

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

REVISED

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

LLS NO. 09-0621.01 Richard Sweetman

HOUSE BILL 09-1312

HOUSE SPONSORSHIP

Kerr A., Merrifield, Middleton, Scanlan, Todd

SENATE SPONSORSHIP

Schwartz and Romer,

House Committees
Education

Senate Committees
Education
Appropriations

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.*

SENATE
Am ended 2nd Reading
April 28, 2009

HOUSE
3rd Reading Unam ended
April 3, 2009

HOUSE
Am ended 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 ENERGY-EFFICIENT BUS PROJECTS.
27 HYBRID-ELECTRIC BUS PROJECTS. FURTHERMORE, TO ENSURE THAT THE

1 BEST INTERESTS OF COLORADO SCHOOLS ARE BEING SERVED, THE
2 LEGISLATIVE SERVICE AGENCIES OF THE GENERAL ASSEMBLY SHALL
3 CONDUCT A POST-ENACTMENT REVIEW OF THIS ACT AND REPORT THEIR
4 CONCLUSIONS TO THE EDUCATION COMMITTEES OF THE HOUSE OF
5 REPRESENTATIVES AND SENATE, OR ANY SUCCESSOR COMMITTEES. THE
6 REVIEW SHALL INCLUDE CONSIDERATION OF THE FOLLOWING
7 INFORMATION:

8 (a) THE NAME AND LOCATION OF EACH QUALIFIED SCHOOL
9 DISTRICT THAT HAS APPLIED FOR A LOAN FROM THE LOAN PROGRAM;

10 (b) THE NUMBER OF LOANS THAT HAVE BEEN AWARDED TO
11 QUALIFIED SCHOOL DISTRICTS FROM THE LOAN PROGRAM;

12 (c) THE NAME AND LOCATION OF EACH QUALIFIED SCHOOL
13 DISTRICT THAT HAS BEEN AWARDED A LOAN FROM THE LOAN PROGRAM;

14 (d) THE AMOUNT OF EACH LOAN THAT IS AWARDED TO A
15 QUALIFIED SCHOOL DISTRICT FROM THE LOAN PROGRAM;

16 (e) THE TERMS OF REPAYMENT FOR EACH LOAN THAT IS AWARDED
17 TO A QUALIFIED SCHOOL DISTRICT FROM THE LOAN PROGRAM;

18 (f) THE RATE OF INTEREST THAT IS BEING CHARGED ON EACH LOAN
19 THAT IS AWARDED TO A QUALIFIED SCHOOL DISTRICT FROM THE LOAN
20 PROGRAM; AND

21 (g) ANY OTHER INFORMATION THAT THE LEGISLATIVE SERVICE
22 AGENCIES DETERMINE MAY BE HELPFUL TO THE EDUCATION COMMITTEES
23 OF THE HOUSE OF REPRESENTATIVES AND SENATE, OR ANY SUCCESSOR
24 COMMITTEES, IN EVALUATING THE EFFECTIVENESS OF THE LOAN PROGRAM.

25 **22-92-103. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
26 CONTEXT OTHERWISE REQUIRES:

27 (1) "BANK" SHALL HAVE THE SAME MEANING AS SET FORTH IN

1 SECTION 11-101-401 (5), C.R.S.

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

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

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

13 (5) "QUALIFIED SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT IN
14 THE STATE THAT HAS A RENEWABLE ENERGY PROJECT TEAM.

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

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

23 (8) "RENEWABLE ENERGY PROJECT" MEANS A PROJECT TO HELP A
24 QUALIFIED SCHOOL DISTRICT INSTALL EQUIPMENT AND RELATED
25 INFRASTRUCTURE THAT WILL HELP DEFRAY THE SCHOOL DISTRICT'S
26 ENERGY COSTS AND PROVIDE EDUCATIONAL OPPORTUNITIES FOR
27 STUDENTS RELATING TO THE GENERATION OF RENEWABLE ENERGY. A

1 "RENEWABLE ENERGY PROJECT" SHALL BE OPERATED IN COMPLIANCE WITH
2 EXISTING LAWS AND MAY INCORPORATE ONE OR MORE OF THE FOLLOWING:

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

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

17 **22-92-104. Renewable energy and energy efficiency for schools**
18 **loan program - created - applications - permissible uses of loans.**

19 (1) THERE IS HEREBY CREATED THE RENEWABLE ENERGY AND ENERGY
20 EFFICIENCY FOR SCHOOLS LOAN PROGRAM TO FUND RENEWABLE ENERGY
21 PROJECTS AND ENERGY-EFFICIENT BUS PROJECTS AT QUALIFIED SCHOOL
22 DISTRICTS. A QUALIFIED SCHOOL DISTRICT MAY, WITH THE WRITTEN
23 AUTHORIZATION OF THE SCHOOL DISTRICT BOARD OF EDUCATION, APPLY
24 TO THE GOVERNOR'S ENERGY OFFICE, IN ACCORDANCE WITH PROCEDURES
25 AND DEADLINES ESTABLISHED BY RULES PROMULGATED BY THE STATE
26 BOARD OF EDUCATION PURSUANT TO SECTION 22-92-105, TO RECEIVE
27 MONEYS THROUGH THE LOAN PROGRAM. THE OFFICE SHALL ADMINISTER

1 THE LOAN PROGRAM AS PROVIDED IN THIS ARTICLE AND PURSUANT TO THE
2 POLICIES ADOPTED BY THE OFFICE.

3 (2) IF A QUALIFIED SCHOOL DISTRICT APPLIES FOR A LOAN FROM
4 THE LOAN PROGRAM PURSUANT TO SUBSECTION (1) OF THIS SECTION, AND
5 THE STATE TREASURER AUTHORIZES A LOAN FOR THE SCHOOL DISTRICT
6 PURSUANT TO SECTION 22-92-107, THE SCHOOL DISTRICT SHALL NOT
7 ACCEPT THE LOAN UNLESS THE SCHOOL DISTRICT HAS FIRST DETERMINED
8 WHAT FINANCING TERMS ARE AVAILABLE TO IT FROM AT LEAST TWO
9 BANKS.

10 (3) (a) A QUALIFIED SCHOOL DISTRICT THAT RECEIVES A LOAN
11 THROUGH THE LOAN PROGRAM SHALL USE THE MONEYS RECEIVED TO PAY
12 FOR TECHNICAL ASSISTANCE, EQUIPMENT, OR INSTALLATION COSTS
13 ASSOCIATED WITH A RENEWABLE ENERGY PROJECT OR AN
14 ENERGY-EFFICIENT BUS PROJECT.

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

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

24 (5) A QUALIFIED SCHOOL DISTRICT MAY APPLY FOR A LOAN FROM
25 THE LOAN PROGRAM FOR A RENEWABLE ENERGY PROJECT OR AN
26 ENERGY-EFFICIENT BUS PROJECT THAT IS LOCATED AT A CHARTER SCHOOL
27 OF THE SCHOOL DISTRICT.

1 **22-92-105. Renewable energy and energy efficiency for schools**

2 **loan program - rules - awarding loans.** (1) ON OR BEFORE OCTOBER
3 15, 2009, THE STATE BOARD OF EDUCATION, IN CONSULTATION WITH THE
4 GOVERNOR'S ENERGY OFFICE, SHALL PROMULGATE RULES ESTABLISHING
5 POLICIES AND PROCEDURES FOR THE ADMINISTRATION OF THE RENEWABLE
6 ENERGY AND ENERGY EFFICIENCY FOR SCHOOLS LOAN PROGRAM. AT A
7 MINIMUM, THE RULES SHALL INCLUDE:

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

12 (b) THE REQUIREMENTS THAT THE OFFICE SHALL REQUIRE OF LOAN
13 APPLICANTS, WHICH REQUIREMENTS SHALL INCLUDE, BUT NEED NOT BE
14 LIMITED TO A REQUIREMENT THAT A LOAN APPLICANT SUBMIT WITH ITS
15 APPLICATION:

16 (I) AN ENERGY RATING FOR THE FACILITY FOR WHICH THE LOAN IS
17 INTENDED THAT DEMONSTRATES THAT THE FACILITY QUALIFIES FOR THE
18 FEDERAL ENERGY STAR LABEL, WHICH RATING HAS BEEN ISSUED AS A
19 RESULT OF AN AUDIT PERFORMED BY A QUALIFIED ENERGY EFFICIENCY
20 AUDITOR; OR

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

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

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

27 (2) (a) THE GOVERNOR'S ENERGY OFFICE SHALL REVIEW EACH LOAN

1 APPLICATION RECEIVED FROM A QUALIFIED SCHOOL DISTRICT PURSUANT TO
2 SECTION 22-92-104 (1), EVALUATE THE RENEWABLE ENERGY PROJECT OR
3 ENERGY-EFFICIENT BUS PROJECT DESCRIBED THEREIN, AND MAKE A
4 RECOMMENDATION TO THE STATE TREASURER AS TO WHETHER TO AWARD
5 THE LOAN AND THE AMOUNT OF THE LOAN. IF THE OFFICE DETERMINES AN
6 APPLICATION IS MISSING ANY INFORMATION REQUIRED BY THE OFFICE'S
7 POLICY TO BE INCLUDED WITH THE APPLICATION, THE OFFICE MAY
8 CONTACT THE APPLICANT TO OBTAIN THE MISSING INFORMATION.

9 (b) IN REVIEWING LOAN APPLICATIONS FOR RENEWABLE ENERGY
10 PROJECTS AND ENERGY-EFFICIENT _____ BUS PROJECTS PURSUANT TO
11 PARAGRAPH (a) OF THIS SUBSECTION (2), THE GOVERNOR'S ENERGY OFFICE
12 SHALL CONSIDER, AT A MINIMUM, WHETHER A QUALIFIED SCHOOL DISTRICT
13 WOULD REDUCE ITS ENERGY COSTS BY THE IMPLEMENTATION OF THE
14 RENEWABLE ENERGY PROJECT OR ENERGY-EFFICIENT _____ BUS PROJECT THAT
15 IS THE SUBJECT OF EACH LOAN APPLICATION.

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

1 LOAN IS REPAID IN FULL.

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

6 **22-92-106. Renewable energy and energy efficiency for schools**
7 **loan program administration fund - creation - administrative costs.**

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

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

14 (b) ANY OTHER MONEYS APPROPRIATED BY THE GENERAL
15 ASSEMBLY TO THE FUND;

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

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

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

26 (3) ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSE OF
27 THIS ARTICLE MAY BE INVESTED BY THE STATE TREASURER AS PROVIDED

1 BY LAW. ALL INTEREST AND INCOME DERIVED FROM THE INVESTMENT AND
2 DEPOSIT OF MONEYS IN THE FUND SHALL BE CREDITED TO THE FUND. ANY
3 UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND AT
4 THE END OF A FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE
5 CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND.

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

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

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

26 (a) NO LOAN SHALL BE AUTHORIZED FOR ANY RENEWABLE ENERGY
27 PROJECT OR ENERGY-EFFICIENT BUS PROJECT THAT HAS NOT BEEN

1 EVALUATED BY THE GOVERNOR'S ENERGY OFFICE PURSUANT TO SECTION
2 22-92-105 (2) (a).

3 (b) NO LOAN SHALL BE AUTHORIZED IN AN AMOUNT EXCEEDING
4 THE AMOUNT RECOMMENDED BY THE GOVERNOR'S ENERGY OFFICE
5 PURSUANT TO SECTION 22-92-105 (2) (a) UNLESS THE GOVERNOR'S ENERGY
6 OFFICE APPROVES THE CHANGE IN THE LOAN AMOUNT.

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

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

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

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

1 SECTION.

2 (4) ADMINISTRATIVE COSTS THAT WILL BE INCURRED BY A
3 QUALIFIED SCHOOL DISTRICT AS A RESULT OF THE RENEWABLE ENERGY
4 PROJECT OR ENERGY-EFFICIENT BUS PROJECT THAT IS THE BASIS FOR THE
5 LOAN MAY BE INCLUDED IN THE AMOUNT OF THE LOAN.

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

8 **22-41-110. Timely payment of school district obligations.**

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

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

12 (II) Obligations of a school district in connection with a lease
13 agreement or installment purchase agreement entered into by a school
14 district under section 22-32-127 or 22-45-103 (1) (c) on or after July 1,
15 1991; ~~and to~~

16 (III) Refunding bonds issued by a school district pursuant to article
17 56 of title 11, C.R.S.; AND

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

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

23 **24-38.5-102. Governor's energy office - duties and powers.**

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

25 (q) IMPLEMENT AND ADMINISTER THE RENEWABLE ENERGY AND
26 ENERGY EFFICIENCY FOR SCHOOLS LOAN PROGRAM PURSUANT TO ARTICLE
27 92 OF TITLE 22, C.R.S.

1 **SECTION 4.** 39-29-109.5 (3) (c), (3) (d), and (5), Colorado
2 Revised Statutes, are amended, and the said 39-29-109.5 (3) is further
3 amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

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

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

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

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

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

21 **SECTION 5. Accountability.** Two years after this act becomes
22 law and in accordance with section 2-2-1201, Colorado Revised Statutes,
23 the legislative service agencies of the Colorado General Assembly shall
24 conduct a post-enactment review of the implementation of this act
25 utilizing the information contained in the legislative declaration set forth
26 in section 22-92-102, Colorado Revised Statutes, which section is set forth
27 in section 1 of this act, and report their conclusions to the education

1 committees of the House of Representatives and Senate, or any successor
2 committees.

3 **SECTION 6. Act subject to petition - effective date.** This act
4 shall take effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly that is
6 allowed for submitting a referendum petition pursuant to article V, section
7 1 (3) of the state constitution, (August 4, 2009, if adjournment sine die is
8 on May 6, 2009); except that, if a referendum petition is filed against this
9 act or an item, section, or part of this act within such period, then the act,
10 item, section, or part, if approved by the people, shall take effect on the
11 date of the official declaration of the vote thereon by proclamation of the
12 governor.