

Second Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

**REENGROSSED**

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

LLS NO. 12-0418.01 Esther van Mourik x4215

**HOUSE BILL 12-1315**

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**HOUSE SPONSORSHIP**

**Becker,**

**SENATE SPONSORSHIP**

**Steadman,**

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**House Committees**

Agriculture, Livestock, & Natural Resources  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE REORGANIZATION OF THE GOVERNOR'S ENERGY**  
102 **OFFICE, AND IN CONNECTION THEREWITH, MAKING AN**  
103 **APPROPRIATION.**

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**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 office of energy development (office). As part of the reorganization of the office, the bill changes the mission of the office to:

! Promoting all Colorado energy;

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

HOUSE  
3rd Reading Unamended  
April 12, 2012

HOUSE  
Amended 2nd Reading  
April 11, 2012

- ! 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.

The bill aligns the duties of the office with the new mission of the office.

The bill requires the office to obtain legislative approval prior to changing office policies related to its strategic plan, the definition of "renewable energy", energy transmission, or any policy that could negatively impact the use of traditional energy sources.

The bill creates the renewable energy fund and specifies that the fund be used by the office to work with communities, utilities, private and public organizations, and individuals to promote:

- ! The renewable energy standard;
- ! Renewable energy such as wind, solar, biomass, hydroelectricity, thermal gasification, and geothermal;
- ! Energy efficiency technologies;
- ! Cleaner technologies by utilizing traditional Colorado-sourced energy; and
- ! New energy technologies.

The bill changes the name of the clean energy fund to the innovative energy fund, aligns the purposes of that fund with the new mission of the office, limits the expenditures from the fund for those projects related to the severance of minerals subject to taxation under state law, and transfers moneys to the innovative energy fund from the perpetual base account of the severance tax trust fund.

The bill repeals:

- ! The wind for schools grant program;
- ! The Colorado clean energy development authority; and
- ! The green truck grant program.

The bill ends the office's role as a consultant to the reenergize Colorado program and the geothermal resource leasing fund.

The bill changes the name of the clean energy improvement debt reserve fund to the energy improvement debt reserve fund and includes improvements to the efficiency of traditional energy fixtures as part of the definition of "renewable energy improvement" for purposes of local improvement districts.

The bill ends the authority of the office to use up to 5% of the moneys in the Colorado office of energy development low-income energy assistance fund for planning, overseeing, and evaluating the program to improve the energy efficiency of low-income households.

Finally, the bill terminates the office on July 1, 2018, unless

extended through the sunset review process.

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

2 **SECTION 1.** In Colorado Revised Statutes, 11-59.7-103, **repeal**  
3 (13); and **add** (8.5) as follows:

4 **11-59.7-103. Definitions.** As used in this article, unless the  
5 context otherwise requires:

6 (8.5) "COLORADO ENERGY OFFICE" MEANS THE COLORADO  
7 ENERGY OFFICE CREATED IN SECTION 24-38.5-101 (1), C.R.S.

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

10 **SECTION 2.** In Colorado Revised Statutes, **amend** 11-59.7-107  
11 as follows:

12 **11-59.7-107. Qualified energy conservation bond volume cap.**

13 (1) The qualified energy conservation bond volume cap shall be  
14 administered by the ~~governor's energy office~~ COLORADO ENERGY  
15 OFFICE pursuant to this section. The ~~governor's energy office~~ COLORADO  
16 ENERGY OFFICE shall allocate the qualified energy conservation bond  
17 volume cap to the state and large local governments in accordance with  
18 federal law for the purpose of financing or refinancing projects approved  
19 by the ~~governor's energy office~~ COLORADO ENERGY OFFICE. The qualified  
20 energy conservation bond volume cap for calendar year 2009 shall be  
21 allocated by the thirtieth day following June 2, 2009. The qualified energy  
22 conservation bond volume cap for each subsequent calendar year shall be  
23 allocated on or before February 15 of the calendar year.

24 (2) The state may reallocate any portion of the qualified energy  
25 conservation bond volume cap allocated or reallocated to the state

1 pursuant to this section to any public entity for the purpose of financing  
2 or refinancing projects approved by the ~~governor's energy office~~  
3 COLORADO ENERGY OFFICE.

4 (3) Any portion of the qualified energy conservation bond volume  
5 cap for a calendar year that is allocated to a large local government  
6 pursuant to subsection (1) of this section that has not been used on bonds  
7 issued or a lease-purchase agreement entered into or for which a contract  
8 to purchase bonds or instruments evidencing interests in a lease-purchase  
9 agreement has not been entered into on or before November 10 of the  
10 calendar year shall, on November 11 of the calendar year, automatically  
11 revert to the ~~governor's energy office~~ COLORADO ENERGY OFFICE. If  
12 a contract to purchase has been entered into on or before November 10 of  
13 the calendar year but the related bonds or lease-purchase agreement are  
14 not issued or entered into on or before November 30 of the calendar year,  
15 the volume cap shall automatically revert to the ~~governor's energy office~~  
16 COLORADO ENERGY OFFICE on December 1 of the calendar year. The  
17 ~~governor's energy office~~ COLORADO ENERGY OFFICE may reallocate to any  
18 public entity for the purpose of financing or refinancing a project  
19 approved by the office, or carry forward pursuant to subsection (4) of this  
20 section, any volume cap that reverts to the office pursuant to this  
21 subsection (3). Any volume cap that is reallocated to a public entity  
22 pursuant to this subsection (3) that has not been used on bonds issued or  
23 a lease-purchase agreement entered into by noon, prevailing Denver time,  
24 on December 31 of a calendar year shall, at 12:01 p.m., prevailing Denver  
25 time, on December 31 of the calendar year, automatically revert to the  
26 ~~governor's energy office~~ COLORADO ENERGY OFFICE.

27 (4) The ~~governor's energy office~~ COLORADO ENERGY OFFICE

1 shall carry forward to the next calendar year any portion of the qualified  
2 energy conservation bond volume cap that has not been used on bonds  
3 issued or a lease-purchase agreement entered into by the end of a calendar  
4 year. In selecting projects for the purpose of allocating qualified energy  
5 conservation bond volume cap, the ~~governor's energy office~~ COLORADO  
6 ENERGY OFFICE shall prioritize projects that are ready to be financed or  
7 refinanced and that are most consistent with the purpose of this article  
8 described in section 11-59.7-102 (1) (b). The ~~governor's energy office~~  
9 COLORADO ENERGY OFFICE shall allocate qualified energy  
10 conservation bond volume cap in a manner consistent with federal law  
11 and the purpose of this article described in section 11-59.7-102 (1) (b)  
12 and to minimize the qualified energy conservation bond volume cap that  
13 has not been used on bonds issued or a lease-purchase agreement entered  
14 into on or before the expiration of the qualified energy conservation bond  
15 program. The ~~governor's energy office~~ COLORADO ENERGY OFFICE may  
16 allocate qualified energy conservation bond volume cap to the state  
17 pursuant to this section in anticipation of the enactment by the general  
18 assembly of legislation authorizing a lease-purchase agreement. The state,  
19 any large local government, or any other public entity to which qualified  
20 energy conservation bond volume cap has been allocated pursuant to this  
21 section may, at any time, relinquish the volume cap to the ~~governor's~~  
22 ~~energy office~~ COLORADO ENERGY OFFICE. Any volume cap relinquished  
23 may be reallocated by the ~~governor's energy office~~ COLORADO ENERGY  
24 OFFICE to any public entity to finance or refinance a project approved by  
25 the office or may be carried forward to the next calendar year. The  
26 department of local affairs, in consultation with the ~~governor's energy~~  
27 ~~office~~ COLORADO ENERGY OFFICE, may promulgate rules in accordance

1 with article 4 of title 24, C.R.S., regarding the manner in which the  
2 qualified energy conservation bond volume cap will be allocated.

3 **SECTION 3.** In Colorado Revised Statutes, 11-59.7-111, **amend**  
4 (1) introductory portion as follows:

5 **11-59.7-111. Reporting requirements.** (1) A public entity that  
6 issues or enters into a stimulus obligation authorized by the allocation or  
7 reallocation of volume cap to the public entity pursuant to section  
8 11-59.7-106, 11-59.7-107, 11-59.7-108, or 11-59.7-109, by the public  
9 school capital construction assistance board, the ~~governor's energy office~~  
10 COLORADO ENERGY OFFICE, the commission on higher education, or the  
11 department of local affairs, as applicable, shall deliver a report to the  
12 entity that allocated or reallocated the volume cap within thirty days after  
13 the stimulus obligation is issued or entered into. The report shall include  
14 the following information and any other information requested by the  
15 entity that allocated or reallocated the volume cap:

16 **SECTION 4.** In Colorado Revised Statutes, 22-43.7-107, **amend**  
17 (2) (d) as follows:

18 **22-43.7-107. Public school facility construction guidelines -**  
19 **establishment by board - use.** (2) The public school facility  
20 construction guidelines shall identify and describe the capital  
21 construction, renovation, and equipment needs in public school facilities  
22 and means of addressing those needs that will provide educational and  
23 safety benefits at a reasonable cost. In preparing the guidelines, the board  
24 shall address the following considerations:

25 (d) Building performance standards and guidelines, including but  
26 not limited to green building and energy efficiency criteria as specified in  
27 executive order D0012 07, "Greening of State Government: Detailed

1 Implementation", issued by the governor on April 16, 2007, or any  
2 subsequent executive orders or other policy directives concerning green  
3 building and energy efficiency criteria issued by the governor or the  
4 ~~governor's energy office~~ COLORADO ENERGY OFFICE;

5 **SECTION 5.** In Colorado Revised Statutes, 22-89-103, **amend**  
6 (1) as follows:

7 **22-89-103. Definitions.** As used in this article, unless the context  
8 otherwise requires:

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

11 **SECTION 6.** In Colorado Revised Statutes, 22-89-104, **amend**  
12 (1) and (2) (a) as follows:

13 **22-89-104. Wind for schools grant program - created -**  
14 **applications.** (1) There is hereby created the wind for schools grant  
15 program to fund wind for schools projects at qualified schools. A  
16 qualified school may, with the written authorization of the local board of  
17 education, apply to the ~~governor's~~ COLORADO energy office, in  
18 accordance with procedures and deadlines adopted by the office, to  
19 receive moneys through the grant program. The office shall administer the  
20 grant program as provided in this article and pursuant to policies adopted  
21 by the office.

22 (2) (a) The ~~governor's~~ COLORADO energy office shall adopt  
23 policies specifying when a qualified school may request a grant and the  
24 procedure for making the request.

25 **SECTION 7.** In Colorado Revised Statutes, 22-89-105, **amend**  
26 (1), (2) (a), (2) (b) introductory portion, and (3) as follows:

27 **22-89-105. Wind for schools grant program - policies -**

1 **awarding grants.** (1) The governor's COLORADO energy office shall  
2 adopt policies for the implementation of the wind for schools grant  
3 program. At a minimum, the policies shall specify the procedures for  
4 applying for a grant, the form of the grant application, the information to  
5 be provided by the applicant, and the criteria for awarding grants.

6 (2) (a) The governor's COLORADO energy office shall review each  
7 grant application received from a qualified school pursuant to section  
8 22-89-104 and shall make a determination as to whether the grant should  
9 be awarded and, except as provided in paragraph (c) of this subsection  
10 (2), the amount of the grant. If the office determines an application is  
11 missing any information required by the office's policy to be included  
12 with the application, the office may contact the applicant to obtain the  
13 missing information.

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

17 (3) The governor's COLORADO energy office shall use at least fifty  
18 thousand dollars for the implementation of this grant program from the  
19 existing resources of the office. The minimum funding requirement for  
20 the implementation of this grant program may be met in one or more  
21 fiscal years. The office shall not submit a request for an appropriation or  
22 a supplemental appropriation for this purpose.

23 **SECTION 8.** In Colorado Revised Statutes, 22-92-103, **repeal**  
24 (3); and **add** (1.5) as follows:

25 **22-92-103. Definitions.** As used in this article, unless the context  
26 otherwise requires:

27 (1.5) "COLORADO ENERGY OFFICE" OR "OFFICE" MEANS THE



1 COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S., OR  
2 ANY SUCCESSOR OFFICE.

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

6 SECTION 9. In Colorado Revised Statutes, 22-92-104, **amend**  
7 (1) as follows:

8 **22-92-104. Renewable energy and energy efficiency for schools**  
9 **loan program - created - applications - permissible uses of loans.**

10 (1) There is hereby created the renewable energy and energy efficiency  
11 for schools loan program to fund renewable energy projects and  
12 energy-efficient bus projects at qualified school districts. A qualified  
13 school district may, with the written authorization of the school district  
14 board of education, apply to the ~~governor's energy office~~ COLORADO  
15 ENERGY OFFICE, in accordance with procedures and deadlines established  
16 by rules promulgated by the state board of education pursuant to section  
17 22-92-105, to receive moneys through the loan program. The office shall  
18 administer the loan program as provided in this article and pursuant to the  
19 policies adopted by the office.

20 SECTION 10. In Colorado Revised Statutes, 22-92-105, **amend**  
21 (1) introductory portion, (2), (3), and (4) as follows:

22 **22-92-105. Renewable energy and energy efficiency for schools**  
23 **loan program - rules - awarding loans.** (1) On or before October 15,  
24 2009, the state board of education, in consultation with the ~~governor's~~  
25 ~~energy office~~ COLORADO ENERGY OFFICE, shall promulgate rules  
26 establishing policies and procedures for the administration of the  
27 renewable energy and energy efficiency for schools loan program. At a

1 minimum, the rules shall include:

2 (2) (a) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
3 ■ shall review each loan application received from a qualified school  
4 district pursuant to section 22-92-104 (1), evaluate the renewable energy  
5 project or energy-efficient bus project described therein, and make a  
6 recommendation to the state treasurer as to whether to award the loan and  
7 the amount of the loan. If the office determines an application is missing  
8 any information required by the office's policy to be included with the  
9 application, the office may contact the applicant to obtain the missing  
10 information.

11 (b) In reviewing loan applications for renewable energy projects  
12 and energy-efficient bus projects pursuant to paragraph (a) of this  
13 subsection (2), the ~~governor's energy office~~ COLORADO ENERGY OFFICE  
14 ■ shall consider, at a minimum, whether a qualified school district would  
15 reduce its energy costs by the implementation of the renewable energy  
16 project or energy-efficient bus project that is the subject of each loan  
17 application.

18 (3) The state treasurer is authorized to require each qualified  
19 school district that receives a loan from the loan program to pay to the  
20 ~~governor's energy office~~ COLORADO ENERGY OFFICE a fee that reflects the  
21 direct and indirect costs incurred by the state treasurer in administering  
22 loans pursuant to section 22-92-107. If the state treasurer elects to impose  
23 a fee pursuant to this subsection (3), he or she shall notify the ~~governor's~~  
24 ~~energy office~~ COLORADO ENERGY OFFICE ■ and the state board of  
25 education of the decision to impose the fee. A fee imposed pursuant to  
26 this subsection (3) may be imposed on a regularly scheduled basis to be  
27 determined by the state treasurer. A qualified school district that receives

1 a loan from the loan program shall be required to pay the fee until the  
2 loan is repaid in full.

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

7 **SECTION 11.** In Colorado Revised Statutes, 22-92-107, **amend**  
8 (1) (a) and (1) (b) as follows:

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

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

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

1           **SECTION 12.** In Colorado Revised Statutes, 23-31-313, **amend**  
2 (7) (b) as follows:

3           **23-31-313. Healthy forests - vibrant communities - funds**  
4 **created. (7) Enhanced economic opportunities.** In order to support  
5 local business development and job creation through the implementation  
6 of forest treatments, the forest service shall:

7           (b) Work with the ~~governor's energy office~~ COLORADO ENERGY  
8 OFFICE created in section 24-38.5-101, C.R.S., and the air quality  
9 control commission created in section 25-7-104, C.R.S., to support the  
10 appropriately increased use of woody biomass in bio-heating.

11           **SECTION 13.** In Colorado Revised Statutes, 23-31-314, **amend**  
12 (1) (e), (2) (b) (I) introductory portion, and (4) as follows:

13           **23-31-314. Colorado forest biomass use work group - repeal.**

14 (1) There is hereby created the Colorado forest biomass use work group.  
15 The work group shall invite an employee of the United States forest  
16 service to participate in the work group's proceedings. The work group  
17 consists of:

18           (e) The director of the ~~governor's energy office~~ COLORADO  
19 ENERGY OFFICE created in section 24-38.5-101, C.R.S., or the director's  
20 designee, whose participation is limited to identifying mechanisms that  
21 are cost-neutral to consumers;

22           (2) The work group shall prioritize its efforts to protect critical  
23 forested areas of the state, including the wildland-urban interface, electric  
24 utility infrastructure, transportation corridors, water supply and quality,  
25 and watersheds. The purpose of the work group is to:

26           (b) Recommend ways to maximize the Colorado state forest  
27 service's effectiveness with regard to the following issues:

1 (I) The service acting as an information resource, in coordination  
2 with the department of natural resources and the ~~governor's energy office~~  
3 COLORADO ENERGY OFFICE, for persons seeking to utilize woody biomass  
4 for energy development, including by maintaining and updating existing  
5 data regarding:

6 (4) (a) The Colorado state forest service, the department of natural  
7 resources, and the ~~governor's energy office~~ COLORADO ENERGY OFFICE  
8 may accept private gifts, grants, and donations for the purpose of  
9 providing support to the work group to perform its responsibilities  
10 specified in this section and shall transmit such revenues to the state  
11 treasurer, who shall deposit them in a separate account within the healthy  
12 forests and vibrant communities fund created in section 23-31-313 (10),  
13 which account is hereby created. Revenues in the account are available  
14 to the Colorado state forest service and the work group only for the  
15 purpose of carrying out the work group's duties under this section. The  
16 account also consists of moneys appropriated and transferred to the  
17 account. Any unencumbered moneys remaining in the account as of July  
18 1, 2012, revert to the healthy forests and vibrant communities fund to be  
19 used pursuant to section 23-31-313 (10).

20 (b) It is the intent of the general assembly that the Colorado state  
21 forest service not be required to solicit gifts, grants, or donations from any  
22 source for the purposes of this section and that no general fund moneys  
23 be used to pay for grants awarded pursuant to this section or for any  
24 expenses of the work group. The work group may also access existing  
25 resources of the Colorado state forest service, the department of natural  
26 resources, and the ~~governor's energy office~~ COLORADO ENERGY OFFICE,  
27 to the extent that such resources are legally available and otherwise

1 unencumbered.

2 **SECTION 14.** In Colorado Revised Statutes, 23-41-114, **amend**

3 (4) (b) (VI) (A) as follows:

4 **23-41-114. Colorado energy research institute - creation.**

5 (4) The institute shall conduct:

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

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

16 **SECTION 15.** In Colorado Revised Statutes, 24-33-115, **amend**

17 (1) introductory portion as follows:

18 **24-33-115. Reenergize Colorado program - powers and duties**

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

26

27 **SECTION 16.** In Colorado Revised Statutes, **amend** 24-38.5-101

1 as follows:

2 **24-38.5-101. Colorado energy office - creation.** (1) There is  
3 hereby created within the office of the governor the ~~governor's energy~~  
4 ~~office~~ COLORADO ENERGY OFFICE, the head of which shall be the director  
5 of the ~~governor's energy office~~ COLORADO ENERGY OFFICE. The director  
6 of the office shall be assisted by a deputy director and a staff to fulfill the  
7 office's mission to: ~~lead Colorado to a new energy economy by advancing~~  
8 ~~energy efficiency and renewable, clean energy resources.~~

9 (a) ~~SUSTAIN THE COLORADO ENERGY ECONOMY AND PROMOTE ALL~~  
10 COLORADO ENERGY;

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

13 (c) ENCOURAGE COLORADO-BASED CLEAN AND INNOVATIVE  
14 ENERGY SOLUTIONS THAT INCLUDE TRADITIONAL, CLEAN, AND  
15 RENEWABLE ENERGY SOURCES IN ORDER TO ENCOURAGE A BALANCED  
16 ENERGY PORTFOLIO;

17 (d) ~~PROMOTE ENERGY EFFICIENCY;~~

18 (e) INCREASE ENERGY SECURITY;

19 (f) LOWER LONG-TERM CONSUMER COSTS; AND

20 (g) PROTECT THE ENVIRONMENT.

21 (2) ~~Staff of the governor's energy office shall include but not be~~  
22 ~~limited to regional representatives to help engage municipalities,~~  
23 ~~consumers, businesses, and others with the energy programs of the office.~~  
24 ~~The regional representatives shall expedite programs and serve as a local~~  
25 ~~resource to communities throughout Colorado.~~

26 **SECTION 17.** In Colorado Revised Statutes, 24-38.5-102,  
27 **amend** (1) introductory portion, (1) (a), (1) (e), and (1) (o); **repeal** (1)

1 (s), (1) (t), and (2); and **add** (3) as follows:

2 **24-38.5-102. Colorado energy office - duties and powers.**

3 (1) The ~~governor's energy office~~ COLORADO ENERGY OFFICE shall:

4 (a) Work with communities, utilities, private and public  
5 organizations, and individuals to promote:

6 (I) THE RENEWABLE ENERGY STANDARD ESTABLISHED IN SECTION  
7 40-2-124, C.R.S.;

8 (II) Renewable AND CLEAN energy, such as wind, solar, BIOGAS,  
9 BIOMASS, HYDROELECTRICITY, THERMAL GASIFICATION, and geothermal;  
10 **and**


11 (III) TRADITIONAL ENERGY SOURCES SUCH AS OIL AND OTHER  
12 PETROLEUM PRODUCTS, COAL, AND NATURAL GAS;

13 (IV) Energy efficiency technologies;

14 (V) CLEANER TECHNOLOGIES BY UTILIZING TRADITIONAL,  
15 COLORADO-SOURCED ENERGY; AND

16 (VI) NEW ENERGY TECHNOLOGIES AS DESCRIBED IN SECTION  
17 40-2-123, C.R.S.

18 (e) Advance INNOVATIVE energy efficiency and renewable energy  
19 throughout the state as specified in ~~section 24-75-1201~~ SECTION  
20 24-38.5-102.5;

21 

22 (o) Collaborate with the department of higher education to  
23 develop ~~renewable~~ energy curricula that will serve the work force needs  
24 of ~~renewable~~ ALL energy industries. Such collaboration may include  
25 research institutions, state colleges, community colleges, and trade  
26 organizations in an effort to develop a means by which the state may  
27 address all facets of work force demands in ~~the new energy economy~~



1 DEVELOPING A BALANCED ENERGY PORTFOLIO. Institutions may also  
2 partner in the development of curricula with organizations that have  
3 existing ENERGY curricula and training programs. ~~on renewable energy~~  
4 ~~For the purposes of this paragraph (o), "renewable energy" shall have the~~  
5 ~~same meaning as set forth in section 40-1-102 (11), C.R.S.~~

6 (s) ~~Administer the green truck grant program pursuant to part 3 of~~  
7 ~~article 1 of title 42, C.R.S.;~~

8 (t) ~~Assist the executive director of the department of local affairs~~  
9 ~~in allocating revenues from the geothermal resource leasing fund to~~  
10 ~~eligible entities pursuant to section 34-63-105, C.R.S.~~

11 (2) ~~The director of the governor's energy office shall serve as~~  
12 ~~chairperson of the board of directors of the Colorado clean energy~~  
13 ~~development authority as specified in article 9.7 of title 40, C.R.S.~~

14 (3) THE COLORADO ENERGY OFFICE SHALL NOTIFY THE HOUSE OF  
15 REPRESENTATIVES AND SENATE COMMITTEES OF REFERENCE TO WHICH  
16 THE OFFICE IS ASSIGNED PURSUANT TO SECTION 2-7-203 (1), C.R.S., WHEN  
17 IT MAKES ANY CHANGES TO:

18 (a) ANY PRINCIPLES, POLICIES, OR PERFORMANCE-BASED GOALS  
19 THAT THE OFFICE HAS OUTLINED IN ITS STRATEGIC PLAN REQUIRED  
20 PURSUANT TO SECTION 2-7-204 (1) (a), C.R.S.;

21 (b) OFFICE POLICIES RELATED TO THE DEFINITION OF "RENEWABLE  
22 ENERGY";

23 (c) OFFICE POLICIES RELATED TO ENERGY TRANSMISSION; AND

24 (d) ANY OFFICE POLICY THAT COULD NEGATIVELY IMPACT THE USE  
25 OF TRADITIONAL ENERGY SOURCES.

26 **SECTION 18.** In Colorado Revised Statutes, **add** 24-38.5-102.4  
27 as follows:

1           **24-38.5-102.4. Clean and renewable energy fund - created.**

2           (1) THERE IS HEREBY CREATED IN THE STATE TREASURY THE CLEAN AND  
3           RENEWABLE ENERGY FUND, REFERRED TO IN THIS SECTION AS THE "FUND".

4           THE FUND CONSISTS OF:

5                   (a) ANY MONEYS TRANSFERRED TO THE FUND, INCLUDING:

6                           (I) (A) ON JULY 1, 2012, ONE MILLION FIVE HUNDRED SIXTY  
7                           THOUSAND FOUR HUNDRED NINETY-ONE DOLLARS SHALL BE TRANSFERRED  
8                           FROM THE GENERAL FUND TO THE CLEAN AND RENEWABLE ENERGY FUND.

9                           (B) THIS SUBPARAGRAPH (I) IS REPEALED, EFFECTIVE JANUARY 1,  
10                           2013.

11                           (II) (A) ON JULY 1, 2013, AND EACH JULY 1 THEREAFTER THROUGH  
12                           JULY 1, 2016, ONE MILLION SIX HUNDRED THOUSAND DOLLARS SHALL BE  
13                           TRANSFERRED FROM THE GENERAL FUND TO THE CLEAN AND RENEWABLE  
14                           ENERGY FUND.

15                           (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JANUARY  
16                           1, 2017.

17                   (b) ANY GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC  
18                   SOURCES THAT THE COLORADO ENERGY OFFICE IS HEREBY AUTHORIZED TO  
19                   SEEK AND ACCEPT.

20           (2) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE  
21           MONEYS IN THE FUND TO THE COLORADO ENERGY OFFICE FOR THE  
22           OFFICE TO PERFORM THE DUTIES SPECIFIED IN SECTION 24-38.5-102 (1) (a)  
23           AND FOR THE COLORADO CLEAN ENERGY FINANCE PROGRAM ESTABLISHED  
24           PURSUANT TO ARTICLE 38.7 OF THIS TITLE.

25           (3) ALL MONEYS NOT EXPENDED OR ENCUMBERED, AND ALL  
26           INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEYS IN THE  
27           FUND, REMAIN IN THE FUND AND DO NOT REVERT TO THE GENERAL FUND

1 OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. MONEYS IN THE  
2 FUND SHALL NOT BE TRANSFERRED TO THE INNOVATIVE ENERGY FUND  
3 CREATED IN SECTION 24-38.5-102.5.

4 **SECTION 19.** In Colorado Revised Statutes, **add with amended**  
5 **and relocated provisions** 24-38.5-102.5 as follows:

6 **24-38.5-102.5. [Formerly 24-75-1201] Innovative energy fund**  
7 **- creation - use of fund - definitions.** (1) (a) The ~~clean~~ INNOVATIVE  
8 energy fund is hereby created in the state treasury. The principal of the  
9 fund shall consist of moneys transferred to the fund at the end of the  
10 2006-07 state fiscal year and at the end of each succeeding state fiscal  
11 year from moneys received by the ~~governor's energy office pursuant to~~  
12 ~~section 39-29-109.3(2)(f), C.R.S., in accordance with section 40-8.7-112~~  
13 ~~(3)(g), C.R.S.~~ COLORADO ENERGY OFFICE, moneys received pursuant to  
14 the federal "American Recovery and Reinvestment Act of 2009", Pub.L.  
15 111-5, or any amendments thereto, MONEYS RECEIVED PURSUANT TO  
16 SECTION 39-29-108 (2), C.R.S., or from revenue contracts, court  
17 settlement funds, supplemental environmental program funds, repayment  
18 or return of funds from eligible public depositories, and gifts, grants, and  
19 donations, and any other moneys received by the ~~governor's energy office~~  
20 COLORADO ENERGY OFFICE. Interest and income earned on the deposit  
21 and investment of moneys in the ~~clean~~ INNOVATIVE energy fund shall be  
22 credited to the fund. Moneys in the fund at the end of any state fiscal year  
23 shall remain in the fund and shall not be credited to the state general fund  
24 or any other fund. EXCEPT AS PROVIDED IN PARAGRAPH (d) OF THIS  
25 SUBSECTION (1), MONEYS IN THE FUND SHALL NOT BE TRANSFERRED TO  
26 THE CLEAN AND RENEWABLE ENERGY FUND CREATED IN SECTION  
27 24-38.5-102.4.

1 (b) For purposes of this section:

2 (I) "~~governor's energy office~~" "COLORADO ENERGY OFFICE"   
3 means the ~~governor's energy office~~ COLORADO ENERGY OFFICE  created  
4 in section 24-38.5-101.

5 (II) "INNOVATIVE ENERGY" MEANS AN EXISTING, NEW, OR  
6 EMERGING TECHNOLOGY THAT:

7 (A) ENABLES THE USE OF A LOCAL FUEL SOURCE;

8 (B) ESTABLISHES A MORE EFFICIENT OR ENVIRONMENTALLY  
9 BENEFICIAL USE OF ENERGY; OR

10 (C) HELPS TO CREATE ENERGY INDEPENDENCE OR ENERGY  
11 SECURITY FOR THE STATE.

12 (c) ON JULY 1, 2012, THE STATE TREASURER SHALL TRANSFER SIX  
13 HUNDRED THOUSAND DOLLARS FROM THE FUND TO THE COLORADO  
14 ENERGY OFFICE LOW-INCOME ENERGY ASSISTANCE FUND CREATED IN  
15 SECTION 40-8.7-112 (3) (a), C.R.S.

16 (d) ON JULY 1, 2012, THE STATE TREASURER SHALL TRANSFER ONE  
17 MILLION SIX HUNDRED THOUSAND DOLLARS FROM THE FUND TO THE  
18 CLEAN AND RENEWABLE ENERGY FUND CREATED IN SECTION  
19 24-38.5-102.4.

20 (2) (a) All moneys in the ~~clean~~ INNOVATIVE energy fund are  
21 ~~continuously~~ ANNUALLY appropriated to the ~~governor's energy office~~  
22 COLORADO ENERGY OFFICE for the purposes of advancing INNOVATIVE  
23 energy ~~efficiency and renewable energy~~ throughout the state; EXCEPT  
24 THAT THE MONEYS ARE LIMITED TO PROJECTS RELATED TO THE  
25 SEVERANCE OF MINERALS SUBJECT TO TAXATION UNDER ARTICLE 29 OF  
26 TITLE 39, C.R.S.

27 (b) The ~~governor's energy office~~ COLORADO ENERGY OFFICE

1 may expend moneys from the ~~clean~~ INNOVATIVE energy fund:

2 (I) TO OVERCOME MARKET BARRIERS FACING EMERGING AND  
3 COST-EFFECTIVE ENERGY TECHNOLOGIES;

4 (II) TO PROMOTE ROBUST RESEARCH, DEVELOPMENT,  
5 COMMERCIALIZATION, AND FINANCING OF INNOVATIVE ENERGY  
6 TECHNOLOGIES;

7 (III) TO EDUCATE THE GENERAL PUBLIC ON ENERGY ISSUES AND  
8 OPPORTUNITIES;

9 ~~(H)~~ (IV) To attract ~~renewable~~ INNOVATIVE energy industry  
10 investment in the state;

11 ~~(HH)~~ (V) To assist in technology transfer into the marketplace for  
12 newly developed INNOVATIVE energy ~~efficiency and renewable energy~~  
13 technologies;

14 ~~(HH)~~ (VI) To provide market incentives for the purchase and  
15 distribution of INNOVATIVE energy ~~efficient and renewable energy~~  
16 products;

17 ~~(HV)~~ (VII) To assist in the implementation of INNOVATIVE energy  
18 ~~efficiency~~ projects throughout the state;

19 ~~(V)~~ (VIII) To aid governmental agencies in INNOVATIVE energy  
20 ~~efficiency~~ government initiatives;

21 ~~(VH)~~ (IX) To facilitate widespread implementation of ~~renewable~~  
22 INNOVATIVE energy technologies; and

23 ~~(VH)~~ (X) In any other manner that serves the purposes of  
24 advancing INNOVATIVE energy ~~efficiency and renewable energy~~  
25 throughout the state.

26 (c) (I) Subject to the provisions of subparagraph (II) of this  
27 paragraph (c), the moneys in the ~~clean~~ INNOVATIVE energy fund may also

1 be used by the ~~governor's energy office~~ COLORADO ENERGY OFFICE to  
2 make grants or loans to persons, as defined in section 2-4-401 (8), C.R.S.,  
3 for use in carrying out the purposes of this ~~part 12~~ SECTION. The  
4 ~~governor's energy office~~ COLORADO ENERGY OFFICE shall consider the  
5 following information in determining whether to make a grant or loan:

- 6 (A) The amount of the grant or loan;
- 7 (B) The quantified impact on energy demand or amount of ~~clean~~  
8 INNOVATIVE energy production generated as a result of the grant or loan;
- 9 (C) The potential economic impact of the grant or loan; and
- 10 (D) The public benefits expected to result from the grant or loan.

11 (II) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
12 may establish terms and conditions for making grants or loans pursuant  
13 to this section and in accordance with the objectives of the office as set  
14 forth in section 24-38.5-102.

15 **SECTION 20.** In Colorado Revised Statutes, 24-38.5-103,  
16 **amend** (2) as follows:

17 **24-38.5-103. Electric vehicle grant fund - creation -**  
18 **administration.** (2) The ~~governor's energy office~~ COLORADO ENERGY  
19 OFFICE is authorized to seek and accept gifts, grants, or donations from  
20 private or public sources for the purposes of this section. All private and  
21 public funds received through gifts, grants, or donations shall be  
22 transmitted to the state treasurer, who shall credit the same to the fund.  
23 The moneys in the fund shall be subject to annual appropriation by the  
24 general assembly. Any moneys in the fund not expended for the purposes  
25 of this section may be invested by the state treasurer as provided by law.  
26 All interest and income derived from the investment and deposit of  
27 moneys in the fund shall be credited to the fund. Any unexpended and

1 unencumbered moneys remaining in the fund at the end of a fiscal year  
2 shall remain in the fund and shall not be credited or transferred to the  
3 general fund or another fund.

4 **SECTION 21.** In Colorado Revised Statutes, 24-38.5-104,  
5 **amend** (2) as follows:

6 **24-38.5-104. Photovoltaic installer qualifications - cooperation**  
7 **with department of regulatory agencies.** (2) If the governor, by  
8 executive order, appoints a committee to study the desirability of  
9 credentialing of solar installers, the committee, or the ~~governor's energy~~  
10 ~~office~~ COLORADO ENERGY OFFICE on the committee's behalf, is  
11 specifically authorized to submit a proposal for such credentialing to the  
12 department of regulatory agencies pursuant to section 24-34-104.1 (2). In  
13 addition, the committee may study and make recommendations  
14 concerning the scope-of-work provisions of section 40-2-128, C.R.S.,  
15 specifically including enforcement of the supervision and worker ratio  
16 requirements of section 40-2-128 (1) (c) and (1) (d), C.R.S.

17 **SECTION 22.** In Colorado Revised Statutes, **amend** 24-38.5-105  
18 as follows:

19 **24-38.5-105. Energy improvement debt reserve fund -**  
20 **authorization - use.** (1) (a) The ~~clean~~ energy improvement debt reserve  
21 fund is hereby created in the state treasury. The principal of the fund shall  
22 consist of up to ten million dollars of legally available moneys from  
23 nonstate sources under the control of the ~~governor's energy office~~  
24 COLORADO ENERGY OFFICE, which the state treasurer shall promptly  
25 credit to the fund if instructed in writing to do so by the director of the  
26 ~~governor's energy office~~ COLORADO ENERGY OFFICE, and any fees paid  
27 to the state treasurer in accordance with subparagraph (II) of paragraph

1 (b) of this subsection (1). All interest and income derived from the  
2 deposit and investment of moneys in the fund shall be credited to the  
3 fund, and all unexpended and unencumbered moneys in the fund at the  
4 end of any fiscal year shall remain in the fund. The fund is hereby  
5 continuously appropriated to the state treasurer, who may expend moneys  
6 from the fund solely for the purposes of paying principal and interest on  
7 bonds issued by a local improvement district or other special district as  
8 specified in paragraph (c) of this subsection (1) and defraying any direct  
9 and indirect costs incurred by the state treasurer in executing duties  
10 required by this section.

11 (b) (I) If the ~~governor's energy office~~ COLORADO ENERGY OFFICE  
12 ~~instructs~~ instructs the state treasurer to credit moneys from nonstate sources to  
13 the ~~clean~~ energy improvement debt reserve fund, with prior written  
14 authorization from the director of the ~~governor's energy office~~ COLORADO  
15 ENERGY OFFICE and the state treasurer and after agreeing to pay fees to be  
16 credited to the fund to the state treasurer as specified in subparagraph (II)  
17 of this paragraph (b), a local improvement district or other special district  
18 that imposes special assessments on real property and issues bonds  
19 payable from the revenues generated by the special assessments to  
20 generate the moneys needed to pay the up-front costs of making  
21 renewable energy improvements or ~~clean~~ energy improvements as  
22 authorized by part 6 of article 20 of title 30, C.R.S., or any other provision  
23 of law may rely on the ~~clean~~ energy improvement debt reserve fund as a  
24 backup source of moneys that may be used, after the depletion of any  
25 district debt service reserve fund, for the payment of principal and interest  
26 owed to holders of the district's bonds.

27 (II) A local improvement district or other district that issues bonds



1 and that wishes to rely on the ~~clean~~ energy improvement debt reserve  
2 fund as a backup source of moneys for the payment of principal and  
3 interest owed to holders of the bonds shall enter into a written agreement  
4 with the ~~governor's energy office~~ COLORADO ENERGY OFFICE to pay to  
5 the state treasurer for crediting to the fund such fees for the privilege of  
6 relying on the fund as the ~~governor's energy office~~ COLORADO ENERGY  
7 OFFICE may require. Fees to be paid by a district as required by the  
8 ~~governor's energy office~~ COLORADO ENERGY OFFICE shall be deemed to  
9 be a portion of the amount of the interest rate savings resulting from more  
10 favorable financing terms attributable to the reliance upon the fund. The  
11 ~~governor's energy office~~ COLORADO ENERGY OFFICE may, in its  
12 discretion, require that fees be paid on an annual basis, commencing and  
13 calculated on the date of issuance of the bonds and on each one-year  
14 anniversary of the issuance of the bonds thereafter while the bonds  
15 remain outstanding, in an amount equal to a number of basis points of the  
16 principal amount of the bonds outstanding as of each calculation date  
17 agreed upon by the office and the district.

18 (c) Whenever the paying agent responsible for making payments  
19 to the holders of any bonds issued by a district that has relied upon the  
20 ~~clean~~ energy improvement debt reserve fund as a backup source of  
21 repayment for the district's bonds has not received payment of principal  
22 or interest on the bonds on the tenth business day immediately prior to the  
23 date on which such payment is due and any debt service reserve fund for  
24 the local improvement district or other special district that issued the  
25 bonds has been depleted, the paying agent shall so notify the state  
26 treasurer and the district by telephone, facsimile, or other similar  
27 communication, followed by written verification, of such payment status.

1 The state treasurer shall immediately contact the district and determine  
2 whether the district will make the payment by the date on which it is due  
3 and, if the state treasurer confirms that the district will not make the  
4 payment, the state treasurer shall expend moneys from the ~~clean~~ energy  
5 improvement debt reserve fund to make the payment in a timely manner.  
6 If the amount of moneys in the ~~clean~~ energy improvement debt reserve  
7 fund is not sufficient to cover the entire amount of the payment, the state  
8 treasurer shall pay only so much of the payment as can be paid from  
9 available moneys in the fund. If payments on more than one series of  
10 bonds issued in reliance upon the ~~clean~~ energy improvement debt reserve  
11 fund as a backup source of moneys for repayment are required to be made  
12 from the fund at the same time and the amount of moneys in the fund is  
13 not sufficient to cover the entire amount of the payments, the state  
14 treasurer shall pay from available moneys in the fund only an equal  
15 percentage of the amount of each payment due.

16 (2) This section shall not be construed to create any state debt, to  
17 require the state to make any bond payments on behalf of any local  
18 improvement district or other special district from any source of moneys  
19 other than the ~~clean~~ energy improvement debt reserve fund, or to require  
20 the state to fully pay off any outstanding bonds of a district that cannot  
21 make scheduled bond payments.

22 (3) In accordance with section 11 of article II of the state  
23 constitution, the state hereby covenants with the purchasers of any  
24 outstanding bonds issued in reliance upon the existence of the ~~clean~~  
25 energy improvement debt reserve fund that the state will not repeal,  
26 revoke, or rescind the provisions of this section concerning the fund or  
27 modify or rescind the same so as to limit or impair the rights and remedies

1 granted by this section to the purchasers of such bonds and that any  
2 moneys in the fund shall not revert to the general fund.

3 **SECTION 23.** In Colorado Revised Statutes, 24-38.5-106,  
4 **amend** (2) as follows:

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

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

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

27 **SECTION 24.** In Colorado Revised Statutes, **add** 24-38.5-107 as

1 follows:

2 **24-38.5-107. Colorado office of energy development - subject**

3 **to audit.** (1) NO LATER THAN JULY 1, 2017, THE STATE AUDITOR SHALL  
4 COMPLETE A PERFORMANCE AUDIT OF THE COLORADO ENERGY OFFICE.  
5 THE STATE AUDITOR SHALL PRESENT THE PERFORMANCE AUDIT REPORT TO  
6 THE LEGISLATIVE AUDIT COMMITTEE. AFTER THE PERFORMANCE AUDIT  
7 REPORT IS RELEASED BY THE LEGISLATIVE AUDIT COMMITTEE, THE STATE  
8 AUDITOR SHALL PROVIDE COPIES TO THE HOUSE AGRICULTURE, LIVESTOCK,  
9 NATURAL RESOURCES COMMITTEE, THE SENATE AGRICULTURE AND  
10 NATURAL RESOURCES COMMITTEE, AND THE JOINT BUDGET COMMITTEE.

11 **SECTION 25.** In Colorado Revised Statutes, 24-38.5-203,  
12 **amend** (1), (2), (3), (4) introductory portion, (6), (7), (8), and (9) as  
13 follows:

14 **24-38.5-203. Green building incentive pilot program.**

15 (1) Except as provided in paragraph (b) of subsection (9) of this section,  
16 the ~~governor's energy office~~ COLORADO ENERGY OFFICE shall establish  
17 and administer a green building incentive pilot program in accordance  
18 with the requirements established in this part 2.

19 (2) (a) A qualified homebuyer may submit an application,  
20 provided by the ~~governor's energy office~~ COLORADO ENERGY OFFICE,  
21 to the ~~governor's energy office~~ COLORADO ENERGY OFFICE for a grant  
22 to make energy efficiency improvements to the homebuyer's existing  
23 residence that the homebuyer is selling in preparation for purchasing a  
24 highly efficient new residential construction.

25 (b) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
26 shall award a larger grant to a qualified homebuyer with an existing  
27 residence that has a home energy rating or home energy audit showing

1 greater inefficiency.

2 (3) The energy efficiency improvements shall be performed by  
3 contractors approved by the ~~governor's energy office~~ COLORADO ~~ENERGY OFFICE~~  
4 ~~ENERGY OFFICE~~ as specified in subsection (6) of this section.

5 (4) The ~~governor's energy office~~ COLORADO ~~ENERGY OFFICE~~  
6 shall require the qualified homebuyer to submit documentation:

7 (6) The ~~governor's energy office~~ COLORADO ~~ENERGY OFFICE~~  
8 shall create a list of contractors eligible to perform energy efficiency  
9 improvements to a qualified homebuyer's existing residence.

10 (7) In order to confirm that the qualified homebuyer met the  
11 requirements of the pilot program, the qualified homebuyer shall submit  
12 to the ~~governor's energy office~~ COLORADO ~~ENERGY OFFICE~~ copies of  
13 closing documentation for the highly efficient new residential  
14 construction no later than thirty days after the construction is complete.  
15 If construction is delayed and not completed by the estimated completion  
16 date, the ~~governor's energy office~~ COLORADO ~~ENERGY OFFICE~~ may grant  
17 a waiver or extension for submission of this documentation.

18 (8) If the purchase of the highly efficient new residential  
19 construction is not finalized for any reason, including but not limited to  
20 the cancellation of the sale by the qualified homebuyer or the failure of  
21 the qualified homebuyer to secure financing, the qualified homebuyer  
22 shall reimburse the total amount of the grant to the ~~governor's energy~~  
23 ~~office~~ COLORADO ~~ENERGY OFFICE~~ within thirty days after such  
24 cancellation or failure.

25 (9) (a) Funding for the pilot program shall be provided from  
26 federal funds transferred to the ~~governor's energy office~~ COLORADO  
27 ~~ENERGY OFFICE~~ that the ~~governor's energy office~~ COLORADO ~~ENERGY~~

1 OFFICE has already received prior to August 10, 2011, or may receive after  
2 August 10, 2011. The ~~governor's energy office~~ COLORADO ENERGY  
3 OFFICE may require additional documentation or information from the  
4 qualified homebuyer as required to secure any additional federal funds.

5 (b) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
6 shall not establish the pilot program set forth in this part 2 if federal funds  
7 are not available.

8 **SECTION 26.** In Colorado Revised Statutes, 24-38.7-102,  
9 **amend** (6) as follows:

10 **24-38.7-102. Definitions.** As used in this part 1, unless the  
11 context otherwise requires:

12 (6) "Office" means the ~~governor's energy office~~ COLORADO  
13 ENERGY OFFICE.

14 **SECTION 27.** In Colorado Revised Statutes, 24-38.7-103,  
15 **amend** (2) (b) as follows:

16 **24-38.7-103. Colorado energy office - powers and duties -**  
17 **program - fund created.** (2) (b) The program fund and the accounts of  
18 the program fund shall consist of such moneys as the general assembly  
19 may appropriate thereto from the ~~clean~~ INNOVATIVE energy fund created  
20 in ~~section 24-75-1201 (1), C.R.S.~~ SECTION 24-38.5-102.5, THE CLEAN AND  
21 RENEWABLE ENERGY FUND CREATED IN SECTION 24-38.5-102.4, and any  
22 gifts, grants, or donations that may be made to the program fund. In  
23 accordance with section 24-36-113 (1) (a), which requires the state  
24 treasurer, in making investments, to use prudence and care to preserve the  
25 principal and to secure the maximum rate of interest consistent with  
26 safety and liquidity, if the general assembly chooses not to appropriate  
27 moneys to the program fund or to the accounts of the program fund,

1 nothing in this article shall be deemed to require the state treasurer to  
2 credit any moneys to the program fund or the accounts of the program  
3 fund. All interest and income earned on the deposit and investment of  
4 moneys in the program fund and the accounts of the program fund shall  
5 be used for the loan buy-down account and the loan loss reserve account.  
6 Moneys in the loan buy-down account and loan loss reserve account of  
7 the program fund shall remain in the accounts and shall not be transferred  
8 to the general fund or any other fund at the end of any fiscal year.

9 **SECTION 28.** In Colorado Revised Statutes, 24-38.7-202,  
10 **amend** (3) as follows:

11 **24-38.7-202. Definitions.** As used in this part 2, unless the  
12 context otherwise requires:

13 (3) "Office" means the ~~governor's energy office~~ COLORADO  
14 ENERGY OFFICE.

15 **SECTION 29.** In Colorado Revised Statutes, **amend** 24-38.9-101  
16 as follows:

17 **24-38.9-101. Legislative declaration.** The general assembly  
18 finds, determines, and declares that as Colorado continues to expand its  
19 ~~new~~ THE COLORADO energy economy, the state must ensure that Colorado  
20 citizens have access to the necessary skills in order to compete for jobs in  
21 the new energy market. The general assembly further finds, determines,  
22 and declares that a skilled workforce is one of the most important drivers  
23 in determining the future global competitiveness of Colorado. Therefore,  
24 the general assembly finds that the purpose of the green jobs Colorado  
25 training program is to maintain Colorado's competitive advantage and  
26 ensure that future workforce supply can meet the oncoming demand for  
27 green job skills in the ~~new~~ COLORADO energy economy.



1           **SECTION 30.** In Colorado Revised Statutes, 24-38.9-103,  
2   **amend** (2) as follows:

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

25           **SECTION 31.** In Colorado Revised Statutes, **amend** 24-38.9-106  
26   as follows:

27           **24-38.9-106. Funding.** The pilot program may be funded by the

1 use of federal moneys received by the department of labor and  
2 employment for the purposes of the pilot program and by the use of  
3 moneys from the ~~governor's energy office~~ COLORADO ENERGY OFFICE.

4 **SECTION 32.** In Colorado Revised Statutes, 24-47.5-103,  
5 **amend** (1) as follows:

6 **24-47.5-103. Funding - appropriations contingent on receipt**  
7 **of federal grant moneys - repeal.** (1) For the state fiscal year  
8 commencing on July 1, 2006, and in each of the state fiscal years  
9 commencing on July 1, 2007, and July 1, 2008, the general assembly shall  
10 appropriate two million dollars from the operational account of the  
11 severance tax trust fund as specified in section 39-29-109.3 (2) (g),  
12 C.R.S., AS SAID PARAGRAPH (g) EXISTED PRIOR TO ITS REPEAL IN 2010, to  
13 the governor's energy office created in section 24-38.5-101, AS SAID  
14 OFFICE EXISTED PRIOR TO JULY 1, 2012, for distribution to the authority for  
15 the purposes specified in section 24-47.5-102; except that, if grants of  
16 federal moneys equal to or exceeding the amount of state moneys  
17 appropriated pursuant to this article have not been received by June 30,  
18 2012, the unexpended and unencumbered balance of said appropriation  
19 shall revert to the operational account of the severance tax trust fund.

20 **SECTION 33.** In Colorado Revised Statutes, 24-77-102, **repeal**  
21 (15) (b) (XVI) as follows:

22 **24-77-102. Definitions.** As used in this article, unless the context  
23 otherwise requires:

24 (15) (b) "Special purpose authority" includes, but is not limited to:

25 (XVI) ~~The Colorado clean energy development authority created~~  
26 ~~pursuant to section 40-9.7-104, C.R.S.;~~

27 **SECTION 34.** In Colorado Revised Statutes, 25-16.5-105,

1 **amend** (1) (m) (I) as follows:

2 **25-16.5-105. Powers and duties of advisory board.** (1) The  
3 advisory board shall have the following powers and duties:

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

10 **SECTION 35.** In Colorado Revised Statutes, 25-16.5-105.5,  
11 **amend** (2) (c) (III) as follows:

12 **25-16.5-105.5. Pollution prevention advisory board assistance**  
13 **committee - appointments - membership - definitions.** (2) (c) The  
14 members appointed to the committee shall include representatives of  
15 industry, nonprofit and community organizations, state agencies, and  
16 local governments in accordance with the following:

17 (III) One member of the committee shall be a representative of the  
18 ~~governor's energy office~~ COLORADO ENERGY OFFICE created in section  
19 24-38.5-101, C.R.S.

20 **SECTION 36.** In Colorado Revised Statutes, 30-28-211, **amend**  
21 (2) (b) and (2) (c) as follows:

22 **30-28-211. Energy efficient building codes - legislative**  
23 **declaration - definitions.** (2) As used in this section, unless the context  
24 otherwise requires:

25 (b) "Energy code" means, at a minimum, the 2003 international  
26 energy conservation code, or any successor edition, published by the  
27 international code council or any other code determined by the ~~governor's~~

1 ~~energy office~~ COLORADO ENERGY OFFICE created in section 24-38.5-101,  
2 C.R.S., to be more appropriate for local conditions.

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

5 **SECTION 37.** In Colorado Revised Statutes, 30-20-602, **add**  
6 (4.7) (c) as follows:

7 **30-20-602. Definitions.** As used in this part 6, unless the context  
8 otherwise requires:

9 (4.7) (c) "RENEWABLE ENERGY IMPROVEMENT" INCLUDES AN  
10 IMPROVEMENT TO THE EFFICIENCY OF A TRADITIONAL ENERGY FIXTURE.

11 **SECTION 38.** In Colorado Revised Statutes, 31-15-602, **amend**  
12 (2) (b) and (2) (c) as follows:

13 **31-15-602. Energy efficient building codes - legislative**  
14 **declaration - definitions - repeal.** (2) As used in this section, unless the  
15 context otherwise requires:

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

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

23 **SECTION 39.** In Colorado Revised Statutes, 32-20-102, **amend**  
24 (1) (a) (V) (B) as follows:

25 **32-20-102. Legislative declaration.** (1) The general assembly  
26 hereby finds and declares that:

27 (a) It is in the best interest of the state and its citizens and a public

1 purpose to enable and encourage the owners of eligible real property to  
2 invest in new energy improvements, including energy efficiency  
3 improvements and renewable energy improvements, sooner rather than  
4 later by creating the Colorado new energy improvement district and  
5 authorizing the district to establish, develop, finance, implement, and  
6 administer a new energy improvement program that includes both energy  
7 efficiency improvements and renewable energy improvements to assist  
8 any such owners who choose to join the district in completing new energy  
9 improvements to their property because:

10 (V) The commitment of a significant amount of sustainable  
11 funding for increased construction of new energy improvements will  
12 create jobs and stimulate the state economy:

13 (B) By reinforcing the leadership role of the state in the new  
14 COLORADO energy economy and thereby attracting new energy  
15 manufacturing facilities and related jobs to the state; and

16 **SECTION 40.** In Colorado Revised Statutes, 32-20-104, **amend**  
17 (2) (a) (I) (A) as follows:

18 **32-20-104. Colorado new energy improvement district -**  
19 **creation - board - meetings - quorum - expenses - records.** (2) (a) The  
20 district shall be governed by a board of directors, which shall exercise the  
21 powers of the district, shall, by a majority vote of a quorum of its  
22 members, select from its membership a chair and a vice-chair, and shall  
23 be composed of nine members, including:

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

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

27 **SECTION 41.** In Colorado Revised Statutes, 34-63-105, **amend**

1 (2) as follows:

2 **34-63-105. Geothermal resource leasing fund.** (2) After the  
3 executive director of the department of local affairs has allocated  
4 sufficient revenues from the fund to adequately address the needs  
5 specified in paragraph (a) of subsection (1) of this section, the executive  
6 director shall ~~in consultation with the governor's energy office created in~~  
7 ~~section 24-38.5-101, C.R.S.,~~ allocate revenues from the fund by  
8 competitive grants for the promotion of the development of geothermal  
9 energy resources.

10 **SECTION 42.** In Colorado Revised Statutes, 36-1-147.5, **amend**  
11 (4) as follows:

12 **36-1-147.5. Leasing arrangements for renewable energy**  
13 **resources development - legislative declaration - definitions.** (4) The  
14 state board of land commissioners shall collaborate with the ~~governor's~~  
15 ~~energy office~~ as COLORADO ENERGY OFFICE created in section  
16 24-38.5-101, C.R.S., to ensure that potential renewable energy resource  
17 developers are aware of any lands identified by the board as being  
18 suitable for development of renewable energy resources.

19 **SECTION 43.** In Colorado Revised Statutes, 37-95-112.5,  
20 **amend** (2) and (3) (a) as follows:

21 **37-95-112.5. Watershed protection and forest health projects**  
22 **- repeal.** (2) The authority may make and contract to make loans with the  
23 proceeds of the bonds authorized by this section to governmental agencies  
24 pursuant to this section to finance the cost of watershed protection  
25 projects and forest health projects if the authority or the governmental  
26 agency has entered into an agreement with the Colorado clean energy  
27 development authority, AS IT EXISTED PRIOR TO JULY 1, 2012, or the

1 Colorado state forest service with respect to the application of proceeds  
2 of such bonds. The authority may make the loans subject to terms and  
3 conditions that are determined by the authority to be consistent with the  
4 purposes of the loans. The loans shall be evidenced by notes, bonds, or  
5 other obligations of the governmental agency that are issued to the  
6 authority, and the governmental agencies are authorized to issue such  
7 notes, bonds, or other obligations for such purposes. All notes, bonds, or  
8 other obligations evidencing a loan from the authority may be sold at a  
9 private sale to the authority at any price, whether or not less than par  
10 value. The denominations, times for payment of principal and interest,  
11 and provisions for redemption prior to maturity of such bonds, notes, or  
12 other obligations shall be as the authority and the governmental agency  
13 agree. Each loan to a governmental agency and the notes, bonds, or other  
14 obligations issued to evidence the same shall bear interest at the rate or  
15 rates and have the maturities as the authority and the governmental  
16 agency agree. The authority may charge and collect from governmental  
17 agencies fees and charges in connection with the loans or other services  
18 from the authority, including, but not limited to, fees and charges  
19 sufficient to reimburse the authority for all reasonable costs that it  
20 necessarily incurred in providing such loans. All watershed protection  
21 projects and forest health projects funded with moneys made available  
22 pursuant to this section shall comply with all applicable federal and state  
23 laws, such as best management practices for water quality established by  
24 the Colorado state forest service pursuant to section 24-33-201, C.R.S.

25 (3) Governmental agencies participating in watershed protection  
26 projects and forest health projects shall specify how the moneys made  
27 available pursuant to financing by the authority are to be allocated in a

1 memorandum of understanding with the authority, subject to the  
2 following limitations:

3 (a) Up to twenty percent of the proceeds of bonds issued by the  
4 authority may be distributed to the Colorado clean energy development  
5 authority, created pursuant to section 40-9.7-104, C.R.S., for watershed  
6 protection projects and forest health projects, including the establishment  
7 of incentives for use of beetle-infested lumber.

8 **SECTION 44.** In Colorado Revised Statutes, 38-35.7-106,  
9 **amend** (2), (3), (4), and (5) as follows:

10 **38-35.7-106. Solar prewire option - solar consultation.**

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

21 (3) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
22 shall maintain and update, as appropriate, a master list of Colorado solar  
23 installers and shall make the master list available, upon request, to any  
24 person that requests a copy. The ~~governor's energy office~~ COLORADO  
25 ENERGY OFFICE may specify qualifications for businesses to be included  
26 in the master list and shall make the master list available on its official  
27 web site.



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

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

14 **SECTION 45.** In Colorado Revised Statutes, **amend** 39-27-109.7  
15 as follows:

16 **39-27-109.7. Data collection services.** In order to track the  
17 movement of gasoline or special fuel within this state and thereby  
18 facilitate and expedite the collection of excise taxes imposed pursuant to  
19 this part 1, the executive director of the department of revenue may enter  
20 into a contract with one or more private entities for the provision of a  
21 computer-based program to monitor and track the data that licensees are  
22 required to report to the department pursuant to this part 1. Such  
23 computer-based program shall be funded solely with moneys from the  
24 highway users tax fund; except that, for the state fiscal year 2009-10, up  
25 to thirty-seven thousand six hundred thirty dollars for the computer-based  
26 program to monitor and track exempt dyed diesel fuel that is blended with  
27 biodiesel fuel after withdrawal at a terminal rack or refinery rack pursuant

1 to section 39-27-102.5 (2) (a) may be funded by moneys received by the  
2 governor's energy office created in section 24-38.5-101, C.R.S., AS SAID  
3 OFFICE EXISTED PRIOR TO JULY 1, 2012, from the United States department  
4 of energy.

5  
6 **SECTION 46.** In Colorado Revised Statutes, 39-29-108, **amend**  
7 (2) as follows:

8 **39-29-108. Allocation of severance tax revenues - definitions.**

9 (2) (a) (I) Of the total gross receipts realized from the severance taxes  
10 imposed on minerals and mineral fuels under the provisions of this article  
11 after ~~June 30, 1981~~ JUNE 30, 2012, ONE MILLION FIVE HUNDRED  
12 THOUSAND DOLLARS SHALL BE ANNUALLY TRANSFERRED ON JULY 1, 2012,  
13 AND EACH JULY 1 THEREAFTER THROUGH JULY 1, 2016, TO THE  
14 INNOVATIVE ENERGY FUND CREATED IN SECTION 24-38.5-102.5, C.R.S. OF  
15 THE REMAINDER OF THE TOTAL GROSS RECEIPTS IN EACH FISCAL YEAR  
16 AFTER EACH JULY 1 TRANSFER TO THE INNOVATIVE ENERGY FUND, fifty  
17 percent shall be credited to the state severance tax trust fund created by  
18 section 39-29-109, and fifty percent shall be credited to the local  
19 government severance tax fund created by section 39-29-110.

20 (II) THIS PARAGRAPH (a) IS REPEALED, EFFECTIVE JANUARY 1,  
21 2017.

22 (b) OF THE TOTAL GROSS RECEIPTS REALIZED FROM THE  
23 SEVERANCE TAXES IMPOSED ON MINERALS AND MINERAL FUELS UNDER  
24 THE PROVISIONS OF THIS ARTICLE AFTER JUNE 30, 2017, FIFTY PERCENT  
25 SHALL BE CREDITED TO THE STATE SEVERANCE TAX TRUST FUND CREATED  
26 BY SECTION 39-29-109, AND FIFTY PERCENT SHALL BE CREDITED TO THE  
27 LOCAL GOVERNMENT SEVERANCE TAX FUND CREATED BY SECTION

1 39-29-110.

2 SECTION 47. In Colorado Revised Statutes, 39-29-109.3,  
3 amend (2) (f) (V) (A) and (4) (c) (I) (A) as follows:

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

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

12 (V) (A) For the state fiscal year commencing July 1, 2012, thirteen  
13 million dollars as follows: Twenty-five percent to the department of  
14 human services low-income energy assistance fund created in section  
15 40-8.7-112 (1), C.R.S.; twenty-five percent to the energy outreach  
16 Colorado low-income energy assistance fund created in section  
17 40-8.7-112 (2) (a), C.R.S.; and fifty percent to the ~~governor's energy~~  
18 ~~office~~ COLORADO ENERGY OFFICE low-income energy assistance fund  
19 created in section 40-8.7-112 (3) (a), C.R.S.

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

23 (A) The transfers to the ~~governor's energy office~~ COLORADO  
24 ENERGY OFFICE low-income energy assistance fund shall be made on July  
25 1;

26 SECTION 48. In Colorado Revised Statutes, 39-29-109.5,  
27 amend (1) (a), (1) (a.5), (2), and (3) introductory portion as follows:

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

4           (a) ~~"Fund" means the public school energy efficiency fund created~~  
5 ~~in subsection (2) of this section~~ "COLORADO ENERGY OFFICE" MEANS  
6 THE COLORADO ENERGY OFFICE CREATED IN SECTION 24-38.5-101, C.R.S.

7           (a.5) ~~"Governor's energy office" means the governor's energy~~  
8 ~~office as created in section 24-38.5-101, C.R.S.~~ "FUND" MEANS THE  
9 PUBLIC SCHOOL ENERGY EFFICIENCY FUND CREATED IN SUBSECTION (2) OF  
10 THIS SECTION.

11           (2) On December 1, 2007, and the first day of every third month  
12 thereafter up to and including September 1, 2015, the legislative council  
13 staff shall calculate the interest differential earned during the prior  
14 calendar quarter and notify the state treasurer of such amount. Upon  
15 receiving notice, the treasurer shall transfer an amount equal to the  
16 interest differential from the severance tax funds to the public school  
17 energy efficiency fund, which is hereby created in the state treasury;  
18 except that the total transfer to the fund for any state fiscal year shall not  
19 exceed one million five hundred thousand dollars. Moneys in the fund are  
20 hereby ~~continuously~~ ANNUALLY appropriated to the ~~governor's energy~~  
21 ~~office~~ COLORADO ENERGY OFFICE for the purposes set forth in subsection  
22 (3) of this section. All income and interest derived from the deposit and  
23 investment of the moneys in the fund shall be credited to the fund.

24           (3) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
25 shall use moneys appropriated from the fund to establish and manage a  
26 program to improve energy efficiency in public schools. In administering  
27 the program, the office shall give consideration to whether a public

1 school or school district is located in an area socially or economically  
2 impacted by the development, processing, or energy conversion of  
3 minerals and mineral fuels subject to taxation under this article. The  
4 program shall include the following features:

5 **SECTION 49.** In Colorado Revised Statutes, 40-2-123, **amend**  
6 (2) (j) as follows:

7 **40-2-123. New energy technologies - consideration by**  
8 **commission - incentives - demonstration projects - definitions -**  
9 **legislative declaration - repeal.** (2) (j) In order to reduce the cost to  
10 Colorado consumers of an IGCC project, the department of public health  
11 and environment, the governor's office of economic development, and the  
12 ~~governor's energy office~~ COLORADO ENERGY OFFICE may provide public  
13 utilities with reasonable assistance in seeking and obtaining financial and  
14 other support and sponsorship for a project from the United States  
15 congress, the United States department of energy, and other appropriate  
16 federal and state agencies and institutions. To obtain this assistance, the  
17 utility may provide to these state agencies copies of its IGCC project  
18 proposal. The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
19 shall manage and distribute to the utility some or all of any funds  
20 provided by the state of Colorado or by the United States government to  
21 the state of Colorado for purposes of study or development of an IGCC  
22 project.

23 **SECTION 50.** In Colorado Revised Statutes, 40-4-118, **amend**  
24 (2) (a) (I) and (5) as follows:

25 **40-4-118. Colorado smart grid task force - fund - definition -**  
26 **reports - repeal.** (2) **Membership.** (a) The task force consists of eleven  
27 members as follows:

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

6 (5) **Funding.** (a) The ~~governor's energy office~~ COLORADO ENERGY  
7 OFFICE may accept private gifts, grants, and donations for the purpose  
8 of providing support to the task force to perform its responsibilities  
9 specified in this section. Any such gifts, grants, and donations shall be held  
10 in a separate account within the ~~clean~~ INNOVATIVE energy fund created in  
11 ~~section 24-75-1201~~ SECTION 24-38.5-102.5, C.R.S., and shall be available  
12 to the office and the task force only for the purpose of carrying out the task  
13 force's duties under this section. The account shall also consist of moneys  
14 appropriated and transferred to the account. Any unexpended or  
15 unencumbered moneys remaining in the account as of January 1, 2015,  
16 shall revert to the ~~clean~~ INNOVATIVE energy fund to be used by the  
17 ~~governor's energy office~~ COLORADO ENERGY OFFICE.

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

23 (c) If, by June 1, 2010, moneys in the ~~fund~~ ACCOUNT created  
24 pursuant to paragraph (a) of this subsection (5) have not reached an  
25 amount sufficient to pay the expenses of the task force, the task force shall  
26 not meet nor undertake any other duties pursuant to this section, and the  
27 ~~governor's energy office~~ COLORADO ENERGY OFFICE shall return to each

1 grantor or donor an amount equal to such grantor's or donor's contribution.  
2 The interest, if any, earned from the investment of moneys in the account  
3 shall be transferred to the general fund.

4 **SECTION 51.** In Colorado Revised Statutes, 40-6-108, **amend** (2)  
5 (b) as follows:

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

14 **SECTION 52.** In Colorado Revised Statutes, 40-8.5-103.5, **amend**  
15 (4) (b) as follows:

16 **40-8.5-103.5. Commission created - duties.** (4) (b) The  
17 commission may seek and receive public and private funding to assist in  
18 the conduct of the assessment and review required by paragraph (a) of this  
19 subsection (4), including but not limited to assistance from the existing  
20 resources of the department of human services created in section 24-1-120,  
21 C.R.S., the ~~governor's energy office~~ COLORADO ENERGY OFFICE  created  
22 in section 24-38.5-101, C.R.S., and energy outreach Colorado, a Colorado  
23 nonprofit corporation, as described in section 40-8.7-103 (4).

24 **SECTION 53.** In Colorado Revised Statutes, 40-8.7-110, **amend**  
25 (1.5) as follows:

26 **40-8.7-110. Reports.** (1.5) To the extent applicable, the  
27 organization shall include in the report the information required by

1 paragraphs (b) and (c) of subsection (1) of this section for moneys  
2 received from the ~~governor's energy office~~ COLORADO ENERGY OFFICE  
3 pursuant to section 40-8.7-112 (2) (a).

4 **SECTION 54.** In Colorado Revised Statutes, 40-8.7-112, **amend**  
5 (1) (a), (2), (3) (a), (3) (b) introductory portion, (3) (d) introductory  
6 portion, (3) (e), (3) (f) introductory portion, and (3) (g); **repeal** (4) (d); and  
7 **add** (4) (a.5) as follows:

8 **40-8.7-112. Department of human services low-income energy**  
9 **assistance fund - creation - energy outreach Colorado low-income**  
10 **energy assistance fund - creation - Colorado energy office**  
11 **low-income energy assistance fund - creation - definitions.**

12 (1) (a) There is hereby created in the state treasury the department of  
13 human services low-income energy assistance fund, which shall be  
14 administered by the department of human services and shall consist of all  
15 moneys transferred by the treasurer as specified in section 39-29-109.3 (2)  
16 (f), C.R.S. All moneys in the fund are ~~continuously~~ ANNUALLY  
17 appropriated to the department of human services for the purpose of  
18 increasing available funds under the low-income energy assistance  
19 program specified in section 26-1-109, C.R.S. All moneys in the fund at  
20 the end of each fiscal year shall be retained in the fund and shall not revert  
21 to the general fund or any other fund.

22 (2) (a) There is hereby created in the state treasury the energy  
23 outreach Colorado low-income energy assistance fund, which shall be  
24 administered by the ~~governor's energy office~~ COLORADO ENERGY  
25 OFFICE and shall consist of all moneys transferred by the STATE treasurer  
26 as specified in section 39-29-109.3 (2) (f), C.R.S. All moneys in the fund  
27 are ~~continuously~~ ANNUALLY appropriated to the ~~governor's energy office~~



1 COLORADO ENERGY OFFICE for distribution to the organization to be used  
2 for the purposes set forth in this subsection (2). All moneys in the fund at  
3 the end of each fiscal year shall be retained in the fund and shall not revert  
4 to the general fund or any other fund.

5 (b) The organization shall use moneys it receives from the  
6 ~~governor's energy office~~ COLORADO ENERGY OFFICE pursuant to paragraph  
7 (a) of this subsection (2) to provide direct bill payment assistance to  
8 low-income households when the department of human services is not  
9 accepting client applications for the program specified in section 26-1-109,  
10 C.R.S. Bill payments shall be paid to each utility as vendor payments. The  
11 organization may use up to five percent of the moneys for administration  
12 of the direct bill payment assistance in accordance with generally accepted  
13 accounting principles.

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

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

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

9 (3) (a) There is hereby created in the state treasury the ~~governor's~~  
10 ~~energy office~~ COLORADO ENERGY OFFICE low-income energy assistance  
11 fund, which shall be administered by the ~~governor's energy office~~  
12 COLORADO ENERGY OFFICE and shall consist of all moneys transferred by  
13 the treasurer as specified in section 39-29-109.3 (2) (f), C.R.S., ALL  
14 MONEYS TRANSFERRED TO THE FUND, ALL MONEYS RECEIVED AS A RESULT  
15 OF CONTRACTS ENTERED INTO BY THE COLORADO ENERGY OFFICE FOR THE  
16 OFFICES'S PROGRAM TO IMPROVE THE HOME ENERGY EFFICIENCY OF  
17 LOW-INCOME HOUSEHOLDS, AND ALL MONEYS RECEIVED BY THE  
18 COLORADO ENERGY OFFICE FROM GIFTS, GRANTS, AND DONATIONS FOR THE  
19 OFFICES'S PROGRAM TO IMPROVE THE HOME ENERGY EFFICIENCY OF  
20 LOW-INCOME HOUSEHOLDS. All moneys in the fund are ~~continuously~~  
21 ANNUALLY appropriated to the ~~governor's energy office~~ COLORADO  
22 ENERGY OFFICE to be used for the purposes set forth in this subsection (3).  
23 All moneys in the fund at the end of each fiscal year shall be retained in  
24 the fund and shall not revert to the general fund or any other fund.

25 (b) The ~~governor's energy office~~ COLORADO ENERGY OFFICE  
26 shall use moneys it receives pursuant to paragraph (a) of this subsection  
27 (3) for a program to provide home energy efficiency improvements for

1 low-income households, which shall include any of the following services:

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

5 (e) The ~~governor's energy office~~ COLORADO ENERGY OFFICE may  
6 use up to five percent of the moneys transferred pursuant to paragraph (a)  
7 of this subsection (3) for planning, overseeing, and evaluating the program  
8 to improve the home energy efficiency of low-income households. The  
9 ~~governor's energy~~ COLORADO ENERGY OFFICE shall not hire additional  
10 state employees using ~~these~~ moneys TRANSFERRED PURSUANT TO  
11 PARAGRAPH (a) OF THIS SUBSECTION (3) to implement the program but may  
12 contract with nonprofit organizations, for-profit organizations, and  
13 governmental entities as is necessary to carry out the program.

14 (f) For any fiscal year in which moneys are expended as part of the  
15 program to improve the home energy efficiency of low-income  
16 households, the ~~governor's energy office~~ COLORADO ENERGY OFFICE  
17 shall prepare and submit to the general assembly an annual report that  
18 specifies:

19 (g) If the governor's energy office, AS IT EXISTED PRIOR TO JULY 1,  
20 2012, cannot use all of the moneys it receives for the state fiscal year  
21 commencing July 1, 2008, pursuant to paragraph (a) of this subsection (3)  
22 for the program described in paragraph (b) of this subsection (3), at the  
23 end of the fiscal year the state treasurer shall transfer the moneys that the  
24 governor's energy office cannot use to the clean energy fund created in  
25 section 24-75-1201 (1), C.R.S., AS SAID FUND EXISTED PRIOR TO JULY 1,  
26 2012.

27 (4) For purposes of this section, unless the context otherwise

1 requires:

2 (a.5) "COLORADO ENERGY OFFICE" MEANS THE COLORADO ENERGY  
3 OFFICE CREATED IN SECTION 24-38.5-101, C.R.S.

4 (d) "~~Governor's energy office~~" means the governor's energy office  
5 created in section ~~24-38.5-101~~, C.R.S.

6 **SECTION 55.** In Colorado Revised Statutes, 42-3-228, **amend** (2)  
7 and (3) as follows:

8 **42-3-228. Special plates - Colorado carbon fund.** (2) The  
9 Colorado carbon fund, established by the ~~governor's energy office~~  
10 COLORADO ENERGY OFFICE, may design the Colorado carbon fund special  
11 license plates. The design for the special license plates shall conform with  
12 standards established by the department and shall be subject to the  
13 department's approval.

14 (3) A person may apply for the Colorado carbon fund special  
15 license plates if the person pays the taxes and fees required under this  
16 section and provides to the department or an authorized agent a certificate,  
17 issued by the ~~governor's energy office~~ COLORADO ENERGY OFFICE, or  
18 a successor office, confirming that such person has made to the Colorado  
19 carbon fund, or its successor, the donation required to qualify for the  
20 special license plates.

21 **SECTION 56.** In Colorado Revised Statutes, **repeal** ■ ■ article  
22 9.7 of title 40, and part 3 of article 1 of title 42.

23 **SECTION 57. Repeal of provisions being relocated in this act.**  
24 In Colorado Revised Statutes, **repeal** part 12 of article 75 of title 24.

25 **SECTION 58. Appropriation.** (1) In addition to any other  
26 appropriation, there is hereby appropriated, out of any moneys in the  
27 innovative energy fund created in section 24-38.5-102.5, Colorado

1 Revised Statutes, not otherwise appropriated, to the governor - lieutenant  
2 governor - state planning and budgeting, for the fiscal year beginning July  
3 1, 2012, the sum of \$1,500,000 and 10.3 FTE, or so much thereof as may  
4 be necessary, to be allocated for the implementation of this act as follows:

5 (a) \$1,373,312 and 10.3FTE for Colorado energy office, program  
6 administration;

7 (b) \$33,604 for Colorado energy office, legal services;

8 (c) \$45,714 for special purpose, health, life, and dental;

9 (d) \$1,368 for special purpose, short-term disability;

10 (e) \$24,740 for special purpose, amortization equalization  
11 disbursement; and

12 (f) \$21,262 for special purpose, supplemental amortization  
13 equalization disbursement.

14 **SECTION 59. Appropriation.** In addition to any other  
15 appropriation, there is hereby appropriated, out of any moneys in the  
16 Colorado energy office low-income assistance fund created in section  
17 40-8.7-112 (3) (a), Colorado Revised Statutes, not otherwise appropriated,  
18 to the governor - lieutenant governor - state planning and budgeting, for  
19 the fiscal year beginning July 1, 2012, the sum of \$600,000, or so much  
20 thereof as may be necessary, for allocation to the Colorado energy office  
21 for weatherization services related to the implementation of this act.

22 **SECTION 60. Appropriation.** (1) In addition to any other  
23 appropriation, there is hereby appropriated, out of any moneys in the clean  
24 and renewable energy fund, created in section 24-38.5-102.4, Colorado  
25 Revised Statutes, not otherwise appropriated, to the governor - lieutenant  
26 governor - state planning and budgeting, for the fiscal year beginning July  
27 1, 2012, the sum of \$1,560,491 and 10.4 FTE, or so much thereof as may

1 be necessary, to be allocated for the implementation of this act as follows:

2 (a) \$1,433,803 and 10.4 FTE for Colorado energy office, program  
3 administration;

4 (b) \$33,604 for Colorado energy office, legal services;

5 (c) \$45,714 for special purpose, health, life, and dental;

6 (d) \$1,368 for special purpose, short-term disability;

7 (e) \$24,740 for special purpose, amortization equalization  
8 disbursement; and

9 (f) \$21,262 for special purpose, supplemental amortization  
10 equalization disbursement.

11 **SECTION 61. Effective date.** This act takes effect July 1, 2012.

12 **SECTION 62. Safety clause.** The general assembly hereby finds,  
13 determines, and declares that this act is necessary for the immediate  
14 preservation of the public peace, health, and safety.