



Legislative  
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*Nonpartisan Services for Colorado's Legislature*

**SB 18-003**

# REVISED FISCAL NOTE

(replaces fiscal note dated January 16, 2018)

**Drafting Number:** LLS 18-0697  
**Prime Sponsors:** Sen. Scott

**Date:** January 22, 2018  
**Bill Status:** Senate Appropriations  
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**Bill Topic:** COLORADO ENERGY OFFICE

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>minimal</i> )	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill concerns the mission of the Colorado Energy Office (CEO). It will create an ongoing minimal workload increase.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** This fiscal note reflects the bill as amended by the Senate Agriculture, Natural Resources, and Energy Committee.

## Summary of Legislation

This bill repeals several mostly inactive programs in and creates new requirements for the Colorado Energy Office.

**Program repeals.** The bill repeals several statutory programs and requirements in the CEO that are primarily defunct, including:

- the Wind for Schools Grant Program;
- the Renewable Energy and Energy Efficiency for Schools Loan Program;
- the Green Building Incentive Pilot Program;
- the Clean Energy Finance Program;
- involvement with the Forest Service in the Department of Higher Education and the Air Quality Control Commission in the Colorado Department of Public Health and Environment (CDPHE) to support the increased use of woody biomass;
- involvement in grants with the Colorado Energy Research Institute for the development of a central resource for building trade professionals;
- participation in the Pollution Prevention Advisory Board Assistance Committee in CDPHE;
- responsibility to maintain a list of solar installers, the requirement for a builder to offer that list to customers, and the requirement for the office to offer training on solar installations;
- a provision funding a computer system for tracking the movement of gasoline or special fuel in the state in FY 2009-10; and

- transfers the administration of the Colorado Carbon Fund Special License Plate to a nonprofit organization.

**New requirements.** The bill adds the following new requirements related to the CEO:

- adding nuclear power and energy storage systems to the list of energy sources the CEO must promote; and
- including energy industries and executive departments when developing and encouraging increased utilization of energy curricula.

## **Background**

**Colorado Energy Office funding.** The General Assembly did not reauthorize the transfer of \$3.1 million to the Clean and Renewable Energy Fund and the Innovative Energy Fund during the 2017 legislative session. The CEO filled the state funding gap by securing temporarily repurposed U.S. Department of Energy funds, which allowed CEO staff to remain in place to work on federally approved programs. In 2017, the CEO has requested \$3.1 million General Fund and 16.5 FTE to fund its statutorily required state operations in this year's budget request.

More information is available on this topic in the Joint Budget Committee's Staff Budget Briefing for the Office of the Governor, available here:

[http://leg.colorado.gov/sites/default/files/fy2018-19\\_govbrf.pdf](http://leg.colorado.gov/sites/default/files/fy2018-19_govbrf.pdf).

**Background on programs that repeal under SB 18-003.** The programs repealed by SB 18-003 are primarily defunct, as described below.

- *Wind for School Grant Program.* The Wind for Schools program was created in 2007 and dispersed 12 grants to schools totaling \$60,000 over several years. Previously, the grant program was funded primarily by federal American Recovery and Reinvestment Act money. This program is statutorily contingent on federal participation, which ended in 2013.
- *Renewable Energy and Energy Efficiency for Schools Loan Program.* The Renewable Energy and Energy Efficiency for Schools program was created in 2009 as a partnership between the CEO and the State Treasurer's Office to provide schools with loans for energy improvements to buildings. No applications have been received since the program's inception.
- *Green Building Incentive Pilot Program.* The Green Building Incentive program was a federally funded pilot program completed in 2012.
- *Clean Energy Finance Program.* The Clean Energy Finance Program never launched. Intended to be a partnership between the CEO and the State Treasurer's Office, the program would have allowed the investment of state funds in bonds for a clean energy program.
- *Carbon Fund special license plate.* The license plate was originally issued in 2008. In 2012, the CEO transferred the sponsorship of this plate to a nonprofit.

**State Expenditures**

If the office is appropriated state funds in FY 2018-19 through the Long Bill, the bill will have a minimal workload increase on the Colorado Energy Office to implement new program requirements under the bill.

**Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

**State and Local Government Contacts**

Colorado Energy Office	Education	Governor
Information Technology	Local Affairs	Natural Resources
Public Health and Environment	Regulatory Agencies	Revenue