

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE REORGANIZATION OF THE GOVERNOR'S ENERGY OFFICE.

Prime Sponsors: Representative Becker
Senator Steadman

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Summary of Amendments Made to the Bill After the 03/27/12 Legislative Council Staff Fiscal Note Was Prepared (Amended by the House Agriculture, Livestock, and Natural Resources Committee 03/28/12)

The House Agriculture, Livestock, and Natural Resources Committee Report renames the Governor's Energy Office to the Colorado Office of Energy, renames the Renewable Energy Fund to the Clean and Renewable Energy Fund, and restores current statutory language allowing the Office to use up to five percent of the moneys transferred to the Colorado Energy Office Low-income Assistance Fund for planning, overseeing, and evaluating the program to improve the home energy efficiency of low-income households

Legislative Council staff and Joint Budget Committee staff concur that the House Agriculture, Livestock, and Natural Resources Committee Report does not impact the estimated cost of implementing the bill.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs

Does Not Concur

Updated Analysis

Amendments/Appropriation Status

The bill requires but does not contain an appropriation clause. Staff has prepared amendment **J.001** (attached) to add a provision appropriating \$1,250,000 cash funds from the Innovative Energy Fund to the Colorado Energy Office for FY 2012-13 for duties of the Office outlined in the bill. Moneys appropriated per **J.001** originate via a component of the bill that transfers \$1,250,000 to the Innovative Energy Fund out of moneys in the Perpetual Base Account of the Severance Tax Trust Fund each year from FY 2012-13 through FY 2016-17.

Bill Sponsor Amendments

Sponsor amendments **L.014, L.015, L.016, and L.017** (all attached) amend the House Agriculture, Livestock, and Natural Resources Committee Report in several ways. Each of the amendments, and their companion appropriation clauses, can be adopted independently or in combination with other amendments with the exception of the adoption of **L.014** which eliminates the need to adopt **J.001**.

- # **L.014** eliminates the transfer of \$1,250,000 to the Innovative Energy Fund out of moneys in the Perpetual Base Account of the Severance Tax Trust Fund and adds a provision transferring \$1,500,000 cash funds from the gross receipts realized from severance taxes to the Innovative Energy Fund each year from FY 2012-13 through FY 2016-17. If amendment **L.014** is adopted, amendment **J.001** should not be adopted. Staff has prepared amendment **J.002** (attached) to add a provision appropriating \$1,500,000 cash funds from the Innovative Energy Fund and 10.3 FTE to the Colorado Energy Office for FY 2012-13.
- # **L.015** adds language to the statute governing the Colorado Energy Office Low-income Assistance Fund to include moneys derived from payments from utility companies for weatherization services in the list of permitted revenue sources. Currently, the revenue earned by the Office for this purpose is deposited in the Clean Energy Fund. The Clean Energy Fund is renamed the Innovative Energy Fund and repurposed via this bill. As a result, the amendment transfers \$0.6 million from the Innovative Energy Fund to the Colorado Energy Office Low-income Assistance Fund. If amendment **L.015** is adopted, staff has prepared amendment **J.003** (attached) to add a provision appropriating \$0.6 million cash funds from the Colorado Energy Office Low-income Assistance Fund to the Colorado Energy Office for FY 2012-13.
- # **L.016** transfers \$1,560,491 from the General Fund to the Clean and Renewable Energy Fund each year from FY 2012-13 through FY 2016-17. If amendment **L.016** is adopted, Staff has prepared amendment **J.004** (attached) to add a provision appropriating \$1,560,491 cash funds from the Clean and Renewable Energy Fund and 10.4 FTE to the Colorado Energy Office for FY 2012-13.
- # **L.017** transfers \$1.6 million from the Innovative Energy Fund to the Clean and Renewable Energy Fund on July 1, 2012. This amount represents the balance of the Clean Energy Fund on its repeal date minus the \$0.6 million transferred to the Innovative Energy Fund from payments from utility companies for weatherization services (see **L.015**). If **L.017** is adopted, no companion appropriation clause is required.

Points to Consider

The Joint Budget Committee (JBC) has introduced a balanced budget package for FY 2012-13 based on the March 2012 Office of State Planning and Budgeting revenue forecast. The JBC has included as part of its FY 2012-13 budget package a \$1,560,491 General Fund appropriation for implementation of this bill, as amended by **L.016** and **J.004**.