

Second Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO

REVISED

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

LLS NO. 06-0848.01 Duane Gall

HOUSE BILL 06-1322

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HOUSE SPONSORSHIP

Buescher,

SENATE SPONSORSHIP

Tapia,

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House Committees

Finance  
Appropriations

Senate Committees

State, Veterans & Military Affairs  
Appropriations

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A BILL FOR AN ACT

101 CONCERNING SUPPORT FOR THE DEVELOPMENT OF CLEAN ENERGY  
102 RESOURCES USING PROCEEDS OF THE OPERATIONAL ACCOUNT  
103 OF THE SEVERANCE TAX TRUST FUND, AND MAKING AN  
104 APPROPRIATION IN CONNECTION THEREWITH.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

Transfers \$6 million per year for 3 years from the operational account of the severance tax trust fund into a newly created clean energy development fund, to be administered by the governor's office of energy management and conservation for the following purposes:

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  
May 4, 2006

HOUSE  
3rd Reading Unamended  
April 21, 2006

HOUSE  
Amended 2nd Reading  
April 20, 2006

To support the study, engineering, and development of an integrated gasification combined-cycle generation facility that will demonstrate the feasibility of new technologies that use Colorado or other western coal, or both, and that will capture and sequester a portion of the facility's carbon dioxide emissions (funded at up to \$3 million of the \$6 million per year);

As seed money for the development of new energy technologies that rely upon renewable or other clean energy resources for the production of electrical energy or liquid fuels suitable for use in the transportation sector; and

To facilitate the development of renewable energy or energy efficiency resources at public schools, public hospitals, state government agencies, county and municipal governments, and other public entities.

Directs the office of energy management and conservation to develop criteria for awarding grants from the clean energy development fund. Requires annual reports to the governor and the general assembly.

Repeals the program after 3 years, with any unexpended and unencumbered moneys then reverting to the general fund.

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

2 **SECTION 1. 39-29-109, Colorado Revised Statutes, is amended**  
3 **BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to**  
4 **read:**

5 **39-29-109. Severance tax trust fund - created - administration**  
6 **- use of moneys - definitions - repeal. (8) (a) SUBJECT TO THE END**  
7 **BALANCE REQUIREMENT OF PARAGRAPH (f) OF SUBSECTION (1.5) OF THIS**  
8 **SECTION AND THE MAINTENANCE OF A TWO-YEAR RESERVE PURSUANT TO**  
9 **SUB-SUBPARAGRAPH (A) OF SUBPARAGRAPH (III) OF PARAGRAPH (c) OF**  
10 **SUBSECTION (1) OF THIS SECTION, FOR THREE STATE FISCAL YEARS**  
11 **BEGINNING WITH THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2006,**  
12 **A PORTION OF THE OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST**  
13 **FUND SHALL BE APPROPRIATED TO THE COLORADO RENEWABLE ENERGY**  
14 **AUTHORITY CREATED IN SECTION 24-47.5-101, C.R.S., FOR THE PURPOSES**

1 STATED IN SECTION 24-47.5-102 (2), C.R.S. THE AMOUNT APPROPRIATED  
2 SHALL BE TWO MILLION DOLLARS PER YEAR, SUBJECT TO THE LIMITATIONS  
3 STATED IN SECTION 24-47.5-102, C.R.S., AND IN THIS PARAGRAPH (a). IF  
4 THERE ARE INSUFFICIENT MONEYS IN THE OPERATIONAL ACCOUNT TO  
5 MAKE ALL APPROPRIATIONS AND TRANSFERS AT THE HIGHEST LEVEL  
6 AUTHORIZED BY LAW, THE APPROPRIATIONS AUTHORIZED BY THIS  
7 SUBSECTION (8) AND SUBSECTION (8.5) OF THIS SECTION SHALL BE  
8 REDUCED PRO RATA AS NECESSARY TO ACCOMMODATE ALL  
9 APPROPRIATIONS AND TRANSFERS AT THE HIGHEST LEVEL AUTHORIZED BY  
10 LAW OTHER THAN THIS SUBSECTION (8) AND SUBSECTION (8.5) OF THIS  
11 SECTION.

12 (b) THIS SUBSECTION (8) IS REPEALED, EFFECTIVE JULY 1, 2009.

13 (8.5) (a) SUBJECT TO THE END BALANCE REQUIREMENT OF  
14 PARAGRAPH (f) OF SUBSECTION (1.5) OF THIS SECTION AND THE  
15 MAINTENANCE OF A TWO-YEAR RESERVE PURSUANT TO  
16 SUB-SUBPARAGRAPH (A) OF SUBPARAGRAPH (III) OF PARAGRAPH (c) OF  
17 SUBSECTION (1.5) OF THIS SECTION, FOR THREE STATE FISCAL YEARS  
18 BEGINNING WITH THE STATE FISCAL YEAR COMMENCING ON JULY 1, 2006,  
19 THE STATE TREASURER SHALL TRANSFER A PORTION OF THE OPERATIONAL  
20 ACCOUNT OF THE SEVERANCE TAX TRUST FUND TO THE AGRICULTURE  
21 VALUE-ADDED CASH FUND CREATED IN SECTION 35-75-205 (1), C.R.S., TO  
22 PROMOTE AGRICULTURAL ENERGY-RELATED PROJECTS AND RESEARCH.  
23 THE AMOUNT APPROPRIATED SHALL BE FIVE HUNDRED THOUSAND  
24 DOLLARS PER YEAR. IF THERE ARE INSUFFICIENT MONEYS IN THE  
25 OPERATIONAL ACCOUNT TO MAKE ALL APPROPRIATIONS AND TRANSFERS  
26 AT THE HIGHEST LEVEL AUTHORIZED BY LAW, THE TRANSFERS  
27 AUTHORIZED BY THIS SUBSECTION (8.5) AND SUBSECTION (8) OF THIS

1 SECTION SHALL BE REDUCED PRO RATA AS NECESSARY TO ACCOMMODATE  
2 ALL APPROPRIATIONS AND TRANSFERS AT THE HIGHEST LEVEL  
3 AUTHORIZED BY LAW OTHER THAN THIS SUBSECTION (8.5) AND  
4 SUBSECTION (8) OF THIS SECTION.

5 (b) THIS SUBSECTION (8.5) IS REPEALED, EFFECTIVE JULY 1, 2009.

6 SECTION 2. Title 24, Colorado Revised Statutes, is amended BY  
7 THE ADDITION OF A NEW ARTICLE to read:

8 **ARTICLE 47.5**

9 **Renewable Energy Authority**

10 **24-47.5-101. Renewable energy authority - creation -**  
11 **legislative declaration.** (1) (a) THE GENERAL ASSEMBLY FINDS,  
12 DETERMINES, AND DECLARES THAT:

13 (I) THE PRODUCTION AND EFFICIENT USE OF ENERGY WILL  
14 CONTINUE TO PLAY A CENTRAL ROLE IN THE FUTURE OF THIS STATE AND  
15 THE NATION AS A WHOLE; AND

16 (II) THE DEVELOPMENT, PRODUCTION, AND EFFICIENT USE OF  
17 RENEWABLE ENERGY WILL ADVANCE THE SECURITY, ECONOMIC  
18 WELL-BEING, AND PUBLIC AND ENVIRONMENTAL HEALTH OF THIS STATE,  
19 AS WELL AS CONTRIBUTING TO THE ENERGY INDEPENDENCE OF OUR  
20 NATION.

21 (b) THE GENERAL ASSEMBLY FURTHER FINDS, DETERMINES, AND  
22 DECLARES THAT THE AUTHORITY AND POWERS CONFERRED UNDER THIS  
23 ARTICLE, AS WELL AS THE EXPENDITURES OF PUBLIC MONEY MADE  
24 PURSUANT TO THIS ARTICLE, WILL SERVE A VALID PUBLIC PURPOSE AND  
25 THAT THE ENACTMENT OF THIS ARTICLE IS EXPRESSLY DECLARED TO BE IN  
26 THE PUBLIC INTEREST.

27 (2) THERE IS HEREBY CREATED THE COLORADO RENEWABLE

1 ENERGY AUTHORITY, REFERRED TO IN THIS ARTICLE AS THE AUTHORITY,  
2 WHICH SHALL BE A BODY CORPORATE AND A POLITICAL SUBDIVISION OF  
3 THE STATE. THE AUTHORITY SHALL NOT BE AN AGENCY OF STATE  
4 GOVERNMENT, NOR SHALL IT BE SUBJECT TO ADMINISTRATIVE DIRECTION  
5 BY ANY DEPARTMENT, COMMISSION, BOARD, BUREAU, OR AGENCY OF THE  
6 STATE, EXCEPT TO THE EXTENT PROVIDED BY THIS ARTICLE.

7 (3) (a) THE POWERS OF THE AUTHORITY SHALL BE VESTED IN A  
8 BOARD OF DIRECTORS.

9 (b) UNTIL JANUARY 1, 2007, THE BOARD SHALL CONSIST OF ONE  
10 MEMBER APPOINTED BY THE GOVERNOR, WITH THE CONSENT OF THE  
11 SENATE, PLUS THE FOLLOWING FOUR EX OFFICIO MEMBERS: THE  
12 PRESIDENTS OF THE COLORADO SCHOOL OF MINES, COLORADO STATE  
13 UNIVERSITY, AND THE UNIVERSITY OF COLORADO AND THE DIRECTOR OF  
14 THE NATIONAL RENEWABLE ENERGY LABORATORY.

15 (c) ON AND AFTER JANUARY 1, 2007, THE BOARD SHALL CONSIST  
16 OF THE MEMBERS DESIGNATED IN PARAGRAPH (b) OF THIS SUBSECTION (3)  
17 AND UP TO TWO ADDITIONAL MEMBERS APPOINTED BY THE GOVERNOR  
18 WITH THE CONSENT OF THE SENATE. THE TERMS OF THE APPOINTED  
19 MEMBERS OF THE BOARD SHALL BE FOUR YEARS. AN APPOINTED MEMBER  
20 SHALL BE ELIGIBLE FOR REAPPOINTMENT. EACH MEMBER SHALL HOLD  
21 OFFICE UNTIL A SUCCESSOR HAS BEEN APPOINTED AND THE SENATE HAS  
22 CONFIRMED THE APPOINTMENT. A VACANCY IN THE MEMBERSHIP  
23 OCCURRING OTHER THAN BY EXPIRATION OF TERM SHALL BE FILLED IN THE  
24 SAME MANNER AS THE ORIGINAL APPOINTMENT, BUT FOR THE UNEXPIRED  
25 TERM ONLY. EACH APPOINTED MEMBER MAY BE REMOVED FROM OFFICE  
26 BY THE GOVERNOR FOR CAUSE, AFTER A PUBLIC HEARING, AND MAY BE  
27 SUSPENDED BY THE GOVERNOR PENDING THE COMPLETION OF SUCH

1 HEARING.

2 (4) THE MEMBERS OF THE BOARD SHALL ELECT A CHAIR AND A  
3 VICE-CHAIR. THE MEMBERS OF THE BOARD SHALL ALSO ELECT A  
4 SECRETARY AND A TREASURER, WHO NEED NOT BE MEMBERS, AND THE  
5 SAME PERSON MAY BE ELECTED TO SERVE AS BOTH SECRETARY AND  
6 TREASURER. THE POWERS OF THE BOARD MAY BE VESTED IN THE OFFICERS  
7 FROM TIME TO TIME. FOUR MEMBERS SHALL CONSTITUTE A QUORUM. NO  
8 VACANCY IN THE MEMBERSHIP OF THE BOARD SHALL IMPAIR THE RIGHT OF  
9 A QUORUM OF THE MEMBERS TO EXERCISE ALL THE POWERS AND PERFORM  
10 ALL THE DUTIES OF THE BOARD.

11 (5) EACH MEMBER OF THE BOARD NOT OTHERWISE IN FULL-TIME  
12 EMPLOYMENT OF THE STATE SHALL RECEIVE A PER DIEM OF FIFTY DOLLARS  
13 FOR EACH DAY ACTUALLY AND NECESSARILY SPENT IN THE DISCHARGE OF  
14 OFFICIAL DUTIES, AND ALL MEMBERS SHALL RECEIVE TRAVELING AND  
15 OTHER NECESSARY EXPENSES ACTUALLY INCURRED IN THE PERFORMANCE  
16 OF OFFICIAL DUTIES.

17 **24-47.5-102. Renewable energy authority - powers and duties.**

18 (1) EXCEPT AS OTHERWISE LIMITED BY THIS ARTICLE, THE AUTHORITY,  
19 ACTING THROUGH THE BOARD, HAS THE POWER:

20 (a) TO HAVE THE DUTIES, PRIVILEGES, IMMUNITIES, RIGHTS,  
21 LIABILITIES, AND DISABILITIES OF A BODY CORPORATE AND POLITICAL  
22 SUBDIVISION OF THE STATE;

23 (b) TO SUE AND BE SUED;

24 (c) TO HAVE AN OFFICIAL SEAL AND TO ALTER THE SAME AT THE  
25 BOARD'S PLEASURE;

26 (d) TO MAKE AND ALTER BYLAWS FOR ITS ORGANIZATION AND  
27 INTERNAL MANAGEMENT AND FOR THE CONDUCT OF ITS AFFAIRS AND

1 BUSINESS;

2 (e) TO MAINTAIN AN OFFICE AT SUCH PLACE OR PLACES WITHIN THE  
3 STATE AS IT MAY DETERMINE;

4 (f) TO ACQUIRE, HOLD, USE, AND DISPOSE OF ITS INCOME,  
5 REVENUES, FUNDS, AND MONEYS;

6 (g) TO MAKE AND ENTER INTO ALL CONTRACTS, LEASES, AND  
7 AGREEMENTS THAT ARE NECESSARY OR INCIDENTAL TO THE  
8 PERFORMANCE OF ITS DUTIES AND THE EXERCISE OF ITS POWERS UNDER  
9 THIS ARTICLE;

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11 (h) TO DEPOSIT ANY MONEYS OF THE AUTHORITY IN ANY BANKING  
12 INSTITUTION WITHIN OR OUTSIDE THE STATE;

13 (i) TO FIX THE TIME AND PLACE OR PLACES AT WHICH ITS REGULAR  
14 AND SPECIAL MEETINGS ARE TO BE HELD; AND

15 (j) TO DO ANY AND ALL THINGS NECESSARY OR CONVENIENT TO  
16 CARRY OUT ITS PURPOSES AND EXERCISE THE POWERS GIVEN AND  
17 GRANTED IN THIS ARTICLE.

18 (2) THE AUTHORITY SHALL:

19 (a) DIRECT THE ALLOCATION OF STATE MATCHING FUNDS TO THE  
20 EXTENT REQUIRED TO SUPPORT ONE OR MORE PROPOSALS OF A  
21 CONSORTIUM CONSISTING OF THE COLORADO SCHOOL OF MINES,  
22 COLORADO STATE UNIVERSITY, UNIVERSITY OF COLORADO, AND  
23 NATIONAL RENEWABLE ENERGY LABORATORY, REFERRED TO IN THIS  
24 ARTICLE AS THE CONSORTIUM, FOR FEDERAL ENERGY RESEARCH FUNDING  
25 AND ENERGY-RELATED RESEARCH FUNDING FROM FEDERAL AGENCIES AND  
26 OTHER PUBLIC AND PRIVATE ENTITIES;

27 (b) PROMOTE RAPID TRANSFER OF NEW TECHNOLOGIES DEVELOPED

1 BY THE CONSORTIUM TO THE PRIVATE SECTOR THROUGH TECHNOLOGY  
2 LICENSING AND OTHER MEANS TO ATTRACT AND PROMOTE RENEWABLE  
3 ENERGY BUSINESSES IN COLORADO;

4 (c) DEVELOP EDUCATIONAL AND RESEARCH PROGRAMS FOR  
5 COLORADO STATE COLLEGES IN COLLABORATION WITH THE CONSORTIUM  
6 THAT WILL TRANSLATE INTO HIGH-TECHNOLOGY EMPLOYMENT  
7 OPPORTUNITIES FOR COLORADO STUDENTS AND RESIDENTS;

8 (d) BECOME A REGIONAL RESOURCE AND CLEARING HOUSE FOR  
9 RENEWABLE ENERGY INFORMATION, WHICH THE AUTHORITY SHALL MAKE  
10 AVAILABLE TO THE GENERAL PUBLIC AND TO ENGINEERING,  
11 ARCHITECTURAL, AND DESIGN PROFESSIONALS. THE AUTHORITY SHALL  
12 NOT CONSTRUCT A HEADQUARTERS OR OTHER BUILDING FOR ITS OWN USE;

13 (e) SUPPORT DEVELOPMENT OF THE CONSORTIUM, INCLUDING  
14 FUNDING OF ANY JOINT INSTITUTE OR OTHER ENTITY CREATED BY THE  
15 COLORADO SCHOOL OF MINES, COLORADO STATE UNIVERSITY, AND  
16 UNIVERSITY OF COLORADO OR THE CONSORTIUM TO JOINTLY PURSUE  
17 RENEWABLE ENERGY RESEARCH.

18 (3) ON OR BEFORE MARCH 1, 2007, AND EACH MARCH 1  
19 THEREAFTER, THE AUTHORITY SHALL SUBMIT A REPORT TO THE BUSINESS  
20 AFFAIRS AND LABOR COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND  
21 THE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE OF THE SENATE, OR  
22 ANY SUCCESSOR COMMITTEES, SUMMARIZING THE ENERGY RESEARCH  
23 PROJECTS THAT RECEIVED FUNDING UNDER THIS ARTICLE IN THE  
24 PRECEDING CALENDAR YEAR. AT A MINIMUM, THE REPORT SHALL SPECIFY  
25 THE FOLLOWING INFORMATION WITH REGARD TO EACH SUCH PROJECT:

26 (I) A DESCRIPTION OF THE PROJECT, THE PRINCIPAL PERSONS OR  
27 ENTITIES INVOLVED IN THE PROJECT, AND THE AMOUNT OF FUNDING

1 ALLOCATED TO EACH PRINCIPAL PERSON OR ENTITY;

2 (II) THE MANNER IN WHICH EACH PRINCIPAL PERSON OR ENTITY  
3 APPLIED THE FUNDING IN CONNECTION WITH THE PROJECT; AND

4 (III) THE RESULTS ACHIEVED BY THE PROJECT, INCLUDING  
5 IDENTIFIABLE MONETARY RETURNS TO THE AUTHORITY AND TO EACH  
6 PRINCIPAL PERSON OR ENTITY ASSOCIATED WITH THE PROJECT SINCE THE  
7 RECEIPT OF THE FUNDING.

8 (4) OF ANY REVENUES RECEIVED BY THE AUTHORITY AS A RESULT  
9 OF THE LICENSING OF ANY PATENT, TRADEMARK, OR COPYRIGHT OR OF  
10 ANY OTHER TECHNOLOGY TRANSFER ACTIVITY UNDER PARAGRAPH (b) OF  
11 SUBSECTION (2) OF THIS SECTION, FIFTY PERCENT SHALL BE RETAINED BY  
12 THE AUTHORITY FOR FUTURE USE IN ACCORDANCE WITH THIS ARTICLE AND  
13 FIFTY PERCENT SHALL BE REMITTED TO THE STATE TREASURER, WHO  
14 SHALL CREDIT THE SAME TO THE OPERATIONAL ACCOUNT OF THE  
15 SEVERANCE TAX TRUST FUND CREATED IN SECTION 39-29-109 (1) (a) (II),  
16 C.R.S., UNTIL AN AMOUNT EQUAL TO ALL APPROPRIATIONS TO DATE FROM  
17 THE OPERATIONAL ACCOUNT HAVE BEEN REPAID. THEREAFTER, SEVENTY  
18 PERCENT OF SUCH REVENUES SHALL BE RETAINED BY THE AUTHORITY FOR  
19 FUTURE USE IN ACCORDANCE WITH THIS ARTICLE AND THIRTY PERCENT  
20 SHALL BE REMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE  
21 SAME TO THE OPERATIONAL ACCOUNT.

22 **24-47.5-103. Funding - appropriations contingent on receipt**  
23 **of federal grant moneys - repeal.** (1) FOR THE STATE FISCAL YEAR  
24 COMMENCING ON JULY 1, 2006, AND IN EACH OF THE STATE FISCAL YEARS  
25 COMMENCING ON JULY 1, 2007, AND JULY 1, 2008, THE GENERAL  
26 ASSEMBLY SHALL APPROPRIATE TWO MILLION DOLLARS FROM THE  
27 OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND CREATED IN

1 SECTION 39-29-109, C.R.S., TO THE AUTHORITY FOR THE PURPOSES  
2 SPECIFIED IN SECTION 24-47.5-102; EXCEPT THAT, IF GRANTS OF FEDERAL  
3 MONEYS EQUAL TO OR EXCEEDING THE AMOUNT OF STATE MONEYS  
4 APPROPRIATED PURSUANT TO THIS ARTICLE HAS NOT BEEN RECEIVED BY  
5 JUNE 30, 2012, THE UNEXPENDED AND UNENCUMBERED BALANCE OF SAID  
6 APPROPRIATION SHALL REVERT TO THE OPERATIONAL ACCOUNT OF THE  
7 SEVERANCE TAX TRUST FUND.

8 (2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2012.

9 SECTION 3. 35-75-205, Colorado Revised Statutes, is amended  
10 BY THE ADDITION OF A NEW SUBSECTION to read:

11 **35-75-205. Tax credits, grants, loans and loan guarantees, and**  
12 **equity investments - agriculture value-added cash fund - created -**  
13 **repeal.** (1.5) (a) FOR THE STATE FISCAL YEAR COMMENCING ON JULY 1,  
14 2006, AND IN EACH OF THE STATE FISCAL YEARS COMMENCING ON JULY 1,  
15 2007, AND JULY 1, 2008, THE GENERAL ASSEMBLY SHALL APPROPRIATE  
16 FIVE HUNDRED THOUSAND DOLLARS, OR SO MUCH THEREOF AS HAS BEEN  
17 TRANSFERRED PURSUANT TO SECTION 39-29-109 (8.5), C.R.S., FROM THE  
18 AGRICULTURE VALUE-ADDED CASH FUND TO THE DEPARTMENT OF  
19 AGRICULTURE, FOR ALLOCATION TO THE BOARD TO PROMOTE  
20 AGRICULTURAL ENERGY-RELATED PROJECTS AND RESEARCH.

21 (b) THIS SUBSECTION (1.5) IS REPEALED, EFFECTIVE JULY 1, 2009.

22 SECTION 4. Article 1 of title 25, Colorado Revised Statutes, is  
23 amended BY THE ADDITION OF A NEW PART to read:

24 PART 13

25 CLIMATE CHANGE MARKETS GRANT PROGRAM

26 **25-1-1301. Short title.** THIS PART 13 SHALL BE KNOWN AND MAY  
27 BE CITED AS THE "COLORADO CLIMATE CHANGE MARKETS ACT".

1           **25-1-1302. Legislative declaration.** (1) THE GENERAL  
2 ASSEMBLY HEREBY FINDS AND DECLARES THAT:

3           (a) AS THE UNITED STATES AND OTHER COUNTRIES TAKE ACTION  
4 TO ADDRESS ISSUES RELATED TO CLIMATE CHANGE, COLORADO FACES  
5 IMPORTANT POLICY CHOICES.

6           (b) EMERGING TECHNOLOGIES AND MARKETS RELATED TO CLIMATE  
7 CHANGE PROMISE SIGNIFICANT ECONOMIC OPPORTUNITIES FOR THE STATE,  
8 PARTICULARLY FOR AGRICULTURE AND RURAL ECONOMIES.

9           (c) THE GENERAL ASSEMBLY ENACTS THE "COLORADO CLIMATE  
10 CHANGE MARKETS ACT" FOR THE PURPOSE OF POSITIONING COLORADO AT  
11 THE FOREFRONT OF EMERGING MARKETS RELATED TO CLIMATE CHANGE  
12 AND HELPING AFFECTED INDUSTRIES AND ECONOMIES BENEFIT FROM  
13 THESE OPPORTUNITIES.

14           **25-1-1303. GRANTS FOR RESEARCH - REPORTS TO GENERAL**  
15 **ASSEMBLY.** (1) THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
16 SHALL ADMINISTER A PROGRAM TO AWARD GRANTS PURSUANT TO THIS  
17 SECTION.

18           (2) (a) A GRANT OF FIFTY THOUSAND DOLLARS SHALL BE  
19 AWARDED TO COLORADO STATE UNIVERSITY TO CONDUCT RESEARCH ON  
20 THE POTENTIAL FOR THE USE OF TERRESTRIAL CARBON SEQUESTRATION IN  
21 AGRICULTURAL, RANGELAND, AND FOREST SOILS AS A TECHNIQUE FOR  
22 MITIGATING THE EMISSIONS OF GREENHOUSE GASES IN THE STATE.

23           (b) A GRANT OF FIFTY THOUSAND DOLLARS SHALL BE AWARDED TO  
24 THE COLORADO SCHOOL OF MINES TO CONDUCT RESEARCH ON THE  
25 POTENTIAL FOR THE USE OF GEOLOGIC CARBON SEQUESTRATION AS A  
26 TECHNIQUE FOR MITIGATING THE EMISSIONS OF GREENHOUSE GASES IN THE  
27 STATE.

1           (c) A GRANT OF THIRTY-FIVE THOUSAND DOLLARS SHALL BE  
2           AWARDED TO THE UNIVERSITY OF COLORADO TO CONDUCT RESEARCH ON  
3           THE EMERGING INTERNATIONAL AND DOMESTIC MARKETS IN GREENHOUSE  
4           GAS EMISSIONS AND TO CONDUCT RESEARCH ON PRIVATE FIRMS IN  
5           VARIOUS ECONOMIC SECTORS THAT ARE REDUCING EMISSIONS OF  
6           GREENHOUSE GASES.

7           (3) EACH RECIPIENT OF A GRANT AWARDED PURSUANT TO THIS  
8           SECTION SHALL REPORT THE RESULTS OF THE RESEARCH CONDUCTED  
9           UNDER THE GRANT TO THE AGRICULTURE COMMITTEES OF THE SENATE  
10          AND THE HOUSE OF REPRESENTATIVES NO LATER THAN MARCH 15, 2007.

11          **SECTION 5.** 39-29-109 (1), Colorado Revised Statutes, is  
12          amended BY THE ADDITION OF A NEW PARAGRAPH to read:

13           **39-29-109. Severance tax trust fund - created - administration**  
14          **- use of moneys - repeal.** (1) (k) NOTWITHSTANDING ANY PROVISION IN  
15          THIS SECTION TO THE CONTRARY, AND SUBJECT TO THE MAINTENANCE OF  
16          A TWO-YEAR RESERVE PURSUANT TO SUB-SUBPARAGRAPH (A) OF  
17          SUBPARAGRAPH (III) OF PARAGRAPH (c) OF THIS SUBSECTION (1), ON JULY  
18          1, 2006, THE STATE TREASURER SHALL TRANSFER ONE HUNDRED  
19          THIRTY-FIVE THOUSAND DOLLARS, OR SO MUCH THEREOF AS MAY BE  
20          AVAILABLE, OF THE UNENCUMBERED AND UNEXPENDED BALANCE OF THE  
21          OPERATIONAL ACCOUNT OF THE SEVERANCE TAX TRUST FUND TO THE  
22          DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT FOR THE PURPOSE OF  
23          IMPLEMENTING SECTION 25-1-1303, C.R.S.

24           **SECTION 6. Appropriations.** (1) (1) In addition to any other  
25          appropriation, there is hereby appropriated, out of any moneys in the  
26          operational account of the severance tax trust fund created in section  
27          39-29-109, Colorado Revised Statutes, not otherwise appropriated, to the

1 Colorado renewable energy authority created in section 24-47.5-101,  
2 Colorado Revised Statutes, for the fiscal year beginning July 1, 2006, the  
3 sum of two million dollars (\$2,000,000), or so much thereof as may be  
4 necessary, for the implementation of this act; except that, if grants of  
5 federal moneys equal to or exceeding the amount of state moneys  
6 appropriated pursuant to this article has not been received by June 30,  
7 2012, the unexpended and unencumbered balance of said appropriation  
8 shall revert to the operational account of the severance tax trust fund.

9 (2) In addition to any other appropriation, there is hereby  
10 appropriated, out of any moneys in the agriculture value-added cash fund,  
11 created in section 35-75-205 (1), Colorado Revised Statutes, not  
12 otherwise appropriated, to the department of agriculture for allocation to  
13 the agriculture value-added development board, created in section  
14 35-75-203, Colorado Revised Statutes, for the fiscal year beginning July  
15 1, 2006, the sum of five hundred thousand dollars (\$500,000), or so much  
16 thereof as may be necessary, for the implementation of this act.

17 (2) In addition to any other appropriation, there is hereby  
18 appropriated, out of the moneys transferred to the department of public  
19 health and environment pursuant to section 39-29-109 (1) (k), Colorado  
20 Revised Statutes, not otherwise appropriated, to the department of public  
21 health and environment, for the fiscal year beginning July 1, 2006, the  
22 sum of one hundred thirty-five thousand dollars (\$135,000), or so much  
23 thereof as may be necessary, for the implementation of this act.

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