

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 14-0121.02 Ed DeCecco x4216

SENATE BILL 14-011

SENATE SPONSORSHIP

Heath,

HOUSE SPONSORSHIP

Hullinghorst,

Senate Committees

Agriculture, Natural Resources, & Energy
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING THE COLORADO ENERGY RESEARCH AUTHORITY, AND, IN**
102 **CONNECTION THEREWITH, MAKING AND REDUCING**
103 **APPROPRIATIONS.**

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 Colorado renewable research authority to the Colorado energy research authority (authority) and makes the following changes to the authority:

! Names the chancellor of the university of Colorado at

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.

SENATE
Amended 2nd Reading
April 11, 2014

- Boulder as an ex officio member, instead of the president of the university of Colorado;
- ! Makes 2 of the governor's appointments to the authority board mandatory, instead of permissive;
- ! Identifies the consortium that receives allocations from the authority as the Colorado energy research collaboratory (collaboratory);
- ! Permits the authority to undertake various promotional and educational activities, rather than requiring it to do so;
- ! Permits the authority to promote the collaboratory's activities in order to increase the federal energy research funding and energy-related research funding;
- ! Modifies the information to be included in the authority's annual report and requires the report to be delivered to the Colorado office of economic development (office) instead of legislative committees; and
- ! Substitutes "clean energy" for "renewable energy".

The bill also creates the energy research cash fund. The state treasurer is required to transfer \$2 million at the beginning of the next 5 fiscal years, and these transfers will be included in the annual general appropriation act for informational purposes. The moneys in the fund are continuously appropriated to the office for its administrative expenses and for the purpose of distributing moneys to the authority for use as state matching funds and for the authority's other permitted activities. The office may not distribute any moneys to the authority for use as state matching funds unless the office receives proof of the other matching funds. The authority may not use more than \$100,000 per year for its other permitted activities.

Following a fiscal year when the office distributed money to the authority, the office is required to submit a report to the legislative committees summarizing all of the distributions made during the preceding fiscal year. The report must include any information provided to the office by the authority in its report.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-47.5-101, **amend**
3 (1) (a) (II), (2), (3) (b), and (3) (c) as follows:
4 **24-47.5-101. Colorado energy research authority - creation -**
5 **legislative declaration.** (1) (a) The general assembly finds, determines,
6 and declares that:

1 (II) The development, production, and efficient use of renewable
2 CLEAN energy will advance the security, economic well-being, and public
3 and environmental health of this state, as well as contributing to the
4 energy independence of our nation.

5 (2) There is hereby created the Colorado renewable energy
6 RESEARCH authority, referred to in this article as the "authority", which
7 shall be IS a body corporate and a political subdivision of the state. The
8 authority shall IS not be an agency of state government, nor shall IS it be
9 subject to administrative direction by any department, commission, board,
10 bureau, or agency of the state, except to the extent provided by this
11 article.

12 (3) (b) ~~Until January 1, 2007,~~ The board shall consist of one
13 member CONSISTS OF THREE MEMBERS appointed by the governor, with
14 the consent of the senate, plus the following four ex officio members: The
15 presidents of the Colorado school of mines AND Colorado state university,
16 and the CHANCELLOR OF THE university of Colorado or their designees AT
17 BOULDER, and the director of the national renewable energy laboratory,
18 or his or her designee THEIR DESIGNEES.

19 (c) ~~On and after January 1, 2007,~~ the board shall consist of the
20 members designated in paragraph (b) of this subsection (3) and up to two
21 additional members appointed by the governor with the consent of the
22 senate. The terms of the appointed members of the board shall be four
23 years. An appointed member shall be eligible for reappointment. Each
24 member shall hold office until a successor has been appointed and the
25 senate has confirmed the appointment. A vacancy in the membership
26 occurring other than by expiration of term shall be filled in the same
27 manner as the original appointment, but for the unexpired term only. Each

1 appointed member may be removed from office by the governor for
2 cause, after a public hearing, and may be suspended by the governor
3 pending the completion of such hearing.

4 **SECTION 2.** In Colorado Revised Statutes, 24-47.5-102, **amend**
5 (2) and (3); and **add** (1.5) as follows:

6 **24-47.5-102. Colorado energy research authority - powers and**
7 **duties.** (1.5) THE AUTHORITY SHALL DIRECT THE ALLOCATION OF STATE
8 MATCHING FUNDS TO THE EXTENT REQUIRED TO SUPPORT ONE OR MORE
9 ACTIVITIES OR PROPOSALS OF THE COLORADO ENERGY RESEARCH
10 COLLABORATORY, WHICH CONSISTS OF THE COLORADO SCHOOL OF MINES,
11 COLORADO STATE UNIVERSITY, UNIVERSITY OF COLORADO AT BOULDER,
12 AND THE NATIONAL RENEWABLE ENERGY LABORATORY, AND WHICH IS
13 REFERRED TO IN THIS ARTICLE AS THE "COLLABORATORY", FOR FEDERAL
14 ENERGY RESEARCH FUNDING AND ENERGY-RELATED RESEARCH FUNDING
15 FROM FEDERAL AGENCIES AND OTHER PUBLIC AND PRIVATE ENTITIES.

16 (2) The authority ~~shall~~ MAY:

17 (a) ~~Direct the allocation of state matching funds to the extent~~
18 ~~required to support one or more proposals of a consortium consisting of~~
19 ~~the Colorado school of mines, Colorado state university, university of~~
20 ~~Colorado, and national renewable energy laboratory, referred to in this~~
21 ~~article as the "consortium", for federal energy research funding and~~
22 ~~energy-related research funding from federal agencies and other public~~
23 ~~and private entities~~ PROMOTE THE ACTIVITIES OF THE COLLABORATORY IN
24 ORDER TO INCREASE THE FEDERAL ENERGY RESEARCH FUNDING AND
25 ENERGY-RELATED RESEARCH FUNDING;

26 (b) Promote rapid transfer of new technologies developed by the
27 ~~consortium~~ COLLABORATORY to the private sector to attract and promote

1 ~~renewable~~ CLEAN energy businesses in Colorado;

2 (c) Develop educational and research programs for Colorado state
3 colleges in collaboration with the ~~consortium~~ COLLABORATORY that will
4 translate into high-technology employment opportunities for Colorado
5 students and residents;

6 (d) Become a regional resource and clearing house for ~~renewable~~
7 CLEAN energy information, ~~which the authority shall make~~ TO BE
8 available to the general public and to engineering, architectural, and
9 design professionals. The authority shall not construct a headquarters or
10 other building for its own use.

11 (e) Support development of the ~~consortium~~ COLLABORATORY,
12 including funding of any joint institute or other entity created by the
13 Colorado school of mines, Colorado state university, and university of
14 Colorado AT BOULDER or the ~~consortium~~ COLLABORATORY to jointly
15 pursue ~~renewable~~ CLEAN energy research.

16 (3) On or before ~~March 1, 2007, and each March 1~~ SEPTEMBER 1,
17 2014, AND EACH SEPTEMBER 1 thereafter, the authority shall submit a
18 report to the ~~business, affairs and labor, committee of the house of~~
19 ~~representatives and the business, labor, and technology committee of the~~
20 ~~senate, or any successor committees~~ COLORADO OFFICE OF ECONOMIC
21 DEVELOPMENT summarizing the energy research projects that received
22 funding under this article in the preceding calendar year. At a minimum,
23 the report shall specify the following information: ~~with regard to each~~
24 ~~such project:~~

25 (a) A description of ~~the~~ EACH project THAT RECEIVED FUNDING
26 UNDER THIS ARTICLE, INCLUDING THE AMOUNT OF THE FUNDING, AND the
27 principal persons or entities involved in the project; ~~and the amount of~~

1 ~~funding allocated to each principal person or entity;~~
2 (b) ~~The manner in which each principal person or entity applied~~
3 ~~the funding in connection with the project; and~~ THE TOTAL AMOUNT OF
4 MONEYS THAT THE AUTHORITY ALLOCATED FOR ALL PROJECTS;
5 (c) The results achieved by the project, including intellectual
6 property, licensing and commercialization activities, and any other
7 economic benefits to the state; AND
8 (d) THE TOTAL AMOUNT OF FEDERAL AND PRIVATE FUNDS THAT
9 WERE RECEIVED BY PROJECTS THAT RECEIVED FUNDING UNDER THIS
10 ARTICLE.

11 **SECTION 3.** In Colorado Revised Statutes, **recreate and**
12 **reenact, with amendments,** 24-47.5-103 as follows:

13 **24-47.5-103. Funding - repeal.** THE AUTHORITY SHALL USE ANY
14 MONEYS RECEIVED PURSUANT TO SECTION 24-48.5-120 FOR THE PURPOSES
15 SPECIFIED IN SECTION 24-47.5-102 (1.5) AND (2); EXCEPT THAT THE
16 AUTHORITY MAY NOT SPEND MORE THAN FIFTY THOUSAND DOLLARS IN A
17 FISCAL YEAR FOR THE PURPOSES SPECIFIED IN SECTION 24-47.5-102 (2).
18 THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2020.

19 **SECTION 4.** In Colorado Revised Statutes, **add** 24-48.5-120 as
20 follows:

21 **24-48.5-120. Energy research cash fund - creation -**
22 **distributions - report - definitions - repeal.** (1) AS USED IN THIS
23 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

24 (a) "AUTHORITY" MEANS THE COLORADO CLEAN ENERGY
25 AUTHORITY CREATED IN SECTION 24-47.5-101 (2).

26 (b) "FUND" MEANS THE ENERGY RESEARCH CASH FUND CREATED
27 IN SUBSECTION (2) OF THIS SECTION.

1 (c) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC
2 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

3 (2) (a) THE ENERGY RESEARCH CASH FUND IS CREATED IN THE
4 STATE TREASURY. THE FUND CONSISTS OF THE TRANSFERS REQUIRED
5 PURSUANT TO SUBSECTION (3) OF THIS SECTION AND ANY OTHER MONEYS
6 THAT THE GENERAL ASSEMBLY APPROPRIATES TO IT. THE MONEYS IN THE
7 FUND ARE CONTINUOUSLY APPROPRIATED TO THE OFFICE FOR THE PURPOSE
8 OF DISTRIBUTING MONEYS TO THE AUTHORITY FOR USE AS STATE
9 MATCHING FUNDS IN ACCORDANCE WITH SECTION 24-47.5-102 (1.5), AND
10 FOR OTHER AUTHORITY ACTIVITIES AUTHORIZED UNDER SUBSECTION (2)
11 OF SAID SECTION. THE OFFICE SHALL NOT DISTRIBUTE ANY MONEYS TO THE
12 AUTHORITY FOR USE AS STATE MATCHING FUNDS UNLESS THE OFFICE
13 RECEIVES WRITTEN CONFIRMATION FROM A FINANCIAL OFFICER AT ONE OF
14 THE COLLABORATORY INSTITUTIONS THAT FEDERAL OR PRIVATE FUNDING
15 FOR THE PROJECT HAS BEEN RECEIVED IN AN AMOUNT EQUAL TO OR
16 GREATER THAN THE AMOUNT OF THE MATCHING FUNDS TO BE
17 DISTRIBUTED.

18 (b) THE MONEYS IN THE FUND ARE ALSO CONTINUOUSLY
19 APPROPRIATED TO THE OFFICE FOR ITS ADMINISTRATIVE EXPENSES
20 ASSOCIATED WITH THIS SECTION, WHICH SHALL NOT EXCEED FIVE PERCENT
21 OF THE MONEYS TRANSFERRED OR APPROPRIATED TO THE FUND IN THE
22 FISCAL YEAR.

23 (c) AS PROVIDED BY LAW, THE STATE TREASURER MAY INVEST ANY
24 UNEXPENDED MONEYS IN THE FUND. ALL INTEREST AND INCOME DERIVED
25 FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE FUND ARE
26 CREDITED TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEYS
27 REMAINING IN THE FUND AT THE END OF A FISCAL YEAR SHALL NOT BE

1 CREDITED OR TRANSFERRED TO THE GENERAL FUND OR ANOTHER FUND;
2 EXCEPT THAT ON JULY 1, 2019, THE STATE TREASURER SHALL TRANSFER
3 ANY UNEXPENDED AND UNENCUMBERED MONEYS REMAINING IN THE FUND
4 TO THE GENERAL FUND.

5 (3) ON JULY 1, 2014, AND JULY 1, 2015, THE STATE TREASURER
6 SHALL TRANSFER ONE MILLION DOLLARS TO THE FUND. THE TRANSFERS
7 REQUIRED BY THIS SUBSECTION (3) MUST BE INCLUDED FOR
8 INFORMATIONAL PURPOSES IN THE ANNUAL GENERAL APPROPRIATION ACT.

9 (4) (a) ON NOVEMBER 1, 2015, AND NOVEMBER 1 OF THE NEXT
10 FOUR YEARS THEREAFTER, THE OFFICE SHALL SUBMIT A REPORT TO THE
11 FINANCE AND THE BUSINESS, LABOR, AND ECONOMIC AND WORKFORCE
12 DEVELOPMENT COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND TO
13 THE BUSINESS, LABOR, AND TECHNOLOGY AND THE FINANCE COMMITTEES
14 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, SUMMARIZING ALL OF
15 THE DISTRIBUTIONS MADE DURING THE PRECEDING FISCAL YEAR. AT A
16 MINIMUM, THE REPORT MUST INCLUDE ANY INFORMATION PROVIDED TO
17 THE OFFICE BY THE AUTHORITY PURSUANT TO SECTION 24-47.5-102 (3).

18 (b) SECTION 24-1-136 (11) DOES NOT APPLY TO THE REPORT
19 REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (4).

20 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2020.

21 **SECTION 5. Appropriation - adjustments to 2014 long bill.**

22 (1) For the implementation of this act, the general fund appropriation
23 made in the annual general appropriation act to the controlled
24 maintenance trust fund created in section 24-75-302.5 (2) (a), Colorado
25 Revised Statutes, for the fiscal year beginning July 1, 2014, is decreased
26 by \$1,000,000.

27 (2) In addition to any other appropriation, for the fiscal year

1 beginning July 1, 2014, there is hereby appropriated, out of any moneys
2 in the general fund not otherwise appropriated, to the energy reserach
3 cash fund created in section 24-48.5-120 (2) (a), Colorado Revised
4 Statutes, the sum of \$1,000,000, to be used for purposes consistent with
5 the creation of the fund.

6 **SECTION 6. Safety clause.** The general assembly hereby finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, and safety.