

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

May 1, 2014
Date

Committee on Education.

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

SB14-202 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, page strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 22-92-102, **amend**
4 (3) introductory portion as follows:

5 **22-92-102. Legislative declaration.** (3) Now, therefore, the
6 general assembly determines and declares that it would serve the best
7 interests of Colorado schools for the state to make available loans to
8 support the efforts of school districts that choose to undertake renewable
9 energy projects or ~~energy-efficient bus~~ ENERGY EFFICIENCY projects.
10 Furthermore, to ensure that the best interests of Colorado schools are
11 being served, the legislative service agencies of the general assembly
12 shall conduct a post-enactment review of this act and report their
13 conclusions to the education committees of the house of representatives
14 and senate, or any successor committees. The review shall include
15 consideration of the following information:

16 **SECTION 2.** In Colorado Revised Statutes, 22-92-103, **amend**
17 (2) and (9) as follows:

18 **22-92-103. Definitions.** As used in this article, unless the context
19 otherwise requires:

20 (2) ~~"Energy-efficient bus~~ "ENERGY EFFICIENCY project" means a
21 project ~~to help a qualified school district attain and employ~~
22 ~~battery-powered, compressed natural gas, propane gas, or hybrid-electric~~
23 ~~buses in its daily transportation operations for the purpose of reducing~~
24 ~~energy consumption and expenditures.~~ THAT WILL RESULT IN MORE
25 EFFICIENT USE OF ENERGY OR RESOURCES. THE TERM INCLUDES:

1 (a) INSTALLATION OF EQUIPMENT AND RELATED INFRASTRUCTURE
2 THAT WILL HELP DEFRAID ENERGY COSTS;

3 (b) IMPROVING THE ENERGY EFFICIENCY OF A BUILDING BY
4 ADDRESSING LIGHTING ISSUES, IMPROVING MECHANICAL SYSTEMS AND
5 EQUIPMENT, ADDING INSULATION OR OTHERWISE IMPROVING THE
6 BUILDING ENVELOPE, ADDING OR INCORPORATING SOLAR THERMAL
7 TECHNOLOGIES, OR IMPROVING OPERATIONS MANAGEMENT;

8 (c) REDUCING WATER USAGE OR WATER CONSUMPTION; AND

9 (d) IMPROVING THE ENERGY EFFICIENCY OF MOTOR VEHICLE
10 FLEETS, INCLUDING BUS FLEETS, THROUGH MEASURES INCLUDING THE USE
11 OF HYBRID OR ALTERNATIVE-FUEL VEHICLES AND THE ADDITION OF FUEL-
12 SAVING TECHNOLOGIES TO EXISTING VEHICLES.

13 (9) "Renewable energy project team" means a team of people who
14 are dedicated to a renewable energy project at a school district. A
15 renewable energy project team shall include, at a minimum,
16 representatives of the school district, representatives of the local
17 community, and at least one member who provides professional technical
18 assistance to the school district to facilitate a renewable energy project or
19 ~~an energy-efficient bus~~ ENERGY EFFICIENCY project. The member of a
20 renewable energy project team who provides professional technical
21 assistance to the school district may be a representative of a local
22 electrical utility.

23 **SECTION 3.** In Colorado Revised Statutes, 22-92-104, **amend**
24 (1), (3), and (5) as follows:

25 **22-92-104. Renewable energy and energy efficiency for schools**
26 **loan program - created - applications - permissible uses of loans.**

27 (1) There is hereby created the renewable energy and energy efficiency
28 for schools loan program to fund renewable energy projects and
29 ~~energy-efficient bus~~ ENERGY EFFICIENCY projects at qualified school
30 districts. A qualified school district may, with the written authorization
31 of the school district board of education, apply to the Colorado energy
32 office, in accordance with procedures and deadlines established by rules
33 promulgated by the state board of education pursuant to section
34 22-92-105, to receive moneys through the loan program. The office shall
35 administer the loan program as provided in this article and pursuant to the
36 policies adopted by the office.

37 (3) (a) A qualified school district that receives a loan through the
38 loan program shall use the moneys received to pay for technical
39 assistance, equipment, or installation costs associated with a renewable
40 energy project or an ~~energy-efficient bus~~ ENERGY EFFICIENCY project.

41 (b) A qualified school district that receives a loan through the loan
42 program for a renewable energy project may use the moneys received to

1 finance the acquisition of a renewable energy project THAT IS LOCATED
2 ON THE SCHOOL PREMISES AND, IF IT GENERATES ELECTRICITY, IS
3 INTERCONNECTED ON THE CUSTOMER SIDE OF THE UTILITY METER IN
4 ACCORDANCE WITH INTERCONNECTION STANDARDS ADOPTED BY THE
5 PUBLIC UTILITIES COMMISSION. SUCH A PROJECT MAY INCORPORATE OR
6 CONSIST OF THIRD-PARTY OWNERSHIP, AS AUTHORIZED UNDER PART 2 OF
7 ARTICLE 38.7 OF TITLE 24, C.R.S., OR AN INTEREST IN A COMMUNITY
8 SOLAR GARDEN, AS DEFINED IN SECTION 40-2-127, C.R.S.

9 (5) A qualified school district may apply for a loan from the loan
10 program for a renewable energy project or an ~~energy-efficient bus~~
11 ENERGY EFFICIENCY project that is located at a charter school of the
12 school district.

13 **SECTION 4.** In Colorado Revised Statutes, 22-92-105, **amend**
14 (1) (b) (I) and (2) as follows:

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

21 (b) The requirements that the office shall require of loan
22 applicants, which requirements shall include, but need not be limited to
23 a requirement that a loan applicant submit with its application:

24 (I) An energy rating for the facility for which ~~the~~ A RENEWABLE
25 ENERGY PROJECT loan is intended that demonstrates that the facility
26 qualifies for the federal energy star label ~~which rating has been issued as~~
27 ~~a result of an audit performed by a qualified energy efficiency auditor~~ OR
28 MEETS THE EFFICIENCY REQUIREMENTS SET FORTH IN SECTION
29 22-32-124.3; or

30 (2) (a) The Colorado energy office shall review each loan
31 application received from a qualified school district pursuant to section
32 22-92-104 (1), evaluate the renewable energy project or ~~energy-efficient~~
33 ~~bus~~ ENERGY EFFICIENCY project described therein, and make a
34 recommendation to the state treasurer as to whether to award the loan and
35 the amount of the loan. If the office determines an application is missing
36 any information required by the office's policy to be included with the
37 application, the office may contact the applicant to obtain the missing
38 information.

39 (b) In reviewing loan applications for renewable energy projects
40 and ~~energy-efficient bus~~ ENERGY EFFICIENCY projects pursuant to
41 paragraph (a) of this subsection (2), the Colorado energy office shall
42 consider, at a minimum, whether a qualified school district would reduce

1 its energy costs by the implementation of the renewable energy project or
2 ~~energy-efficient bus~~ ENERGY EFFICIENCY project that is the subject of each
3 loan application.

4 **SECTION 5.** In Colorado Revised Statutes, 22-92-107, **amend**
5 (1) introductory portion, (1) (a), (2) (a), and (4) as follows:

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

17 (a) No loan shall be authorized for any renewable energy project
18 or ~~energy-efficient bus~~ ENERGY EFFICIENCY project that has not been
19 evaluated by the Colorado energy office pursuant to section 22-92-105 (2)
20 (a).

21 (2) (a) Subject to the limitations described in this section, the state
22 treasurer shall determine the amount of the permanent school fund that
23 may be loaned out pursuant to this section, which qualified school
24 districts shall receive loans, the amount of each loan, the terms of
25 repayment of each loan, and the rate of interest to be charged on loans.
26 The average rate of interest charged on loans made in any calendar year
27 must ~~exceed~~ AT LEAST EQUAL the average book yield earned by the fund
28 in the most recently completed quarter. Payments of the principal of and
29 interest on all loans shall be returned to the public school fund.

30 (4) Administrative costs that will be incurred by a qualified school
31 district as a result of the renewable energy project or ~~energy-efficient bus~~
32 ENERGY EFFICIENCY project that is the basis for the loan may be included
33 in the amount of the loan.

34 **SECTION 6. Applicability.** This act applies to applications
35 submitted pursuant to section 22-92-104, Colorado Revised Statutes, on
36 or after the effective date of this act.

37 **SECTION 7. Safety clause.** The general assembly hereby finds,
38 determines, and declares that this act is necessary for the immediate
39 preservation of the public peace, health, and safety."

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