

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

May 1, 2012
Date

Committee on State, Veterans & Military Affairs.

After consideration on the merits, the Committee recommends the following:

HB12-1315 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend reengrossed bill, page 15, line 15, before "BALANCED" insert
- 2 "CLEANER AND".
- 3 Page 16, line 1, strike "(1) (t)".
- 4 Page 16, strike lines 8 through 10 and substitute:
 - 5 "(II) CLEAN AND renewable energy, such as wind,
 - 6 HYDROELECTRICITY, solar, and geothermal; and
 - 7 (III) CLEANER ENERGY SOURCES SUCH AS BIOGAS, BIOMASS, AND
 - 8 THERMAL GASIFICATION;"
- 9 Renumber succeeding subparagraphs accordingly.
- 10 Page 16, line 13, strike "technologies;" and substitute "technologies AND
- 11 PRACTICES;"
- 12 Page 16, line 18, strike "energy efficiency and renewable energy" and
- 13 substitute "energy efficiency, and renewable energy, AND EFFICIENCY".
- 14 Page 16, line 19, strike "SECTION" insert "SECTIONS 24-38.5-102.4 AND".
- 15 Page 17, strike lines 8 through 10.
- 16 Page 17, line 16, strike "WHEN".

1 Page 17, line 17, strike "IT MAKES" and substitute "AS PART OF ITS "STATE
2 MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT
3 (SMART) GOVERNMENT ACT" HEARING REQUIRED BY SECTION 2-7-203
4 (2), C.R.S., IF IT HAS MADE".

5 Page 17, strike lines 21 and 22 and substitute:

6 "(b) OFFICE POLICIES RELATED TO THE DEVELOPMENT OF
7 RENEWABLE ENERGY SOURCES;" .

8 Page 17, strike line 24 and substitute:

9 "(d) OFFICE POLICIES RELATED TO THE DEVELOPMENT".

10 Page 17, strike lines 26 and 27.

11 Strike pages 18, 19, 20, and 21.

12 Page 22, strike lines 1 through 14 and substitute:

13 "SECTION 18. In Colorado Revised Statutes, **add with**
14 **amended and relocated provisions** 24-38.5-102.4 as follows:

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

1 (II) (A) ON JULY 1, 2012, ONE MILLION FIVE HUNDRED SIXTY
2 THOUSAND FOUR HUNDRED NINETY-ONE DOLLARS SHALL BE TRANSFERRED
3 BY THE STATE TREASURER FROM THE GENERAL FUND TO THE CLEAN AND
4 RENEWABLE ENERGY FUND.

5 (B) THIS SUBPARAGRAPH (II) IS REPEALED, EFFECTIVE JANUARY 1,
6 2013.

7 (III) (A) ON JULY 1, 2013, AND EACH JULY 1 THEREAFTER
8 THROUGH JULY 1, 2016, ONE MILLION SIX HUNDRED THOUSAND DOLLARS
9 SHALL BE TRANSFERRED BY THE STATE TREASURER FROM THE GENERAL
10 FUND TO THE CLEAN AND RENEWABLE ENERGY FUND.

11 (B) THIS SUBPARAGRAPH (III) IS REPEALED, EFFECTIVE JANUARY
12 1, 2017.

13 (b) For purposes of this section, "governor's COLORADO energy
14 office" means the governor's COLORADO energy office created in section
15 24-38.5-101.

16 (2) (a) All moneys in the clean AND RENEWABLE energy fund are
17 continuously appropriated to the governor's COLORADO energy office for
18 the purposes of advancing energy efficiency and renewable energy
19 throughout the state.

20 (b) The governor's COLORADO energy office may expend moneys
21 from the clean AND RENEWABLE energy fund:

22 (I) To attract renewable energy industry investment in the state;

23 (II) To assist in technology transfer into the marketplace for newly
24 developed energy efficiency and renewable energy technologies;

25 (III) To provide market incentives for the purchase and
26 distribution of energy efficient and renewable energy products;

27 (IV) To assist in the implementation of energy efficiency projects
28 throughout the state;

29 (V) To aid governmental agencies in energy efficiency
30 government initiatives;

31 (VI) To facilitate widespread implementation of renewable energy
32 technologies; and

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

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

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

- 1 (B) The quantified impact on energy demand or amount of clean
2 energy production generated as a result of the grant or loan;
3 (C) The potential economic impact of the grant or loan; and
4 (D) The public benefits expected to result from the grant or loan.
5 (II) The ~~governor's~~ COLORADO energy office may establish terms
6 and conditions for making grants or loans pursuant to this section and in
7 accordance with the objectives of the office as set forth in section
8 24-38.5-102.

9 **SECTION 19.** In Colorado Revised Statutes, **add** 24-38.5-102.5
10 as follows:

11 **24-38.5-102.5. Innovative energy fund - creation - use of fund**
12 **- definitions.** (1) (a) THE INNOVATIVE ENERGY FUND IS HEREBY CREATED
13 IN THE STATE TREASURY. THE PRINCIPAL OF THE FUND SHALL CONSIST OF
14 MONEYS TRANSFERRED TO THE FUND BY THE GENERAL ASSEMBLY,
15 MONEYS TRANSFERRED AT THE END OF EACH STATE FISCAL YEAR FROM
16 MONEYS RECEIVED BY THE COLORADO ENERGY OFFICE, MONEYS RECEIVED
17 PURSUANT TO SECTION 39-29-108 (2), C.R.S., OR FROM REVENUE
18 CONTRACTS, COURT SETTLEMENT FUNDS, SUPPLEMENTAL PROGRAM
19 FUNDS, REPAYMENT OR RETURN OF FUNDS FROM ELIGIBLE PUBLIC
20 DEPOSITORIES, AND GIFTS, GRANTS, AND DONATIONS, AND ANY OTHER
21 MONEYS RECEIVED BY THE COLORADO ENERGY OFFICE. INTEREST AND
22 INCOME EARNED ON THE DEPOSIT AND INVESTMENT OF MONEYS IN THE
23 INNOVATIVE ENERGY FUND SHALL BE CREDITED TO THE FUND. MONEYS IN
24 THE FUND AT THE END OF ANY STATE FISCAL YEAR SHALL REMAIN IN THE
25 FUND AND SHALL NOT BE CREDITED TO THE STATE GENERAL FUND OR ANY
26 OTHER FUND. MONEYS IN THE FUND SHALL NOT BE TRANSFERRED TO THE
27 CLEAN AND RENEWABLE ENERGY FUND CREATED IN SECTION
28 24-38.5-102.4.

29 (b) FOR PURPOSES OF THIS SECTION:

30 (I) "COLORADO ENERGY OFFICE" MEANS THE COLORADO ENERGY
31 OFFICE CREATED IN SECTION 24-38.5-101.

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

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

35 (B) ESTABLISHES A MORE EFFICIENT OR ENVIRONMENTALLY
36 BENEFICIAL USE OF ENERGY; AND

37 (C) HELPS TO CREATE ENERGY INDEPENDENCE OR ENERGY
38 SECURITY FOR THE STATE.

39 (2) (a) ALL MONEYS IN THE INNOVATIVE ENERGY FUND ARE
40 CONTINUOUSLY APPROPRIATED TO THE COLORADO ENERGY OFFICE FOR
41 THE PURPOSES OF ADVANCING INNOVATIVE ENERGY EFFICIENCY
42 THROUGHOUT THE STATE.

1 (b) THE COLORADO ENERGY OFFICE MAY EXPEND MONEYS FROM
2 THE INNOVATIVE ENERGY FUND:
3 (I) TO OVERCOME MARKET BARRIERS FACING EMERGING AND
4 COST-EFFECTIVE ENERGY TECHNOLOGIES;
5 (II) TO PROMOTE ROBUST RESEARCH, DEVELOPMENT,
6 COMMERCIALIZATION, AND FINANCING OF INNOVATIVE ENERGY
7 TECHNOLOGIES;
8 (III) TO EDUCATE THE GENERAL PUBLIC ON ENERGY ISSUES AND
9 OPPORTUNITIES;
10 (IV) TO ATTRACT INNOVATIVE ENERGY INDUSTRY INVESTMENT IN
11 THE STATE;
12 (V) TO ASSIST IN TECHNOLOGY TRANSFER INTO THE MARKETPLACE
13 FOR NEWLY DEVELOPED INNOVATIVE ENERGY EFFICIENCY TECHNOLOGIES;
14 (VI) TO PROVIDE MARKET INCENTIVES FOR THE PURCHASE AND
15 DISTRIBUTION OF EFFICIENT INNOVATIVE ENERGY PRODUCTS;
16 (VII) TO ASSIST IN THE IMPLEMENTATION OF INNOVATIVE ENERGY
17 EFFICIENCY PROJECTS THROUGHOUT THE STATE;
18 (VIII) TO AID GOVERNMENTAL AGENCIES IN INNOVATIVE ENERGY
19 EFFICIENCY GOVERNMENT INITIATIVES;
20 (IX) TO FACILITATE WIDESPREAD IMPLEMENTATION OF
21 INNOVATIVE ENERGY TECHNOLOGIES; AND
22 (X) IN ANY OTHER MANNER THAT SERVES THE PURPOSES OF
23 ADVANCING INNOVATIVE ENERGY EFFICIENCY THROUGHOUT THE STATE.
24 (c) (I) SUBJECT TO THE PROVISIONS OF SUBPARAGRAPH (II) OF THIS
25 PARAGRAPH (c), THE MONEYS IN THE INNOVATIVE ENERGY FUND MAY
26 ALSO BE USED BY THE COLORADO ENERGY OFFICE TO MAKE GRANTS OR
27 LOANS TO PERSONS, AS DEFINED IN SECTION 2-4-401 (8), C.R.S., FOR USE
28 IN CARRYING OUT THE PURPOSES OF THIS SECTION. THE COLORADO
29 ENERGY OFFICE SHALL CONSIDER THE FOLLOWING INFORMATION IN
30 DETERMINING WHETHER TO MAKE A GRANT OR LOAN:
31 (A) THE AMOUNT OF THE GRANT OR LOAN;
32 (B) THE QUANTIFIED IMPACT ON ENERGY DEMAND OR AMOUNT OF
33 INNOVATIVE ENERGY PRODUCTION GENERATED AS A RESULT OF THE
34 GRANT OR LOAN;
35 (C) THE POTENTIAL ECONOMIC IMPACT OF THE GRANT OR LOAN;
36 AND
37 (D) THE PUBLIC BENEFITS EXPECTED TO RESULT FROM THE GRANT
38 OR LOAN.
39 (II) THE COLORADO ENERGY OFFICE MAY ESTABLISH TERMS AND
40 CONDITIONS FOR MAKING GRANTS OR LOANS PURSUANT TO THIS SECTION
41 AND IN ACCORDANCE WITH THE OBJECTIVES OF THE OFFICE AS SET FORTH
42 IN SECTION 24-38.5-102; EXCEPT THAT THE GRANTS OR LOANS SHALL BE

- 1 LIMITED TO INNOVATIVE ENERGY EFFICIENCY PROJECTS AND POLICY
2 DEVELOPMENT.".
- 3 Page 23, strike line 17 and substitute:
- 4 **"SECTION 22.** In Colorado Revised Statutes, 24-38.5-105,
5 **amend** (1) (a) and (1) (b)".
- 6 Page 23, line 19, strike "**Energy**" and substitute "**Clean energy**".
- 7 Page 23, line 20, strike "~~clean~~" and substitute "clean".
- 8 Page 24, line 13, strike "~~clean~~" and substitute "clean".
- 9 Page 24, line 21, strike "~~clean~~" and substitute "clean".
- 10 Page 24, line 23, strike "~~clean~~" and substitute "clean".
- 11 Page 25, line 1, strike "~~clean~~" and substitute "clean".
- 12 Page 25, strike lines 18 through 27.
- 13 Strike page 26.
- 14 Page 27, strike lines 1 and 2.
- 15 Page 29, line 2, strike "**office of energy development**" and substitute
16 "**energy office**".
- 17 Page 29, line 3, strike "JULY 1, 2017," and substitute "JANUARY 15,
18 2017,".
- 19 Page 29, line 8, strike "COPIES" and substitute "COPIES, IN ACCORDANCE
20 WITH SECTION 24-1-136 (9)".
- 21 Page 29, line 9, before "NATURAL" insert "AND".
- 22 Page 37, strike line 27.
- 23 Page 38, strike lines 1 through 9.
- 24 Renumber succeeding sections accordingly.

- 1 Page 46, line 16, strike "~~clean~~ INNOVATIVE energy fund" and substitute
- 2 "clean AND RENEWABLE energy fund CREATED IN SECTION 24-38.5-102.4,
- 3 C.R.S.",.

- 4 Page 48, line 5, strike "(1) (a),".

- 5 Page 48, strike lines 12 through 21.

- 6 Page 48, line 27, strike "~~continuously~~ ANNUALLY" and substitute
- 7 "continuously".

- 8 Page 50, line 20, strike "~~continuously~~" and substitute "continuously".

- 9 Page 50, line 21, strike "ANNUALLY".

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