY, WITH THE WRITTEN AUTHORIZATION OF
26 THE SCHOOL DISTRICT BOARD OF EDUCATION, APPLY TO THE GOVERNOR'S
27 ENERGY OFFICE, IN ACCORDANCE WITH PROCEDURES AND DEADLINES

1 ESTABLISHED BY RULES PROMULGATED BY THE STATE BOARD OF
2 EDUCATION PURSUANT TO SECTION 22-92-105, TO RECEIVE MONEYS
3 THROUGH THE LOAN PROGRAM. THE OFFICE SHALL ADMINISTER THE LOAN
4 PROGRAM AS PROVIDED IN THIS ARTICLE AND PURSUANT TO THE POLICIES
5 ADOPTED BY THE OFFICE.

6 (2) (a) A QUALIFIED SCHOOL DISTRICT THAT RECEIVES A LOAN
7 THROUGH THE LOAN PROGRAM SHALL USE THE MONEYS RECEIVED TO PAY
8 FOR TECHNICAL ASSISTANCE, EQUIPMENT, OR INSTALLATION COSTS
9 ASSOCIATED WITH A RENEWABLE ENERGY PROJECT OR A
10 BATTERY-POWERED, COMPRESSED NATURAL GAS, OR HYBRID-ELECTRIC
11 BUS PROJECT.

12 (b) A QUALIFIED SCHOOL DISTRICT THAT RECEIVES A LOAN
13 THROUGH THE LOAN PROGRAM FOR A RENEWABLE ENERGY PROJECT MAY
14 USE THE MONEYS RECEIVED TO FINANCE THE ACQUISITION OF A
15 RENEWABLE ENERGY PROJECT.

16 (3) A QUALIFIED SCHOOL DISTRICT THAT APPLIES FOR A LOAN
17 THROUGH THE LOAN PROGRAM FOR A RENEWABLE ENERGY PROJECT SHALL
18 CONTACT ITS LOCAL ELECTRICAL UTILITY AND ALLOW THE UTILITY, AT THE
19 UTILITY'S DISCRETION, TO PLACE A REPRESENTATIVE OF THE UTILITY ON
20 THE SCHOOL DISTRICT'S RENEWABLE ENERGY PROJECT TEAM.

21 **22-92-105. Renewable energy and energy efficiency for schools**
22 **loan program - rules - awarding loans.** (1) ON OR BEFORE OCTOBER
23 15, 2009, THE STATE BOARD OF EDUCATION, IN CONSULTATION WITH THE
24 GOVERNOR'S ENERGY OFFICE, SHALL PROMULGATE RULES ESTABLISHING
25 POLICIES AND PROCEDURES FOR THE ADMINISTRATION OF THE RENEWABLE
26 ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS LOAN PROGRAM. AT A
27 MINIMUM, THE RULES SHALL INCLUDE:

1 (a) POLICIES SPECIFYING THE PROCEDURES BY WHICH A QUALIFIED
2 SCHOOL DISTRICT MAY APPLY FOR A LOAN, THE FORM OF THE LOAN
3 APPLICATION, THE INFORMATION TO BE PROVIDED BY AN APPLICANT, AND
4 THE CRITERIA USED BY THE OFFICE FOR AWARDING AND DENYING LOANS;

5 (b) THE REQUIREMENTS THAT THE OFFICE SHALL REQUIRE OF LOAN
6 APPLICANTS, WHICH REQUIREMENTS SHALL INCLUDE, BUT NEED NOT BE
7 LIMITED TO A REQUIREMENT THAT A LOAN APPLICANT SUBMIT WITH ITS
8 APPLICATION:

9 (I) AN ENERGY RATING FOR THE FACILITY FOR WHICH THE LOAN IS
10 INTENDED THAT DEMONSTRATES THAT THE FACILITY QUALIFIES FOR THE
11 FEDERAL ENERGY STAR LABEL, WHICH RATING HAS BEEN ISSUED AS A
12 RESULT OF AN AUDIT PERFORMED BY A QUALIFIED ENERGY EFFICIENCY
13 AUDITOR; OR

14 (II) AN ENERGY EFFICIENCY PLAN THAT IS CREATED IN
15 CONSULTATION WITH THE OFFICE, WHICH PLAN INCLUDES:

16 (A) COST-EFFECTIVE ENERGY-SAVING MEASURES AND PROGRAMS
17 THAT THE APPLICANT WILL IMPLEMENT; AND

18 (B) ACTIONS THAT THE APPLICANT WILL TAKE TO IMPLEMENT
19 MONITOR, REVIEW, AND REVISE THE PLAN.

20 (2) (a) THE GOVERNOR'S ENERGY OFFICE SHALL REVIEW EACH LOAN
21 APPLICATION RECEIVED FROM A QUALIFIED SCHOOL DISTRICT PURSUANT TO
22 SECTION 22-92-104 (1), EVALUATE THE RENEWABLE ENERGY PROJECT OR
23 BATTERY-POWERED, COMPRESSED NATURAL GAS, OR HYBRID-ELECTRIC
24 BUS PROJECT DESCRIBED THEREIN, AND MAKE A RECOMMENDATION TO THE
25 STATE TREASURER AS TO WHETHER TO AWARD THE LOAN AND THE AMOUNT
26 OF THE LOAN. IF THE OFFICE DETERMINES AN APPLICATION IS MISSING ANY
27 INFORMATION REQUIRED BY THE OFFICE'S POLICY TO BE INCLUDED WITH

1 THE APPLICATION, THE OFFICE MAY CONTACT THE APPLICANT TO OBTAIN
2 THE MISSING INFORMATION.

3 (b) IN REVIEWING LOAN APPLICATIONS FOR RENEWABLE ENERGY
4 PROJECTS AND BATTERY-POWERED, COMPRESSED NATURAL GAS, OR
5 HYBRID-ELECTRIC BUS PROJECTS PURSUANT TO PARAGRAPH (a) OF THIS
6 SUBSECTION (2), THE GOVERNOR'S ENERGY OFFICE SHALL CONSIDER, AT A
7 MINIMUM, WHETHER A QUALIFIED SCHOOL DISTRICT WOULD REDUCE ITS
8 ENERGY COSTS BY THE IMPLEMENTATION OF THE RENEWABLE ENERGY
9 PROJECT OR BATTERY-POWERED, COMPRESSED NATURAL GAS, OR
10 HYBRID-ELECTRIC BUS PROJECT THAT IS THE SUBJECT OF EACH LOAN
11 APPLICATION.

12 (3) THE STATE TREASURER IS AUTHORIZED TO REQUIRE EACH
13 QUALIFIED SCHOOL DISTRICT THAT RECEIVES A LOAN FROM THE LOAN
14 PROGRAM TO PAY TO THE GOVERNOR'S ENERGY OFFICE A FEE THAT
15 REFLECTS THE DIRECT AND INDIRECT COSTS INCURRED BY THE STATE
16 TREASURER IN ADMINISTERING LOANS PURSUANT TO SECTION 22-92-107.
17 IF THE STATE TREASURER ELECTS TO IMPOSE A FEE PURSUANT TO THIS
18 SUBSECTION (3), HE OR SHE SHALL NOTIFY THE GOVERNOR'S ENERGY
19 OFFICE AND THE STATE BOARD OF EDUCATION OF THE DECISION TO IMPOSE
20 THE FEE. A FEE IMPOSED PURSUANT TO THIS SUBSECTION (3) MAY BE
21 IMPOSED ON A REGULARLY SCHEDULED BASIS TO BE DETERMINED BY THE
22 STATE TREASURER. A QUALIFIED SCHOOL DISTRICT THAT RECEIVES A LOAN
23 FROM THE LOAN PROGRAM SHALL BE REQUIRED TO PAY THE FEE UNTIL THE
24 LOAN IS REPAYED IN FULL.

25 (4) IF THE STATE TREASURER ELECTS TO IMPOSE A FEE AS PART OF
26 THE LOAN APPLICATION PROCESS PURSUANT TO SUBSECTION (3) OF THIS
27 SECTION, THE GOVERNOR'S ENERGY OFFICE SHALL FORWARD ALL MONEYS

1 RECEIVED AS FEES TO THE STATE TREASURER.

2 **22-92-106. Renewable energy and energy efficiency for schools**
3 **loan program administration fund - creation - administrative costs.**

4 (1) THERE IS HEREBY CREATED IN THE STATE TREASURY THE RENEWABLE
5 ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS LOAN PROGRAM
6 ADMINISTRATION FUND. THE FUND SHALL CONSIST OF:

7 (a) MONEYS APPROPRIATED TO THE FUND FROM THE PUBLIC
8 SCHOOL ENERGY EFFICIENCY FUND CREATED IN SECTION 39-29-109.5 (2),
9 C.R.S.;

10 (b) ANY OTHER MONEYS APPROPRIATED BY THE GENERAL
11 ASSEMBLY TO THE FUND;

12 (c) ANY GIFTS, GRANTS, OR DONATIONS RECEIVED BY THE OFFICE
13 FOR THE FUND PURSUANT TO SUBSECTION (4) OF THIS SECTION; AND

14 (d) ANY OTHER MONEYS DIRECTED TO THE FUND BY THE OFFICE
15 PURSUANT TO SUBSECTION (5) OF THIS SECTION.

16 (2) THE MONEYS IN THE FUND SHALL BE SUBJECT TO ANNUAL
17 APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE DIRECT AND
18 INDIRECT COSTS INCURRED BY THE OFFICE IN ADMINISTERING THE
19 PROGRAM PURSUANT TO THIS ARTICLE. THE MONEYS IN THE FUND SHALL
20 NOT BE INCLUDED IN ANY LOAN MADE TO A QUALIFIED SCHOOL DISTRICT
21 PURSUANT TO THIS ARTICLE.

22 (3) ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF
23 THIS ARTICLE MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED
24 BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND
25 DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY
26 UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT
27 THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE

1 CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

2 (4) THE OFFICE MAY SEEK AND ACCEPT GIFTS, GRANTS, AND
3 DONATIONS FROM PUBLIC AND PRIVATE SOURCES TO FUND THE PROGRAM,
4 BUT RECEIPT OF GIFTS, GRANTS, AND DONATIONS SHALL NOT BE A
5 PREREQUISITE TO THE IMPLEMENTATION OF THE PROGRAM. ALL PRIVATE
6 AND PUBLIC FUNDS RECEIVED THROUGH GIFTS, GRANTS, AND DONATIONS
7 SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT
8 THE SAME TO THE FUND.

9 (5) TO THE EXTENT PERMITTED BY LAW, THE OFFICE MAY, AT ITS
10 DISCRETION, DIRECT OTHER MONEYS TO FUND THE PROGRAM.

11 **22-92-107. Loans from public school fund authorized.** (1) AS
12 AUTHORIZED UNDER THE PROVISIONS OF SECTION 3 OF ARTICLE IX OF THE
13 STATE CONSTITUTION, THE STATE TREASURER MAY MAKE LOANS TO
14 SCHOOL DISTRICTS TO ASSIST THEM IN PROVIDING NECESSARY BUILDINGS,
15 LAND, AND EQUIPMENT, INCLUDING RENEWABLE ENERGY PROJECTS AND
16 BATTERY-POWERED, COMPRESSED NATURAL GAS, OR HYBRID-ELECTRIC
17 BUS PROJECTS AS DESCRIBED IN THIS ARTICLE. LOANS MADE PURSUANT TO
18 THIS ARTICLE SHALL NOT BE SUBJECT TO THE PROVISIONS OF SECTION
19 24-36-113, C.R.S., THAT REQUIRE THE STATE TREASURER TO SECURE THE
20 MAXIMUM RATE OF INTEREST ON INVESTMENTS OF STATE MONEYS. THE
21 PROCEDURES FOR THE MAKING OF LOANS SHALL BE DETERMINED BY THE
22 STATE TREASURER SUBJECT TO THE FOLLOWING:

23 (a) NO LOAN SHALL BE AUTHORIZED FOR ANY RENEWABLE ENERGY
24 PROJECT OR BATTERY-POWERED, COMPRESSED NATURAL GAS, OR
25 HYBRID-ELECTRIC BUS PROJECT THAT HAS NOT BEEN EVALUATED BY THE
26 GOVERNOR'S ENERGY OFFICE PURSUANT TO SECTION 22-92-105 (2) (a).

27 (b) NO LOAN SHALL BE AUTHORIZED IN AN AMOUNT EXCEEDING

1 THE AMOUNT RECOMMENDED BY THE GOVERNOR'S ENERGY OFFICE
2 PURSUANT TO SECTION 22-92-105 (2) (a) UNLESS THE GOVERNOR'S ENERGY
3 OFFICE APPROVES THE CHANGE IN THE LOAN AMOUNT.

4 (c) NO LOAN SHALL BE AUTHORIZED UNLESS THE METHOD FOR
5 REPAYMENT OF THE LOAN IS SPECIFIED IN THE APPLICATION.

6 (2) (a) SUBJECT TO THE LIMITATIONS DESCRIBED IN THIS SECTION,
7 THE STATE TREASURER SHALL DETERMINE THE AMOUNT OF THE
8 PERMANENT SCHOOL FUND THAT MAY BE LOANED OUT PURSUANT TO THIS
9 SECTION, WHICH QUALIFIED SCHOOL DISTRICTS SHALL RECEIVE LOANS, THE
10 AMOUNT OF EACH LOAN, THE TERMS OF REPAYMENT OF EACH LOAN, AND
11 THE RATE OF INTEREST TO BE CHARGED ON LOANS. THE AVERAGE RATE OF
12 INTEREST CHARGED ON LOANS MADE IN ANY CALENDAR YEAR MUST
13 EXCEED THE AVERAGE BOOK YIELD EARNED BY THE FUND IN THE MOST
14 RECENTLY COMPLETED QUARTER. PAYMENTS OF THE PRINCIPAL OF AND
15 INTEREST ON ALL LOANS SHALL BE RETURNED TO THE PUBLIC SCHOOL
16 FUND.

17 (b) THE STATE TREASURER MAY INCLUDE, AS PART OF ANY LOAN
18 AGREEMENT WITH ANY QUALIFIED SCHOOL DISTRICT, WHATEVER TERMS
19 AND CONDITIONS HE OR SHE FEELS ARE NECESSARY TO PROTECT THE
20 PRINCIPAL OF THE PUBLIC SCHOOL FUND AGAINST LOSS.

21 (3) THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY FROM
22 THE GENERAL FUND TO RESTORE MONEYS TO THE PUBLIC SCHOOL FUND,
23 TOGETHER WITH INTEREST, THAT ARE LOST BY REASON OF THE FAILURE OF
24 ANY SCHOOL DISTRICT TO REPAY A LOAN MADE PURSUANT TO THIS
25 SECTION.

26 (4) ADMINISTRATIVE COSTS THAT WILL BE INCURRED BY A
27 QUALIFIED SCHOOL DISTRICT AS A RESULT OF THE RENEWABLE ENERGY

1 PROJECT OR BATTERY-POWERED OR HYBRID-ELECTRIC BUS PROJECT THAT
2 IS THE BASIS FOR THE LOAN MAY BE INCLUDED IN THE AMOUNT OF THE
3 LOAN.

4 **SECTION 2.** 22-41-110 (1) (b), Colorado Revised Statutes, is
5 amended to read:

6 **22-41-110. Timely payment of school district obligations.**

7 (1) (b) This section applies to:

8 (I) General obligation bonds issued by a school district on or after
9 July 1, 1991, pursuant to article 42 or 43 of this title; ~~to~~

10 (II) Obligations of a school district in connection with a lease
11 agreement or installment purchase agreement entered into by a school
12 district under section 22-32-127 or 22-45-103 (1) (c) on or after July 1,
13 1991; ~~and to~~

14 (III) Refunding bonds issued by a school district pursuant to article
15 56 of title 11, C.R.S.; AND

16 (IV) OBLIGATIONS OF A SCHOOL DISTRICT IN CONNECTION WITH A
17 LOAN RECEIVED UNDER THE RENEWABLE ENERGY AND ENERGY EFFICIENCY
18 FOR SCHOOLS LOAN PROGRAM CREATED IN SECTION 22-92-104.

19 **SECTION 3.** 24-38.5-102 (1), Colorado Revised Statutes, is
20 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

21 **24-38.5-102. Governor's energy office - duties and powers.**

22 (1) The governor's energy office shall:

23 (q) IMPLEMENT AND ADMINISTER THE RENEWABLE ENERGY AND
24 ENERGY EFFICIENCY FOR SCHOOLS LOAN PROGRAM PURSUANT TO ARTICLE
25 92 OF TITLE 22, C.R.S.

26 **SECTION 4.** 39-29-109.5 (3) (c), (3) (d), and (5), Colorado
27 Revised Statutes, are amended, and the said 39-29-109.5 (3) is further

1 amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

2 **39-29-109.5. Interest differential - public school energy**
3 **efficiency fund - creation - uses - definitions - repeal.** (3) The
4 governor's energy office shall use moneys appropriated from the fund to
5 establish and manage a program to improve energy efficiency in public
6 schools. In administering the program, the office shall give consideration
7 to whether a public school or school district is located in an area socially
8 or economically impacted by the development, processing, or energy
9 conversion of minerals and mineral fuels subject to taxation under this
10 article. The program shall include the following features:

11 (c) Assisting school districts in increasing the effectiveness of their
12 utility budget management; ~~and~~

13 (d) Providing training and supporting resources related to energy
14 efficiency for school districts; AND

15 (e) PROVIDING FUNDING FOR THE ADMINISTRATION OF THE
16 RENEWABLE ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS LOAN
17 PROGRAM CREATED IN SECTION 22-92-104, C.R.S.

18 (5) This section is repealed, effective ~~July 1, 2012~~ JULY 1, 2017.

19 **SECTION 5. Act subject to petition - effective date.** This act
20 shall take effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly that is
22 allowed for submitting a referendum petition pursuant to article V, section
23 1 (3) of the state constitution, (August 4, 2009, if adjournment sine die is
24 on May 6, 2009); except that, if a referendum petition is filed against this
25 act or an item, section, or part of this act within such period, then the act,
26 item, section, or part, if approved by the people, shall take effect on the

- 1 date of the official declaration of the vote thereon by proclamation of the
- 2 governor.