

SENATE COMMITTEE OF REFERENCE REPORT

March 30, 2022

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Chair of Committee

\_\_\_\_\_  
Date

Committee on Finance.

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

SB22-138 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend the Transportation and Energy Committee Report, dated March  
2 15, 2022, page 1, line 2, strike "5" and substitute "15".

3 Page 1 of the report, strike lines 7 through 10 and substitute "SCHEDULE  
4 T FILING, OR SUCH OTHER THRESHOLD DOLLAR AMOUNT THAT THE NAIC  
5 ESTABLISHES IN SUBSEQUENT YEARS, PARTICIPATE IN AND COMPLETE THE  
6 NAIC'S ANNUAL "INSURER CLIMATE RISK DISCLOSURE SURVEY", OR  
7 SUCH OTHER SURVEY OR REPORTING MECHANISM THAT THE NAIC  
8 REQUIRES IN SUBSEQUENT YEARS. IF AN INSURER REPORTS LESS THAN ONE  
9 HUNDRED MILLION DOLLARS ON ITS ANNUAL NAIC SCHEDULE T FILING, OR  
10 SUCH OTHER THRESHOLD DOLLAR AMOUNT THAT THE NAIC ESTABLISHES  
11 IN SUBSEQUENT YEARS, THE INSURER MAY PARTICIPATE IN AND  
12 COMPLETE".

13 Page 1 of the report, strike lines 15 through 25 and substitute "COLUMBIA,  
14 AND THE FOUR UNITED STATES TERRITORIES.

15 **SECTION 2.** In Colorado Revised Statutes, **amend** 24-51-220 as  
16 follows:

17 **24-51-220. Reports - periodic reports to general assembly -**  
18 **inclusion of climate risk assessment in annual stewardship report.**

19 (1) The association shall ~~provide~~ SUBMIT a report to the general assembly  
20 on January 1, 2016, and every five years thereafter, regarding the  
21 economic impact of the 2010 legislative changes to the annual increase  
22 provisions on the retirees and benefit recipients as compared to the actual  
23 rate of inflation and the progress made toward eliminating the unfunded  
24 liabilities of each division of the association.

25 (2) ON AND AFTER JANUARY 1, 2024, THE ASSOCIATION SHALL  
26 INCLUDE, AS PART OF ITS ANNUAL INVESTMENT STEWARDSHIP REPORT

1 THAT IT POSTS ON ITS WEBSITE, A DESCRIPTION OF:  
2 (a) THE ASSOCIATION'S PROCESS FOR IDENTIFYING CLIMATE  
3 CHANGE-RELATED RISKS AND ASSESSING THE FINANCIAL IMPACT THAT THE  
4 CLIMATE CHANGE-RELATED RISKS HAVE ON THE ASSOCIATION'S  
5 OPERATIONS;  
6 (b) THE CURRENT OR ANTICIPATED FUTURE RISKS THAT CLIMATE  
7 CHANGE POSES TO THE ASSOCIATION'S INVESTMENT PORTFOLIO, THE  
8 IMPACT THAT CLIMATE CHANGE HAS ON THE ASSOCIATION'S INVESTMENT  
9 STRATEGIES, AND ANY STRATEGY CHANGES THAT THE ASSOCIATION HAS  
10 IMPLEMENTED IN RESPONSE TO SUCH IMPACT;  
11 (c) ACTIONS THAT THE ASSOCIATION IS TAKING TO MANAGE THE  
12 RISKS THAT CLIMATE CHANGE POSES TO THE ASSOCIATION'S OPERATIONS;  
13 AND  
14 (d) THE ASSOCIATION'S USE AND CONSIDERATION OF ANY  
15 CLIMATE-RELATED REPORTING THAT THE FEDERAL SECURITIES AND  
16 EXCHANGE COMMISSION REQUIRES."

17 Page 2 of the report, after line 19 insert:

18 "Page 4, strike lines 25 and 26.

19 Reletter succeeding sub-subparagraphs accordingly.

20 Page 5, after line 1 insert:

21 "(C) A SIXTY-FIVE PERCENT REDUCTION IN STATEWIDE  
22 GREENHOUSE GAS POLLUTION BY 2035;"

23 Reletter succeeding sub-subparagraphs accordingly."

24 Page 2 of the report, strike lines 38 through 40 and substitute "this sector  
25 to be realized beginning no later than September 30, 2024. ON OR BEFORE  
26 AUGUST 1, 2023, THE COMMISSION SHALL ADOPT RULES TO REDUCE  
27 GREENHOUSE GAS EMISSIONS FROM, AT A MINIMUM, THE SOURCES WITHIN  
28 THE INDUSTRIAL AND MANUFACTURING SECTOR THAT, PURSUANT TO  
29 COMMISSION RULES REQUIRING GREENHOUSE GAS REPORTING, REPORTED  
30 DURING THE 2020 CALENDAR YEAR GREENHOUSE GAS EMISSIONS IN AN  
31 AMOUNT GREATER THAN TWENTY-FIVE THOUSAND METRIC TONS. The  
32 rules must:"

33 Page 3 of the report, strike line 18 and substitute "PRIMACY UNDER THE  
34 FEDERAL "SAFE DRINKING WATER ACT", 42 U.S.C. SEC. 300f ET".

35 Page 3 of the report, strike lines 32 through 35.

1 Page 4 of the report, strike lines 1 through 4 and substitute:

2 "(III) (A) THE COMMISSION SHALL REQUIRE EACH OPERATOR OF A  
3 CLASS VI INJECTION WELL TO PROVIDE ADEQUATE FINANCIAL ASSURANCE  
4 DEMONSTRATING THAT THE OPERATOR IS FINANCIALLY CAPABLE OF  
5 FULFILLING EVERY OBLIGATION IMPOSED ON THE OPERATOR UNDER THIS  
6 ARTICLE 60 AND UNDER RULES THAT THE COMMISSION ADOPTS PURSUANT  
7 TO THIS ARTICLE 60.

8 (B) THE FINANCIAL ASSURANCE REQUIRED UNDER THIS  
9 SUBSECTION (9)(c)(III) MUST COVER THE COST OF CORRECTIVE ACTION,  
10 INJECTION WELL PLUGGING, POST-INJECTION SITE CARE, AND SITE  
11 CLOSURE, AS THOSE TERMS ARE DEFINED IN 40 CFR 146.81, AND THE COST  
12 OF ANY EMERGENCY AND REMEDIAL RESPONSE.

13 (C) THE COMMISSION SHALL ADOPT RULES REQUIRING THAT  
14 FINANCIAL ASSURANCE COVER THE COST OF OBLIGATIONS THAT ARE IN  
15 ADDITION TO THE OBLIGATIONS LISTED IN SUBSECTION (9)(c)(III)(B) OF  
16 THIS SECTION IF THE ADDITIONAL OBLIGATIONS ARE REASONABLY  
17 ASSOCIATED WITH CLASS VI INJECTION WELLS AND LOCATIONS.

18 (D) AN OPERATOR SHALL MAINTAIN THE FINANCIAL ASSURANCE  
19 REQUIRED UNDER THIS SUBSECTION (9)(c)(III) OR UNDER ANY RULES  
20 ADOPTED PURSUANT TO THIS SUBSECTION (9)(c)(III) UNTIL THE  
21 COMMISSION APPROVES SITE CLOSURE, AS SPECIFIED IN RULES ADOPTED BY  
22 THE COMMISSION. COMMISSION APPROVAL OF A SITE CLOSURE DOES NOT  
23 OTHERWISE MODIFY AN OPERATOR'S RESPONSIBILITY TO COMPLY WITH  
24 APPLICABLE LAWS.

25 (E) FINANCIAL ASSURANCE PROVIDED UNDER THIS SUBSECTION  
26 (9)(c)(III) MAY BE IN THE FORM OF A SURETY BOND, INSURANCE, OR ANY  
27 OTHER INSTRUMENT THAT THE COMMISSION, BY RULE, DEEMS  
28 SATISFACTORY."

29 Page 4 of the report, line 9, strike "**repeal.**" and substitute "**rules.**".

30 Page 5 of the report, strike line 11 and substitute:

31 "(3) (a) UPON CONCLUSION OF THE STUDY, WITH REGARD TO ANY  
32 RECOMMENDATIONS OF THE STUDY THAT DO NOT REQUIRE LEGISLATIVE  
33 CHANGES, THE COMMISSIONER, IN CONSULTATION WITH THE COLORADO  
34 ENERGY OFFICE AND THE AIR QUALITY CONTROL COMMISSION, MAY ADOPT  
35 RULES TO IMPLEMENT THE RECOMMENDATIONS.

36 (b) IF THE COMMISSIONER ADOPTS RULES PURSUANT TO  
37 SUBSECTION (3)(a) OF THIS SECTION, THE DEPARTMENT SHALL INCLUDE A  
38 SUMMARY OF THE RULES AS PART OF THE DEPARTMENT'S REGULATORY  
39 AGENDA THAT IS FILED WITH THE STAFF OF LEGISLATIVE COUNCIL AND THE  
40 SECRETARY OF STATE PURSUANT TO SECTION 2-7-203 (4) AND THAT IS

1 INCLUDED IN THE DEPARTMENT'S "STATE MEASUREMENT FOR  
2 ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART)  
3 GOVERNMENT ACT" PRESENTATION REQUIRED UNDER SECTION 2-7-203  
4 THAT IMMEDIATELY PRECEDES THE ADOPTION OF THE RULES."."

5 Page 5 of the report, after line 31 insert:

6 "Page 11, strike lines 23 through 27.

7 Page 12, strike lines 1 through 5 and substitute "SUBSECTION (4) OF THIS  
8 SECTION DETAILING THE SALES OF NEW, ELECTRIC-POWERED, SMALL  
9 OFF-ROAD EQUIPMENT, AS REPORTED BY TAXPAYERS CLAIMING THE  
10 CREDIT AUTHORIZED UNDER SUBSECTION (2) OF THIS SECTION.

11 (2) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
12 JANUARY 1, 2023, BUT BEFORE JANUARY 1, 2030, A TAXPAYER IS  
13 ALLOWED A CREDIT AGAINST THE TAX IMPOSED PURSUANT TO THIS  
14 ARTICLE 22 IN AN AMOUNT EQUAL TO THIRTY PERCENT OF THE AGGREGATE  
15 PURCHASE PRICE FOR ALL RETAIL SALES, AS THOSE TERMS ARE DEFINED IN  
16 SECTION 39-26-102, OF NEW, ELECTRIC-POWERED, SMALL OFF-ROAD  
17 EQUIPMENT THAT THE TAXPAYER SOLD IN THE STATE DURING THE TAX  
18 YEAR.

19 (b) IN ORDER TO QUALIFY FOR THE CREDIT ALLOWED UNDER THIS  
20 SUBSECTION (2), THE TAXPAYER SHALL PROVIDE A PURCHASER OF A PIECE  
21 OF NEW, ELECTRIC-POWERED, SMALL OFF-ROAD EQUIPMENT, A THIRTY  
22 PERCENT DISCOUNT FROM THE PURCHASE PRICE OF THE PIECE OF NEW,  
23 ELECTRIC-POWERED, SMALL OFF-ROAD EQUIPMENT AND SHALL SHOW THE  
24 DISCOUNT AS A SEPARATE ITEM ON THE RECEIPT OR INVOICE PROVIDED TO  
25 THE PURCHASER.

26 (c) TO DETERMINE WHETHER A TAXPAYER SOLD NEW,  
27 ELECTRIC-POWERED, SMALL OFF-ROAD EQUIPMENT IN THIS STATE, THE  
28 RULES OF SECTION 39-26-104 (3)(a) APPLY."

29 Page 12, strike lines 23 through 26 and substitute "AUDITOR A REPORT  
30 DETAILING THE SALES OF NEW, ELECTRIC-POWERED, SMALL OFF-ROAD  
31 EQUIPMENT, AS REPORTED BY TAXPAYERS CLAIMING THE CREDIT  
32 AUTHORIZED UNDER SUBSECTION (2) OF THIS SECTION. THE TAX CREDIT".

33 Page 13, lines 1 and 2, strike "BY TEN PERCENT" and substitute  
34 "SIGNIFICANTLY".

35 Page 6 of the report, strike lines 3 through 6 and substitute:

36 "(b) "SMALL OFF-ROAD EQUIPMENT" MEANS A LAWN MOWER, LEAF  
37 BLOWER, OR TRIMMER."."

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