First Regular Session Sixty-eighth General Assembly STATE OF COLORADO

ENGROSSED

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

LLS NO. 11-0463.02 Esther van Mourik

HOUSE BILL 11-1312

HOUSE SPONSORSHIP

Becker,

Hodge,

SENATE SPONSORSHIP

House Committees Senate Committees Agriculture, Livestock, & Natural Resources Appropriations

A BILL FOR AN ACT

101 CONCERNING THE REORGANIZATION OF THE GOVERNOR'S ENERGY

102 OFFICE, AND MAKING AN APPROPRIATION IN CONNECTION

103 THEREWITH.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billsummaries.)

The bill:

- ! Changes the name of the governor's energy office to the Colorado energy office;
- ! Requires that any regional representatives of the Colorado

HOUSE Am ended 2nd Reading M ay 5, 2011 energy office, as it existed prior to July 1, 2011, that helped engage municipalities, consumers, businesses, and others with the energy programs of the office be combined with any regional or business development representatives employed by the Colorado office of economic development and limited to one representative for each of 6 distinct regions of the state;

- ! Requires the director of the Colorado energy office to reduce the number of full-time equivalent employees of the office by 25% no later than the end of the 2011-12 state fiscal year;
- ! As part of the reorganization, changes the mission of the newly named Colorado energy office to:
 - Promoting economic development in Colorado through energy-market advances that create jobs;
 - ! Encouraging Colorado-based clean and innovative energy solutions that include traditional and renewable energy sources;
 - ! Increasing energy security;
 - ! Lowering long-term consumer costs; and
 - ! Protecting the environment; and
- ! Changes the name of the clean energy fund to the energy innovation fund and aligns the purposes of that fund with the new mission of the Colorado energy office.
- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 SECTION 1. 11-59.7-103 (13), Colorado Revised Statutes, is
- 3 amended, and the said 11-59.7-103 is further amended BY THE
- 4 ADDITION OF A NEW SUBSECTION, to read:
- 5

11-59.7-103. Definitions. As used in this article, unless the

- 6 context otherwise requires:
- 7 (8.5) "COLORADO ENERGY OFFICE" MEANS THE COLORADO
- 8 ENERGY OFFICE CREATED IN SECTION 24-38.5-101 (1), C.R.S.
- 9 (13) "Governor's energy office" means the governor's energy
- 10 office created in section 24-38.5-101 (1), C.R.S.
- 11 SECTION 2. 11-59.7-107, Colorado Revised Statutes, is

1 amended to read:

2 11-59.7-107. Qualified energy conservation bond volume cap. 3 The qualified energy conservation bond volume cap shall be (1)4 administered by the governor's COLORADO energy office pursuant to this 5 section. The governor's COLORADO energy office shall allocate the 6 qualified energy conservation bond volume cap to the state and large local 7 governments in accordance with federal law for the purpose of financing 8 or refinancing projects approved by the governor's COLORADO energy 9 office. The qualified energy conservation bond volume cap for calendar 10 year 2009 shall be allocated by the thirtieth day following June 2, 2009. 11 The qualified energy conservation bond volume cap for each subsequent 12 calendar year shall be allocated on or before February 15 of the calendar 13 year.

(2) The state may reallocate any portion of the qualified energy
conservation bond volume cap allocated or reallocated to the state
pursuant to this section to any public entity for the purpose of financing
or refinancing projects approved by the governor's COLORADO energy
office.

19 (3) Any portion of the qualified energy conservation bond volume 20 cap for a calendar year that is allocated to a large local government 21 pursuant to subsection (1) of this section that has not been used on bonds 22 issued or a lease-purchase agreement entered into or for which a contract 23 to purchase bonds or instruments evidencing interests in a lease-purchase 24 agreement has not been entered into on or before November 10 of the 25 calendar year shall, on November 11 of the calendar year, automatically 26 revert to the governor's COLORADO energy office. If a contract to 27 purchase has been entered into on or before November 10 of the calendar

1 year but the related bonds or lease-purchase agreement are not issued or 2 entered into on or before November 30 of the calendar year, the volume 3 cap shall automatically revert to the governor's COLORADO energy office 4 on December 1 of the calendar year. The governor's COLORADO energy 5 office may reallocate to any public entity for the purpose of financing or 6 refinancing a project approved by the office, or carry forward pursuant to 7 subsection (4) of this section, any volume cap that reverts to the office 8 pursuant to this subsection (3). Any volume cap that is reallocated to a 9 public entity pursuant to this subsection (3) that has not been used on 10 bonds issued or a lease-purchase agreement entered into by noon, 11 prevailing Denver time, on December 31 of a calendar year shall, at 12:01 12 p.m., prevailing Denver time, on December 31 of the calendar year, 13 automatically revert to the governor's COLORADO energy office.

14 (4) The governor's COLORADO energy office shall carry forward 15 to the next calendar year any portion of the qualified energy conservation 16 bond volume cap that has not been used on bonds issued or a 17 lease-purchase agreement entered into by the end of a calendar year. In 18 selecting projects for the purpose of allocating qualified energy 19 conservation bond volume cap, the governor's COLORADO energy office 20 shall prioritize projects that are ready to be financed or refinanced and 21 that are most consistent with the purpose of this article described in 22 section 11-59.7-102 (1) (b). The governor's COLORADO energy office 23 shall allocate qualified energy conservation bond volume cap in a manner 24 consistent with federal law and the purpose of this article described in 25 section 11-59.7-102 (1) (b) and to minimize the qualified energy 26 conservation bond volume cap that has not been used on bonds issued or a lease-purchase agreement entered into on or before the expiration of the 27

1 qualified energy conservation bond program. The governor's COLORADO 2 energy office may allocate qualified energy conservation bond volume 3 cap to the state pursuant to this section in anticipation of the enactment 4 by the general assembly of legislation authorizing a lease-purchase 5 agreement. The state, any large local government, or any other public 6 entity to which qualified energy conservation bond volume cap has been 7 allocated pursuant to this section may, at any time, relinquish the volume 8 cap to the governor's COLORADO energy office. Any volume cap 9 relinquished may be reallocated by the governor's COLORADO energy 10 office to any public entity to finance or refinance a project approved by 11 the office or may be carried forward to the next calendar year. The 12 department of local affairs, in consultation with the governor's 13 COLORADO energy office, may promulgate rules in accordance with 14 article 4 of title 24, C.R.S., regarding the manner in which the qualified 15 energy conservation bond volume cap will be allocated.

SECTION 3. The introductory portion to 11-59.7-111 (1),
Colorado Revised Statutes, is amended to read:

18 11-59.7-111. Reporting requirements. (1) A public entity that 19 issues or enters into a stimulus obligation authorized by the allocation or 20 reallocation of volume cap to the public entity pursuant to section 21 11-59.7-106, 11-59.7-107, 11-59.7-108, or 11-59.7-109, by the public 22 school capital construction assistance board, the governor's COLORADO 23 energy office, the commission on higher education, or the department of 24 local affairs, as applicable, shall deliver a report to the entity that 25 allocated or reallocated the volume cap within thirty days after the 26 stimulus obligation is issued or entered into. The report shall include the following information and any other information requested by the entity 27

2 SECTION 4. 22-43.7-107 (2) (d), Colorado Revised Statutes, is
3 amended to read:

4 **22-43.7-107. Public school facility construction guidelines -**5 **establishment by board - use.** (2) The public school facility 6 construction guidelines shall identify and describe the capital 7 construction, renovation, and equipment needs in public school facilities 8 and means of addressing those needs that will provide educational and 9 safety benefits at a reasonable cost. In preparing the guidelines, the board 10 shall address the following considerations:

(d) Building performance standards and guidelines, including but
not limited to green building and energy efficiency criteria as specified in
executive order D0012 07, "Greening of State Government: Detailed
Implementation", issued by the governor on April 16, 2007, or any
subsequent executive orders or other policy directives concerning green
building and energy efficiency criteria issued by the governor or the
governor's COLORADO energy office;

18 SECTION 5. 22-89-103 (1), Colorado Revised Statutes, is
19 amended to read:

20 22-89-103. Definitions. As used in this article, unless the context
 21 otherwise requires:

(1) "Governor's "COLORADO energy office" means the governor's
 COLORADO energy office created in section 24-38.5-101, C.R.S.

24 SECTION 6. 22-89-104 (1) and (2) (a), Colorado Revised 25 Statutes, are amended to read:

26 22-89-104. Wind for schools grant program - created -

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1 applications. (1) There is hereby created the wind for schools grant 2 program to fund wind for schools projects at qualified schools. A 3 qualified school may, with the written authorization of the local board of 4 education, apply to the governor's COLORADO energy office, in 5 accordance with procedures and deadlines adopted by the office, to 6 receive moneys through the grant program. The office shall administer 7 the grant program as provided in this article and pursuant to policies 8 adopted by the office.

9 (2) (a) The governor's COLORADO energy office shall adopt 10 policies specifying when a qualified school may request a grant and the 11 procedure for making the request.

SECTION 7. 22-89-105, Colorado Revised Statutes, is amended
 to read:

14 22-89-105. Wind for schools grant program - policies awarding grants. (1) The governor's COLORADO energy office shall
adopt policies for the implementation of the wind for schools grant
program. At a minimum, the policies shall specify the procedures for
applying for a grant, the form of the grant application, the information to
be provided by the applicant, and the criteria for awarding grants.

20 (2) (a) The governor's COLORADO energy office shall review each 21 grant application received from a qualified school pursuant to section 22 22-89-104 and shall make a determination as to whether the grant should 23 be awarded and, except as provided in paragraph (c) of this subsection 24 (2), the amount of the grant. If the office determines an application is 25 missing any information required by the office's policy to be included 26 with the application, the office may contact the applicant to obtain the 27 missing information.

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(b) In awarding grants pursuant to this article, the governor's
 COLORADO energy office shall consider, at a minimum, whether a
 qualified school:

4 (I) Would reduce its electricity costs by the implementation of a
5 wind for schools project; and

6 (II) Has a plan in place to incorporate the implementation of a
7 wind for schools project into its educational curriculum.

8 (c) A qualified school shall not receive an aggregate amount of
9 grants pursuant to this article that exceeds five thousand dollars.

- (3) The governor's COLORADO energy office shall use at least fifty
 thousand dollars for the implementation of this grant program from the
 existing resources of the office. The minimum funding requirement for
 the implementation of this grant program may be met in one or more
 fiscal years. The office shall not submit a request for an appropriation or
 a supplemental appropriation for this purpose.
- SECTION 8. 22-92-103 (3), Colorado Revised Statutes, is
 amended, and the said 22-92-103 is further amended BY THE
 ADDITION OF A NEW SUBSECTION, to read:
- 19 22-92-103. Definitions. As used in this article, unless the context
 20 otherwise requires:

(1.5) "COLORADO ENERGY OFFICE" OR "OFFICE" MEANS THE
COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S., OR
ANY SUCCESSOR OFFICE.

24 (3) "Governor's energy office" or "office" means the governor's
25 energy office created in section 24-38.5-101, C.R.S., or any successor
26 office.

27 SECTION 9. 22-92-104 (1), Colorado Revised Statutes, is

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1 amended to read:

2 22-92-104. Renewable energy and energy efficiency for schools 3 loan program - created - applications - permissible uses of loans. 4 (1) There is hereby created the renewable energy and energy efficiency 5 for schools loan program to fund renewable energy projects and 6 energy-efficient bus projects at qualified school districts. A qualified 7 school district may, with the written authorization of the school district 8 board of education, apply to the governor's COLORADO energy office, in 9 accordance with procedures and deadlines established by rules 10 promulgated by the state board of education pursuant to section 11 22-92-105, to receive moneys through the loan program. The office shall 12 administer the loan program as provided in this article and pursuant to the 13 policies adopted by the office.

14 **SECTION 10.** The introductory portion to 22-92-105 (1) and 15 22-92-105 (2), (3), and (4), Colorado Revised Statutes, are amended to 16 read:

17 22-92-105. Renewable energy and energy efficiency for schools
18 loan program - rules - awarding loans. (1) On or before October 15,
19 2009, the state board of education, in consultation with the governor's
20 COLORADO energy office, shall promulgate rules establishing policies and
21 procedures for the administration of the renewable energy and energy
22 efficiency for schools loan program. At a minimum, the rules shall
23 include:

(2) (a) The governor's COLORADO energy office shall review each
loan application received from a qualified school district pursuant to
section 22-92-104 (1), evaluate the renewable energy project or
energy-efficient bus project described therein, and make a

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recommendation to the state treasurer as to whether to award the loan and
the amount of the loan. If the office determines an application is missing
any information required by the office's policy to be included with the
application, the office may contact the applicant to obtain the missing
information.

6 (b) In reviewing loan applications for renewable energy projects 7 and energy-efficient bus projects pursuant to paragraph (a) of this 8 subsection (2), the governor's COLORADO energy office shall consider, at 9 a minimum, whether a qualified school district would reduce its energy 10 costs by the implementation of the renewable energy project or 11 energy-efficient bus project that is the subject of each loan application.

12 (3) The state treasurer is authorized to require each qualified 13 school district that receives a loan from the loan program to pay to the 14 governor's COLORADO energy office a fee that reflects the direct and 15 indirect costs incurred by the state treasurer in administering loans pursuant to section 22-92-107. If the state treasurer elects to impose a fee 16 17 pursuant to this subsection (3), he or she shall notify the governor's 18 COLORADO energy office and the state board of education of the decision 19 to impose the fee. A fee imposed pursuant to this subsection (3) may be 20 imposed on a regularly scheduled basis to be determined by the state 21 treasurer. A qualified school district that receives a loan from the loan 22 program shall be required to pay the fee until the loan is repaid in full.

(4) If the state treasurer elects to impose a fee as part of the loan
 application process pursuant to subsection (3) of this section, the
 governor's COLORADO energy office shall forward all moneys received as
 fees to the state treasurer.

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SECTION 11. 22-92-107 (1) (a) and (1) (b), Colorado Revised

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1 Statutes, are amended to read:

2 22-92-107. Loans from public school fund authorized. (1) As 3 authorized under the provisions of section 3 of article IX of the state 4 constitution, the state treasurer may make loans to school districts to 5 assist them in providing necessary buildings, land, and equipment, 6 including renewable energy projects and energy-efficient bus projects as 7 described in this article. Loans made pursuant to this article shall not be 8 subject to the provisions of section 24-36-113, C.R.S., that require the 9 state treasurer to secure the maximum rate of interest on investments of 10 state moneys. The procedures for the making of loans shall be 11 determined by the state treasurer subject to the following:

(a) No loan shall be authorized for any renewable energy project
 or energy-efficient bus project that has not been evaluated by the
 governor's COLORADO energy office pursuant to section 22-92-105 (2)
 (a).

(b) No loan shall be authorized in an amount exceeding the
amount recommended by the governor's COLORADO energy office
pursuant to section 22-92-105 (2) (a) unless the governor's COLORADO
energy office approves the change in the loan amount.

20 SECTION 12. 23-31-313 (7) (b), Colorado Revised Statutes, is
21 amended to read:

22 23-31-313. Healthy forests - vibrant communities - funds
23 created. (7) Enhanced economic opportunities. In order to support
24 local business development and job creation through the implementation
25 of forest treatments, the forest service shall:

(b) Work with the governor's COLORADO energy office created in
section 24-38.5-101, C.R.S., and the air quality control commission

- created in section 25-7-104, C.R.S., to support the appropriately increased
 use of woody biomass in bio-heating.
- 3 SECTION 13. 23-41-114 (4) (b) (VI) (A), Colorado Revised
 4 Statutes, is amended to read:
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23-41-114. Colorado energy research institute - creation.(4) The institute shall conduct:

(b) The following specific research and educational programs
designed to meet the information needs of the department of natural
resources, other agencies of the state's executive branch, the legislature,
and the public:

11 (VI) (A) To provide grants through the governor's COLORADO 12 energy office created in section 24-38.5-101, C.R.S., for the development 13 of a central resource for building trade professionals, including 14 contractors, engineers, architects, and designers, for the purpose of 15 increasing available tools and education to advance energy-efficient 16 design and construction.

SECTION 14. 24-33-114 (1) and (5), Colorado Revised Statutes,
are amended to read:

19 24-33-114. Renewable resource generation development areas 20 - inventory of resources - fund - definitions - repeal. (1) The 21 governor's COLORADO energy office or its designee shall identify 22 renewable resource generation development areas on land owned, leased, 23 or otherwise controlled by the division of parks and outdoor recreation in 24 the department of natural resources, also referred to in this section as the 25 "division", that have the potential to support the development of 26 renewable resource generation projects.

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(5) **Definitions.** As used in this section, unless the context

otherwise requires, "governor's "COLORADO energy office" or "office"
 means the governor's COLORADO energy office created in section
 24-38.5-101, or any successor office created within the office of the
 governor for the purpose of promoting renewable energy.

5 SECTION 15. The introductory portion to 24-33-115 (1),
6 Colorado Revised Statutes, is amended to read:

24-33-115. Reenergize Colorado program - powers and duties
of executive director - repeal. (1) In addition to all other powers and
duties conferred upon the executive director by law, the executive
director is hereby authorized and directed to work with the governor's
COLORADO energy office, the state board of land commissioners, public
utilities, and other state and federal agencies as necessary to initiate the
reenergize Colorado program. The purposes of the program are:

SECTION 16. 24-38.5-101, Colorado Revised Statutes, is
amended to read:

24-38.5-101. Colorado energy office - creation. (1) There is
 hereby created within the office of the governor the governor's
 COLORADO energy office, the head of which shall be the director of the
 governor's COLORADO energy office. The director of the office shall be
 assisted by a deputy director and a staff to fulfill the office's mission to
 lead Colorado to a new energy economy by advancing energy efficiency
 and renewable, clean energy resources TO:

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(a) PROMOTE ECONOMIC DEVELOPMENT IN COLORADO THROUGH ENERGY-MARKET ADVANCES THAT CREATE JOBS;

(b) ENCOURAGE COLORADO-BASED CLEAN AND INNOVATIVE
ENERGY SOLUTIONS THAT INCLUDE TRADITIONAL AND RENEWABLE
ENERGY SOURCES IN ORDER TO ENCOURAGE A BALANCED ENERGY

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1 PORTFOLIO;

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(c) INCREASE ENERGY SECURITY;

(d) LOWER LONG-TERM CONSUMER COSTS; AND

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(e) PROTECT THE ENVIRONMENT.

5 (2) Staff of the governor's energy office shall include but not be 6 limited to ANY regional representatives to help OF THE GOVERNOR'S 7 ENERGY OFFICE, AS IT EXISTED PRIOR TO JULY 1, 2011, THAT HELPED 8 engage municipalities, consumers, businesses, and others with the energy 9 programs of the office The regional representatives shall expedite 10 programs and serve as a local resource to communities throughout 11 Colorado SHALL BE COMBINED WITH ANY REGIONAL OR BUSINESS 12 DEVELOPMENT REPRESENTATIVES EMPLOYED BY THE COLORADO OFFICE 13 OF ECONOMIC DEVELOPMENT AND SHALL BE LIMITED AS SPECIFIED IN 14 SECTION 24-48.5-101 (5.5). THE COLORADO ENERGY OFFICE SHALL BE 15 RESPONSIBLE FOR THE SALARIES AND OTHER ASSOCIATED COSTS OF THREE 16 FULL-TIME EQUIVALENT EMPLOYEES COMBINED WITH ANY REGIONAL OR 17 BUSINESS DEVELOPMENT REPRESENTATIVES EMPLOYED BY THE COLORADO 18 OFFICE OF ECONOMIC DEVELOPMENT AS SPECIFIED IN THIS SUBSECTION (2) 19 AND SECTION 24-48.5-101 (5.5).

(3) THE DIRECTOR OF THE COLORADO ENERGY OFFICE SHALL
REDUCE THE NUMBER OF FULL-TIME EQUIVALENT EMPLOYEES OF THE
COLORADO ENERGY OFFICE, AS SUCH FULL-TIME EQUIVALENT EMPLOYEES
EXISTED PRIOR TO JULY 1, 2011, BY TWENTY-FIVE PERCENT NO LATER
THAN THE END OF THE 2011-12 STATE FISCAL YEAR, AND BY AN
ADDITIONAL FIFTEEN PERCENT NO LATER THAN THE END OF THE 2012-13
STATE FISCAL YEAR.

27 **SECTION 17.** The introductory portion to 24-38.5-102 (1) and

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24-38.5-102 (1) (a), (1) (e), (1) (o), and (2), Colorado Revised Statutes,
 are amended to read:

3 24-38.5-102. Colorado energy office - duties and powers.
4 (1) The governor's COLORADO energy office shall:

(a) Work with communities, utilities, private and public
organizations, and individuals to promote renewable energy, such as
wind, solar, and geothermal, and energy efficiency technologies AND TO
PROMOTE CLEANER TECHNOLOGIES BY UTILIZING TRADITIONAL,
COLORADO-SOURCED ENERGY;

(e) Advance INNOVATIVE energy efficiency and renewable energy
throughout the state as specified in section 24-75-1201;

12 (o) Collaborate with the department of higher education to 13 develop renewable energy curricula that will serve the work force needs 14 of renewable energy industries. Such collaboration may include research 15 institutions, state colleges, community colleges, and trade organizations in an effort to develop a means by which the state may address all facets 16 17 of work force demands in the new energy economy DEVELOPING A 18 BALANCED ENERGY PORTFOLIO. Institutions may also partner in the 19 development of curricula with organizations that have existing curricula 20 and training programs on renewable energy. For the purposes of this 21 paragraph (o), "renewable energy" shall have the same meaning as set 22 forth in section 40-1-102 (11), C.R.S.

(2) The director of the governor's COLORADO energy office shall
 serve as chairperson of the board of directors of the Colorado clean
 energy development authority as specified in article 9.7 of title 40, C.R.S.
 SECTION 18. 24-38.5-103 (2), Colorado Revised Statutes, is

amended to read:

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1 24-38.5-103. Electric vehicle grant fund - creation -2 administration. (2) The governor's COLORADO energy office is 3 authorized to seek and accept gifts, grants, or donations from private or 4 public sources for the purposes of this section. All private and public 5 funds received through gifts, grants, or donations shall be transmitted to 6 the state treasurer, who shall credit the same to the fund. The moneys in 7 the fund shall be subject to annual appropriation by the general assembly. 8 Any moneys in the fund not expended for the purposes of this section 9 may be invested by the state treasurer as provided by law. All interest and 10 income derived from the investment and deposit of moneys in the fund 11 shall be credited to the fund. Any unexpended and unencumbered 12 moneys remaining in the fund at the end of a fiscal year shall remain in 13 the fund and shall not be credited or transferred to the general fund or 14 another fund.

15 SECTION 19. 24-38.5-104 (2), Colorado Revised Statutes, is amended to read:

17 24-38.5-104. Photovoltaic installer qualifications - cooperation 18 with department of regulatory agencies. (2) If the governor, by 19 executive order, appoints a committee to study the desirability of 20 credentialing of solar installers, the committee, or the governor's 21 COLORADO energy office on the committee's behalf, is specifically 22 authorized to submit a proposal for such credentialing to the department 23 of regulatory agencies pursuant to section 24-34-104.1 (2). In addition, 24 the committee may study and make recommendations concerning the 25 scope-of-work provisions of section 40-2-128, C.R.S., specifically 26 including enforcement of the supervision and worker ratio requirements 27 of section 40-2-128 (1) (c) and (1) (d), C.R.S.

SECTION 20. 24-38.5-105 (1) (a) and (1) (b), Colorado Revised Statutes, are amended to read:

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3 24-38.5-105. Clean energy improvement debt reserve fund -4 **authorization - use.** (1) (a) The clean energy improvement debt reserve 5 fund is hereby created in the state treasury. The principal of the fund 6 shall consist of up to ten million dollars of legally available moneys from 7 nonstate sources under the control of the governor's COLORADO energy 8 office, which the state treasurer shall promptly credit to the fund if 9 instructed in writing to do so by the director of the governor's COLORADO 10 energy office, and any fees paid to the state treasurer in accordance with 11 subparagraph (II) of paragraph (b) of this subsection (1). All interest and 12 income derived from the deposit and investment of moneys in the fund 13 shall be credited to the fund, and all unexpended and unencumbered 14 moneys in the fund at the end of any fiscal year shall remain in the fund. 15 The fund is hereby continuously appropriated to the state treasurer, who 16 may expend moneys from the fund solely for the purposes of paying 17 principal and interest on bonds issued by a local improvement district or 18 other special district as specified in paragraph (c) of this subsection (1) 19 and defraying any direct and indirect costs incurred by the state treasurer 20 in executing duties required by this section.

(b) (I) If the governor's COLORADO energy office instructs the state treasurer to credit moneys from nonstate sources to the clean energy improvement debt reserve fund, with prior written authorization from the director of the governor's COLORADO energy office and the state treasurer and after agreeing to pay fees to be credited to the fund to the state treasurer as specified in subparagraph (II) of this paragraph (b), a local improvement district or other special district that imposes special

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1 assessments on real property and issues bonds payable from the revenues 2 generated by the special assessments to generate the moneys needed to 3 pay the up-front costs of making renewable energy improvements or clean 4 energy improvements as authorized by part 6 of article 20 of title 30, C.R.S., or any other provision of law may rely on the clean energy 5 6 improvement debt reserve fund as a backup source of moneys that may 7 be used, after the depletion of any district debt service reserve fund, for 8 the payment of principal and interest owed to holders of the district's 9 bonds.

10 (II) A local improvement district or other district that issues bonds 11 and that wishes to rely on the clean energy improvement debt reserve 12 fund as a backup source of moneys for the payment of principal and 13 interest owed to holders of the bonds shall enter into a written agreement 14 with the governor's COLORADO energy office to pay to the state treasurer 15 for crediting to the fund such fees for the privilege of relying on the fund 16 as the governor's COLORADO energy office may require. Fees to be paid 17 by a district as required by the governor's COLORADO energy office shall 18 be deemed to be a portion of the amount of the interest rate savings 19 resulting from more favorable financing terms attributable to the reliance 20 upon the fund. The governor's COLORADO energy office may, in its 21 discretion, require that fees be paid on an annual basis, commencing and 22 calculated on the date of issuance of the bonds and on each one-year 23 anniversary of the issuance of the bonds thereafter while the bonds 24 remain outstanding, in an amount equal to a number of basis points of the 25 principal amount of the bonds outstanding as of each calculation date 26 agreed upon by the office and the district.

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SECTION 21. 24-38.5-106 (2), Colorado Revised Statutes, is

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1 amended to read:

2 24-38.5-106. Financing of capital projects to make state 3 government more energy efficient - lease-purchase agreements -4 legislative declaration - definition. (2) (a) In order to make state 5 government more energy efficient in accordance with section 6 24-38.5-102, the governor's COLORADO energy office may propose a 7 prioritized list of projects associated with current utility cost-savings 8 contracts that will improve the energy efficiency of state buildings or 9 facilities and that are proposed to be constructed or improved using 10 financing provided in accordance with subsection (3) of this section. If 11 the governor's COLORADO energy office creates a prioritized list, the 12 prioritized list shall include an estimate of the total amount of annual 13 utility cost savings expected if all of the projects on the prioritized list are 14 completed; descriptions of the projects, the affected buildings, and the 15 impact of the projects on tenants; a timeline for implementation; a 16 detailed budget for each project; a list of properties recommended for use 17 as collateral, which shall include only properties operated and maintained 18 by agencies that are responsible for the operation and maintenance of at 19 least one state building or facility for which a project is being financed in 20 accordance with subsection (3) of this section; estimates of the amount of 21 annual utility cost savings expected for each of the projects; and expected 22 annual payments for each project, including the expected funding sources 23 for such payments. The governor's COLORADO energy office shall submit 24 the prioritized list and referenced supporting documents to the office of 25 state planning and budgeting for review and approval or disapproval. 26 Except as otherwise provided in paragraph (b) of this subsection (2), the 27 office of state planning and budgeting shall submit any projects on the

1 prioritized list that it approves to the capital development committee of 2 the general assembly for review and approval or disapproval. Subject to 3 the limitations specified in subsection (3) of this section, if the capital 4 development committee determines after reviewing the projects submitted 5 to it for its review and approval or disapproval that it is appropriate to authorize the state treasurer to pursue financing provided in accordance 6 7 with subsection (3) of this section to fund some or all of the projects or 8 if the office of state planning and budgeting has approved projects for 9 buildings or facilities operated and maintained by the department of 10 transportation and submitted such projects to the committee for 11 informational purposes only pursuant to paragraph (b) of this subsection 12 (2), the committee shall provide a letter to the governor's COLORADO 13 energy office, the office of state planning and budgeting, the joint budget 14 committee of the general assembly, and the state treasurer that specifies 15 the final approved priority of the projects.

16 (b) Notwithstanding the provisions of paragraph (a) of this 17 subsection (2), any projects on the prioritized list proposed by the 18 governor's COLORADO energy office and approved by the office of state 19 planning and budgeting for buildings or facilities operated and maintained 20 by the department of transportation shall be deemed to be finally 21 approved and shall be included on the prioritized list submitted to the 22 capital development committee for informational purposes only.

- 23 SECTION 22. 24-38.7-102 (6), Colorado Revised Statutes, is
 24 amended to read:
- 25 24-38.7-102. Definitions. As used in this part 1, unless the
 26 context otherwise requires:
- 27
- (6) "Office" means the governor's COLORADO energy office.

SECTION 23. 24-38.7-103 (2) (b), Colorado Revised Statutes,
 is amended to read:

3 24-38.7-103. Colorado energy office - powers and duties -4 **program - fund created.** (2) (b) The program fund and the accounts of 5 the program fund shall consist of such moneys as the general assembly 6 may appropriate thereto from the clean energy INNOVATION fund created 7 in section 24-75-1201 (1) C.R.S., and any gifts, grants, or donations that 8 may be made to the program fund. In accordance with section 24-36-113 9 (1) (a), which requires the state treasurer, in making investments, to use 10 prudence and care to preserve the principal and to secure the maximum 11 rate of interest consistent with safety and liquidity, if the general assembly 12 chooses not to appropriate moneys to the program fund or to the accounts 13 of the program fund, nothing in this article shall be deemed to require the 14 state treasurer to credit any moneys to the program fund or the accounts 15 of the program fund. All interest and income earned on the deposit and 16 investment of moneys in the program fund and the accounts of the 17 program fund shall be used for the loan buy-down account and the loan 18 loss reserve account. Moneys in the loan buy-down account and loan loss 19 reserve account of the program fund shall remain in the accounts and 20 shall not be transferred to the general fund or any other fund at the end of 21 any fiscal year.

SECTION 24. 24-38.7-202 (3), Colorado Revised Statutes, is
amended to read:

24 24-38.7-202. Definitions. As used in this part 2, unless the
25 context otherwise requires:

26 (3) "Office" means the governor's COLORADO energy office.
27 SECTION 25. 24-38.9-103 (2), Colorado Revised Statutes, is

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1 amended to read:

2 24-38.9-103. Green jobs Colorado advisory council - creation 3 - appointments. (2) The council shall consist of seventeen members, 4 seven of whom shall be appointed by the executive director of the 5 department of labor and employment, who shall appoint at least one 6 member from each of the following: A nonprofit organization, a 7 community or junior college, a clean technology industry association, a 8 business organization, an investor-owned utility, a rural electric 9 association, and a labor organization. The members appointed by the 10 executive director shall possess relevant experience related to green jobs 11 or green job training. Four legislative members of the council shall be 12 appointed as follows: One member shall be appointed by the speaker of 13 the house of representatives, one member shall be appointed by the 14 president of the senate, one member shall be appointed by the minority 15 leader of the house of representatives, and one member shall be appointed by the minority leader of the senate. The remaining six members shall be 16 17 the director of the governor's COLORADO energy office, the director of the 18 Colorado office of economic development, the executive director of the 19 department of human services, the executive director of the department 20 of local affairs, the chair of the Colorado workforce development council 21 or its successor, and the executive director of the department of labor and 22 employment, or their respective designees.

23 SECTION 26. 24-38.9-106, Colorado Revised Statutes, is
24 amended to read:

25 24-38.9-106. Funding. The pilot program may be funded by the
use of federal moneys received by the department of labor and
employment for the purposes of the pilot program and by the use of

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1 moneys from the governor's COLORADO energy office.

2 SECTION 27. 24-47.5-103 (1), Colorado Revised Statutes, is
3 amended to read:

4 24-47.5-103. Funding - appropriations contingent on receipt 5 of federal grant moneys - repeal. (1) For the state fiscal year 6 commencing on July 1, 2006, and in each of the state fiscal years 7 commencing on July 1, 2007, and July 1, 2008, the general assembly shall 8 appropriate two million dollars from the operational account of the 9 severance tax trust fund as specified in section 39-29-109.3 (2) (g), 10 C.R.S., to the governor's energy office created in section 24-38.5-101, AS 11 SAID OFFICE EXISTED PRIOR TO JULY 1, 2011, for distribution to the 12 authority for the purposes specified in section 24-47.5-102; except that, 13 if grants of federal moneys equal to or exceeding the amount of state 14 moneys appropriated pursuant to this article have not been received by 15 June 30, 2012, the unexpended and unencumbered balance of said 16 appropriation shall revert to the operational account of the severance tax 17 trust fund.

18 SECTION 28. 24-48.5-101, Colorado Revised Statutes, is
19 amended BY THE ADDITION OF A NEW SUBSECTION to read:

20 24-48.5-101. Colorado office of economic development -21 creation. (5.5) STAFF OF THE COLORADO OFFICE OF ECONOMIC 22 DEVELOPMENT SHALL INCLUDE BUT NOT BE LIMITED TO REGIONAL OR 23 BUSINESS DEVELOPMENT REPRESENTATIVES TO HELP ENGAGE 24 MUNICIPALITIES, CONSUMERS, BUSINESSES, AND OTHERS WITH THE 25 PROGRAMS OF THE OFFICE AND OF THE COLORADO ENERGY OFFICE. THE 26 REGIONAL OR BUSINESS DEVELOPMENT REPRESENTATIVES SHALL EXPEDITE 27 PROGRAMS AND SERVE AS A LOCAL RESOURCE TO COMMUNITIES

1 THROUGHOUT COLORADO, BUT SHALL BE LIMITED TO ONE 2 REPRESENTATIVE FOR EACH OF SIX DISTINCT REGIONS OF THE STATE. THE 3 REGIONS SHALL BE DETERMINED BY THE COLORADO OFFICE OF ECONOMIC 4 DEVELOPMENT IN COLLABORATION WITH THE COLORADO ENERGY OFFICE. 5 THE COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101 SHALL 6 BE RESPONSIBLE FOR THE SALARIES AND OTHER ASSOCIATED COSTS OF 7 THREE FULL-TIME EQUIVALENT EMPLOYEES SERVING AS REGIONAL OR 8 BUSINESS DEVELOPMENT REPRESENTATIVES PURSUANT TO THIS 9 SUBSECTION (5.5).

10 SECTION 29. 24-75-1201, Colorado Revised Statutes, as 11 24-75-1201 (1) (a) was amended by Senate Bill 11-159, is amended to 12 read:

13

24-75-1201. Energy innovation fund - creation - use of fund -

14 **definitions.** (1) (a) The clean energy INNOVATION fund is hereby created 15 in the state treasury. The principal of the fund shall consist of moneys 16 transferred to the fund at the end of the 2006-07 state fiscal year and at 17 the end of each succeeding state fiscal year from moneys received by the 18 governor's COLORADO energy office pursuant to section 39-29-109.3 (2) 19 (f), C.R.S., in accordance with section 40-8.7-112 (3) (g), C.R.S., moneys 20 received pursuant to the federal "American Recovery and Reinvestment 21 Act of 2009", Pub.L. 111-5, or any amendments thereto, or from revenue 22 contracts, court settlement funds, supplemental environmental program 23 funds, repayment or return of funds from eligible public depositories, and 24 gifts, grants, and donations, and any other moneys received by the 25 governor's COLORADO energy office. Interest and income earned on the 26 deposit and investment of moneys in the clean energy INNOVATION fund 27 shall be credited to the fund. Moneys in the fund at the end of any state fiscal year shall remain in the fund and shall not be credited to the state
 general fund or any other fund.

(b) For purposes of this section PART 12:

3

- 4 (I) "governor's "COLORADO energy office" means the governor's
 5 COLORADO energy office created in section 24-38.5-101.
- 6 (II) "INNOVATIVE ENERGY" MEANS AN EXISTING, NEW, OR
 7 EMERGING TECHNOLOGY THAT:
- 8 (A) ENABLES THE USE OF A LOCAL FUEL SOURCE;
- 9 (B) ESTABLISHES A MORE EFFICIENT OR ENVIRONMENTALLY
 10 BENEFICIAL USE OF ENERGY; OR
- 11 (C) HELPS TO CREATE ENERGY INDEPENDENCE OR ENERGY
 12 SECURITY FOR THE STATE.
- (2) (a) All moneys in the clean energy INNOVATION fund are
 continuously SHALL BE ANNUALLY appropriated BY THE GENERAL
 ASSEMBLY to the governor's COLORADO energy office for the purposes of
 advancing INNOVATIVE energy efficiency and renewable energy
 throughout the state.
- (b) The governor's COLORADO energy office may expend moneys
 from the clean energy INNOVATION fund:
- 20 (I) TO OVERCOME MARKET BARRIERS FACING EMERGING AND
 21 COST-EFFECTIVE ENERGY TECHNOLOGIES;
- (II) TO PROMOTE ROBUST RESEARCH, DEVELOPMENT,
 COMMERCIALIZATION, AND FINANCING OF INNOVATIVE ENERGY
 TECHNOLOGIES;
- 25 (III) TO EDUCATE THE GENERAL PUBLIC ON ENERGY ISSUES AND
 26 OPPORTUNITIES;
- 27 (I) (IV) To attract renewable INNOVATIVE energy industry

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1 investment in the state;

2 (II) (V) To assist in technology transfer into the marketplace for
3 newly developed INNOVATIVE energy efficiency and renewable energy
4 technologies;

5 (HI) (VI) To provide market incentives for the purchase and
distribution of INNOVATIVE energy efficient and renewable energy
products;

8 (IV) (VII) To assist in the implementation of INNOVATIVE energy
9 efficiency projects throughout the state;

10 (V) (VIII) To aid governmental agencies in INNOVATIVE energy
 11 efficiency government initiatives;

12 (VI) (IX) To facilitate widespread implementation of renewable
 13 INNOVATIVE energy technologies; and

14 (VII) (X) In any other manner that serves the purposes of
 advancing INNOVATIVE energy efficiency and renewable energy
 throughout the state.

(c) (I) Subject to the provisions of subparagraph (II) of this
paragraph (c), the moneys in the clean energy INNOVATION fund may also
be used by the governor's COLORADO energy office to make grants or
loans to persons, as defined in section 2-4-401 (8), C.R.S., for use in
carrying out the purposes of this part 12. The governor's COLORADO
energy office shall consider the following information in determining
whether to make a grant or loan:

24 (A) The amount of the grant or loan;

27

(B) The quantified impact on energy demand or amount of clean
INNOVATIVE energy production generated as a result of the grant or loan;

(C) The potential economic impact of the grant or loan; and

1 (D) The public benefits expected to result from the grant or loan. 2 (II) The governor's COLORADO energy office may establish terms 3 and conditions for making grants or loans pursuant to this section and in 4 accordance with the objectives of the office as set forth in section 5 24-38.5-102.

6

7

SECTION 30. 24-103-207.5 (5) (a) (III), Colorado Revised Statutes, is amended to read:

8 **24-103-207.5.** Purchasing preference for environmentally 9 preferable products - definitions. (5) (a) Any bidder that seeks to 10 qualify for the preference created by subsection (2) of this section shall 11 provide documentation to the governmental body inviting the bid that the 12 products offered by the bidder are environmentally preferable. This 13 requirement may be satisfied by submission of any of the following:

(III) A reference to a nationally recognized third-party
certification entity that has certified the product as environmentally
preferable on the basis of a valid life-cycle analysis. The governor's
COLORADO energy office or successor office shall maintain a list of
certification entities.

SECTION 31. 25-16.5-105 (1) (m) (I), Colorado Revised
Statutes, is amended to read:

21

25-16.5-105. Powers and duties of advisory board - repeal.

22 (1) The advisory board shall have the following powers and duties:

(m) (I) In accordance with the provisions of subparagraph (II) of
this paragraph (m), to submit an annual report to the department of local
affairs, the department, the governor's COLORADO energy office created
in section 24-38.5-101, C.R.S., and the standing committee of reference
in each house of the general assembly exercising jurisdiction over matters

1 concerning public health and the environment.

2 SECTION 32. 25-16.5-105.5 (2) (c) (III), Colorado Revised
3 Statutes, is amended to read:

25-16.5-105.5. Pollution prevention advisory board assistance
committee - appointments - membership - definitions. (2) (c) The
members appointed to the committee shall include representatives of
industry, nonprofit and community organizations, state agencies, and
local governments in accordance with the following:

9 (III) One member of the committee shall be a representative of the
 10 governor's COLORADO energy office created in section 24-38.5-101,
 11 C.R.S.

SECTION 33. 30-28-211 (2) (b) and (2) (c), Colorado Revised
Statutes, are amended to read:

30-28-211. Energy efficient building codes - legislative
 declaration - definitions. (2) As used in this section, unless the context
 otherwise requires:

(b) "Energy code" means, at a minimum, the 2003 international
energy conservation code, or any successor edition, published by the
international code council or any other code determined by the governor's
COLORADO energy office created in section 24-38.5-101, C.R.S., to be
more appropriate for local conditions.

(c) "Office" means the governor's COLORADO energy office
created in section 24-38.5-101, C.R.S.

SECTION 34. 31-15-602 (2) (b) and (2) (c), Colorado Revised
Statutes, are amended to read:

26 31-15-602. Energy efficient building codes - legislative
 27 declaration - definitions - repeal. (2) As used in this section, unless the

1 context otherwise requires:

(b) "Energy code" means, at a minimum, the 2003 international
energy conservation code, or any successor edition, published by the
international code council or any other code determined by the governor's
COLORADO energy office created in section 24-38.5-101, C.R.S., to be
more appropriate for local conditions.

7 (c) "Office" means the governor's COLORADO energy office
8 created in section 24-38.5-101, C.R.S.

9 SECTION 35. 32-20-104 (2) (a) (I) (A), Colorado Revised
10 Statutes, is amended to read:

32-20-104. Colorado new energy improvement district creation - board - meetings - quorum - expenses - records. (2) (a) The
district shall be governed by a board of directors, which shall exercise the
powers of the district, shall, by a majority vote of a quorum of its
members, select from its membership a chair and a vice-chair, and shall
be composed of nine members, including:

17

(I) The following two ex officio members or their designees:

(A) The director of the governor's COLORADO energy office
created in section 24-38.5-101 (1), C.R.S.; and

20 **SECTION 36.** 34-63-105 (2), Colorado Revised Statutes, is 21 amended to read:

34-63-105. Geothermal resource leasing fund. (2) After the
executive director of the department of local affairs has allocated
sufficient revenues from the fund to adequately address the needs
specified in paragraph (a) of subsection (1) of this section, the executive
director shall, in consultation with the governor's COLORADO energy
office created in section 24-38.5-101, C.R.S., allocate revenues from the

fund by competitive grants for the promotion of the development of
 geothermal energy resources.

3 SECTION 37. 36-1-147.5 (4), Colorado Revised Statutes, is
4 amended to read:

5 **36-1-147.5.** Leasing arrangements for renewable energy 6 resources development - legislative declaration - definitions - repeal. 7 (4) The state board of land commissioners shall collaborate with the 8 governor's COLORADO energy office as created in section 24-38.5-101, 9 C.R.S., to ensure that potential renewable energy resource developers are 10 aware of any lands identified by the board as being suitable for 11 development of renewable energy resources.

12

13

SECTION 38. 38-35.7-106 (2), (3), (4), and (5), Colorado Revised Statutes, are amended to read:

14 38-35.7-106. Solar prewire option - solar consultation. 15 (2) Every person that builds a new single-family detached residence for 16 sale, whether or not the residence has been prewired for a photovoltaic 17 solar generation system, shall provide to every buyer under contract a list 18 of businesses in the area that offer residential solar installation services 19 so that the buyer, if he or she so desires, can obtain expert help in 20 assessing whether the residence is a good candidate for solar installation 21 and how much of a cost savings a residential photovoltaic solar 22 generation system could provide. The list of businesses shall be derived 23 from a master list of Colorado solar installers maintained by the 24 governor's COLORADO energy office.

(3) The governor's COLORADO energy office shall maintain and
update, as appropriate, a master list of Colorado solar installers and shall
make the master list available, upon request, to any person that requests

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a copy. The governor's COLORADO energy office may specify
 qualifications for businesses to be included in the master list and shall
 make the master list available on its official web site.

4 (4) Providing the master list of solar installers prepared by the
governor's COLORADO energy office to a buyer under contract shall not
constitute an endorsement of any installer or contractor listed. A person
that builds a new single-family detached residence shall not be liable for
any advice, labor, or materials provided to the buyer by a third-party solar
installer.

(5) The governor's COLORADO energy office or its designees shall
offer periodic training sessions on residential photovoltaic solar
generation systems or solar thermal systems to persons that build new
single-family detached residences. The governor's COLORADO energy
office may assess and collect from participants a registration fee, not to
exceed the actual costs of providing such training.

SECTION 39. 39-27-109.7, Colorado Revised Statutes, is
amended to read:

18 **39-27-109.7.** Data collection services. In order to track the 19 movement of gasoline or special fuel within this state and thereby 20 facilitate and expedite the collection of excise taxes imposed pursuant to 21 this part 1, the executive director of the department of revenue may enter 22 into a contract with one or more private entities for the provision of a 23 computer-based program to monitor and track the data that licensees are 24 required to report to the department pursuant to this part 1. Such 25 computer-based program shall be funded solely with moneys from the 26 highway users tax fund; except that, for the state fiscal year 2009-10, up to thirty-seven thousand six hundred thirty dollars for the computer-based 27

1 program to monitor and track exempt dyed diesel fuel that is blended with 2 biodiesel fuel after withdrawal at a terminal rack or refinery rack pursuant 3 to section 39-27-102.5 (2) (a) may be funded by moneys received by the 4 governor's COLORADO energy office created in section 24-38.5-101, 5 C.R.S., from the United States department of energy.

6

SECTION 40. 39-29-109.3 (2) (f) (V) (A) and (4) (c) (I) (A), 7 Colorado Revised Statutes, are amended to read:

8 **39-29-109.3.** Operational account of the severance tax trust 9 fund - repeal. (2) Subject to the requirements of subsections (3) and (4) 10 of this section, if the general assembly chooses not to spend up to one 11 hundred percent of the moneys in the operational account as specified in 12 subsection (1) of this section, the state treasurer shall transfer the 13 following:

14 For providing energy-related assistance to low-income (f) 15 households as specified in section 40-8.7-112, C.R.S.:

16 (V)(A) For the state fiscal year commencing July 1, 2012, thirteen 17 million dollars as follows: Twenty-five percent to the department of 18 human services low-income energy assistance fund created in section 19 40-8.7-112 (1), C.R.S.; twenty-five percent to the energy outreach 20 Colorado low-income energy assistance fund created in section 21 40-8.7-112 (2) (a), C.R.S.; and fifty percent to the governor's COLORADO 22 energy office low-income energy assistance fund created in section 23 40-8.7-112 (3) (a), C.R.S.

24 (4) (c) (I) Except as provided in paragraph (b) of this subsection 25 (4), the state treasurer shall make the transfers specified in paragraph (f) 26 of subsection (2) of this section as follows:

27

(A) The transfers to the governor's COLORADO energy office

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1 low-income energy assistance fund shall be made on July 1;

SECTION 41. 39-29-109.5 (1) (a), (1) (a.5), and (2) and the
introductory portion to 39-29-109.5 (3), Colorado Revised Statutes, are
amended to read:

39-29-109.5. Interest differential - public school energy
efficiency fund - creation - uses - definitions - repeal. (1) As used in
this section, unless the context otherwise requires:

8 (a) "Fund" means the public school energy efficiency fund created
9 in subsection (2) of this section. "COLORADO ENERGY OFFICE" MEANS
10 THE COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S.
11 (a.5) "Governor's energy office" means the governor's energy
12 office as created in section 24-38.5-101, C.R.S. "FUND" MEANS THE
13 PUBLIC SCHOOL ENERGY EFFICIENCY FUND CREATED IN SUBSECTION (2) OF
14 THIS SECTION.

15 (2) On December 1, 2007, and the first day of every third month 16 thereafter up to and including September 1, 2010, the legislative council 17 staff shall calculate the interest differential earned during the prior 18 calendar quarter and notify the state treasurer of such amount. Upon 19 receiving notice, the treasurer shall transfer an amount equal to the 20 interest differential from the severance tax funds to the public school 21 energy efficiency fund, which is hereby created in the state treasury; 22 except that the total transfer to the fund for any state fiscal year shall not 23 exceed one million five hundred thousand dollars. Moneys in the fund are 24 hereby continuously appropriated to the governor's COLORADO energy 25 office for the purposes set forth in subsection (3) of this section. All 26 income and interest derived from the deposit and investment of the 27 moneys in the fund shall be credited to the fund.

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

9 SECTION 42. 40-2-123 (2) (j), Colorado Revised Statutes, is
10 amended to read:

11 40-2-123. New energy technologies - consideration by 12 commission - incentives - demonstration projects - definitions -13 legislative declaration - repeal. (2) (j) In order to reduce the cost to 14 Colorado consumers of an IGCC project, the department of public health 15 and environment, the governor's office of economic development, and the 16 governor's COLORADO energy office may provide public utilities with 17 reasonable assistance in seeking and obtaining financial and other support 18 and sponsorship for a project from the United States congress, the United 19 States department of energy, and other appropriate federal and state 20 agencies and institutions. To obtain this assistance, the utility may provide 21 to these state agencies copies of its IGCC project proposal. The 22 governor's COLORADO energy office shall manage and distribute to the 23 utility some or all of any funds provided by the state of Colorado or by the 24 United States government to the state of Colorado for purposes of study 25 or development of an IGCC project.

26 SECTION 43. 40-4-118 (2) (a) (I) and (5), Colorado Revised
27 Statutes, are amended to read:

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40-4-118. Colorado smart grid task force - fund - definition reports - repeal. (2) Membership. (a) The task force consists of
 eleven members as follows:

4 (I) The director of the governor's COLORADO energy office,
5 created in section 24-38.5-101, C.R.S., or his or her designee, who shall
6 convene the task force and who is authorized to contract with a mediator
7 or other third party to facilitate accomplishment of the task force's duties;

8 (5) **Funding.** (a) The governor's COLORADO energy office may 9 accept private gifts, grants, and donations for the purpose of providing 10 support to the task force to perform its responsibilities specified in this 11 section. Any such gifts, grants, and donations shall be held in a separate 12 account within the clean energy INNOVATION fund created in section 13 24-75-1201, C.R.S., and shall be available to the office and the task force 14 only for the purpose of carrying out the task force's duties under this 15 section. The account shall also consist of moneys appropriated and 16 transferred to the account. Any unexpended or unencumbered moneys 17 remaining in the account as of January 1, 2015, shall revert to the clean 18 energy INNOVATION fund to be used by the governor's COLORADO energy 19 office.

(b) It is the intent of the general assembly that the governor's
COLORADO energy office not be required to solicit gifts, grants, or
donations from any source for the purposes of this section and that no
general fund moneys be used to pay for grants awarded pursuant to this
section or for any expenses of the task force.

(c) If, by June 1, 2010, moneys in the fund ACCOUNT created
pursuant to paragraph (a) of this subsection (5) have not reached an
amount sufficient to pay the expenses of the task force, the task force

shall not meet nor undertake any other duties pursuant to this section, and
the governor's COLORADO energy office shall return to each grantor or
donor an amount equal to such grantor's or donor's contribution. The
interest, if any, earned from the investment of moneys in the account shall
be transferred to the general fund.

6

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SECTION 44. 40-6-108 (2) (b), Colorado Revised Statutes, is repealed as follows:

8 40-6-108. Complaints - service - notice of hearing. (2) (b) Any 9 public utility giving notice of a proposed gas or electric tariff shall serve 10 such notice upon the governor's energy office or its successor agency. The 11 office shall be granted leave to intervene as a matter of right, upon a 12 timely filing of a petition or other pleading in accordance with this 13 section, in adjudicatory matters affecting gas or electric utilities; except 14 that the office shall not be a party to any individual complaint between a 15 utility and an individual.

SECTION 45. 40-8.5-103.5 (4) (b), Colorado Revised Statutes,
is amended to read:

18 **40-8.5-103.5.** Commission created - duties. (4) (b) The 19 commission may seek and receive public and private funding to assist in 20 the conduct of the assessment and review required by paragraph (a) of 21 this subsection (4), including but not limited to assistance from the 22 existing resources of the department of human services created in section 23 24-1-120, C.R.S., the governor's COLORADO energy office created in 24 section 24-38.5-101, C.R.S., and energy outreach Colorado, a Colorado 25 nonprofit corporation, as described in section 40-8.7-103 (4).

26 SECTION 46. 40-8.7-110 (1.5), Colorado Revised Statutes, is
27 amended to read:

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1 **40-8.7-110. Reports.** (1.5) To the extent applicable, the 2 organization shall include in the report the information required by 3 paragraphs (b) and (c) of subsection (1) of this section for moneys 4 received from the governor's COLORADO energy office pursuant to section 5 40-8.7-112 (2) (a).

6 SECTION 47. 40-8.7-112 (2) and (3) (a), the introductory 7 portions to 40-8.7-112 (3) (b) and (3) (d), 40-8.7-112 (3) (e), the 8 introductory portion to 40-8.7-112 (3) (f), and 40-8.7-112 (3) (g) and (4) 9 (d), Colorado Revised Statutes, are amended, and the said 40-8.7-112 (4) 10 is further amended BY THE ADDITION OF A NEW PARAGRAPH, to 11 read:

12 40-8.7-112. Department of human services low-income energy 13 assistance fund - creation - energy outreach Colorado low-income 14 energy assistance fund - creation - Colorado energy office low-income 15 energy assistance fund - creation - definitions. (2) (a) There is hereby 16 created in the state treasury the energy outreach Colorado low-income 17 energy assistance fund, which shall be administered by the governor's 18 COLORADO energy office and shall consist of all moneys transferred by 19 the STATE treasurer as specified in section 39-29-109.3 (2) (f), C.R.S. All 20 moneys in the fund are continuously appropriated to the governor's 21 COLORADO energy office for distribution to the organization to be used 22 for the purposes set forth in this subsection (2). All moneys in the fund at 23 the end of each fiscal year shall be retained in the fund and shall not 24 revert to the general fund or any other fund.

(b) The organization shall use moneys it receives from the
 governor's COLORADO energy office pursuant to paragraph (a) of this
 subsection (2) to provide direct bill payment assistance to low-income

households when the department of human services is not accepting client
applications for the program specified in section 26-1-109, C.R.S. Bill
payments shall be paid to each utility as vendor payments. The
organization may use up to five percent of the moneys for administration
of the direct bill payment assistance in accordance with generally
accepted accounting principles.

7 (c) The organization shall hold and administer all moneys it 8 receives from the governor's COLORADO energy office pursuant to 9 paragraph (a) of this subsection (2) in a separately identifiable account, 10 the use of which shall be restricted to the purposes set forth in paragraph 11 (b) of this subsection (2). The organization shall maintain its books and 12 records pertaining to any moneys received from the governor's 13 COLORADO energy office in accordance with generally accepted 14 accounting principles. If the organization commingles the moneys with 15 other assets of the organization for investment purposes, the organization 16 shall maintain accurate accounts of the investment moneys and shall 17 credit or charge a pro rata portion of all investment earnings, gains, or 18 losses to the account that holds the moneys received from the governor's 19 COLORADO energy office pursuant to paragraph (a) of this subsection (2).

(d) The organization shall develop an annual budget for the direct
bill payment assistance program to determine the allocation of the moneys
received from the governor's COLORADO energy office pursuant to
paragraph (a) of this subsection (2).

(e) The organization shall include information related to any
moneys received from the governor's COLORADO energy office pursuant
to paragraph (a) of this subsection (2) in the report it prepares pursuant to
section 40-8.7-110.

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1 (3) (a) There is hereby created in the state treasury the governor's 2 COLORADO energy office low-income energy assistance fund, which shall 3 be administered by the governor's COLORADO energy office and shall 4 consist of all moneys transferred by the treasurer as specified in section 5 39-29-109.3 (2) (f), C.R.S. All moneys in the fund are continuously 6 appropriated to the governor's COLORADO energy office to be used for the 7 purposes set forth in this subsection (3). All moneys in the fund at the end 8 of each fiscal year shall be retained in the fund and shall not revert to the 9 general fund or any other fund.

(b) The governor's COLORADO energy office shall use moneys it
receives pursuant to paragraph (a) of this subsection (3) for a program to
provide home energy efficiency improvements for low-income
households, which shall include any of the following services:

(d) In carrying out the program to improve the home energy
efficiency of low-income households, the governor's COLORADO energy
office shall:

17 (e) The governor's COLORADO energy office may use up to five 18 percent of the moneys transferred pursuant to paragraph (a) of this 19 subsection (3) for planning, overseeing, and evaluating the program to 20 improve the home energy efficiency of low-income households. The 21 governor's COLORADO energy office shall not hire additional state 22 employees using these moneys to implement the program but may 23 contract with nonprofit organizations, for-profit organizations, and 24 governmental entities as is necessary to carry out the program.

(f) For any fiscal year in which moneys are expended as part of
the program to improve the home energy efficiency of low-income
households, the governor's COLORADO energy office shall prepare and

1 submit to the general assembly an annual report that specifies:

2 (g) If the governor's energy office, AS IT EXISTED PRIOR TO JULY 3 1, 2011, cannot use all of the moneys it receives for the state fiscal year 4 commencing July 1, 2008, pursuant to paragraph (a) of this subsection (3) 5 for the program described in paragraph (b) of this subsection (3), at the 6 end of the fiscal year the state treasurer shall transfer the moneys that the 7 governor's energy office cannot use to the clean energy fund created in 8 section 24-75-1201 (1), C.R.S., AS SAID FUND EXISTED PRIOR TO JULY 1, 9 2011. 10 (4) For purposes of this section, unless the context otherwise 11 requires: 12 "COLORADO ENERGY OFFICE" MEANS THE COLORADO (a.5) 13 ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S. 14 (d) "Governor's energy office" means the governor's energy office 15 created in section 24-38.5-101, C.R.S. 16 SECTION 48. 40-9.7-103 (8.5), Colorado Revised Statutes, is 17 amended, and the said 40-9.7-103 is further amended BY THE 18 ADDITION OF A NEW SUBSECTION, to read: 19 **40-9.7-103. Definitions.** As used in this article, unless the context 20 otherwise requires: 21 "COLORADO ENERGY OFFICE" MEANS THE COLORADO (5.1)

- 22 ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S.
- 23 (8.5) "Governor's energy office" means the governor's energy
 24 office as created in section 24-38.5-101, C.R.S.
- 25 SECTION 49. 40-9.7-104 (2) (a) (IV), Colorado Revised
 26 Statutes, is amended to read:
- 27 40-9.7-104. Colorado clean energy development authority -

1	creation - board membership. (2) The authority shall be governed by
2	a board of directors, which shall exercise the powers of the authority and
3	shall be composed of nine members, including:
4	(a) The following four ex officio members of the executive branch
5	of state government or their designees:
6	(IV) The director of the governor's COLORADO energy office, who
7	shall serve as the chairperson of the board.
8	SECTION 50. 42-1-303 (1), Colorado Revised Statutes, is
9	amended to read:
10	42-1-303. Definitions. As used in this part 3, unless the context
11	otherwise requires:
12	(1) "Governor's "COLORADO energy office" or "office" means the
13	governor's COLORADO energy office created in section 24-38.5-101,
14	C.R.S.
15	SECTION 51. The introductory portion to 42-1-304(1), Colorado
16	Revised Statutes, is amended to read:
17	42-1-304. Green truck grant program - created. (1) There is
18	hereby created in the governor's COLORADO energy office the green truck
19	grant program to provide grants to qualified recipients for reductions in
20	truck emissions and energy usage by:
21	SECTION 52. 42-3-228, Colorado Revised Statutes, is repealed.
22	SECTION 53. Appropriation. The general assembly anticipates
23	that, for the fiscal year beginning July 1, 2011, the governor - lieutenant
24	governor - state planning and budgeting, economic development
25	programs division, for global business development, will receive the sum
26	of two hundred thirty-seven thousand one hundred sixty-four dollars
27	(\$237,164) in federal funds and 3.0 FTE for the implementation of this

1	act. Although these funds are not appropriated in this act, they are noted
2	for the purpose of indicating the assumptions used relative to these funds.
3	SECTION 54. Effective date. This act shall take effect July 1,
4	2011.
5	SECTION 55. Safety clause. The general assembly hereby finds,
6	determines, and declares that this act is necessary for the immediate

7 preservation of the public peace, health, and safety.