



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

SB 26-033: CLEAN ENERGY PERMITTING PROCESSES

Prime Sponsors:

Sen. Liston
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Fiscal note status: The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill creates the Colorado Clean Energy Permitting Coordination Office in the Colorado Energy Office as a single point of contact for owners or operators of projects that construct, expand, repower, or modify clean energy resource facilities.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- Local Government

Appropriations. For FY 2026-27, the bill requires an appropriation of \$119,787 to the Colorado Energy Office.

**Table 1
State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
State Revenue	\$0	\$0	\$0
State Expenditures	\$139,457	\$675,747	\$576,747
Transferred Funds	\$0	\$0	\$0
Change in TABOR Refunds	\$0	\$0	\$0
Change in State FTE	0.8 FTE	3.3 FTE	3.3 FTE

Fund sources for these impacts are shown in the table below.

**Table 1A
State Expenditures**

Fund Source	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
General Fund	\$119,787	\$597,289	\$498,289
Cash Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0
Centrally Appropriated	\$19,670	\$78,458	\$78,458
Total Expenditures	\$139,457	\$675,747	\$576,747
Total FTE	0.8 FTE	3.3 FTE	3.3 FTE

Summary of Legislation

The bill creates the Colorado Clean Energy Permitting Coordination Office in the Colorado Energy Office (CEO). Beginning July 1, 2027, the new office is required to serve as a single point of contact for owners or operators of projects that construct, expand, repower, or modify clean energy resource facilities, including associated interconnection and on-site enabling facilities.

The duties of the office include:

- providing technical assistance to permitting authorities, local governments, local permitting offices, and federally recognized tribal governments;
- assisting in coordinating permit applications for a covered clean energy project, which may include convening application coordination meetings with relevant permitting authorities, local governments, federally recognized tribal governments, and utilities;
- developing model community benefit agreement terms for a covered clean energy project. A community benefit agreement may address local business opportunities, workforce standards and pathways, worker safety training expectations, emergency management support, and measurable reporting commitments;
- reviewing safety and emergency preparedness plans submitted by owners and operators;
- developing and maintaining a public dashboard for an owner or operator that receives a coordinated permitting schedule or technical assistance from the office; and,
- submitting a report to relevant legislative committees on or before December 1, 2027, and each year thereafter.

The bill requires the office to prioritize covered clean energy projects that repower or reuse retiring fossil fuel generation sites, or are located in coal transition communities or brownfield sites.

Assumptions

This analysis assumes that between 200 and 300 projects per year will meet the definition of a covered clean energy project. This is based on the number of projects the Department of Natural Resources reviewed for wildlife impacts and the number of projects approved annually by large utility companies operating in Colorado. While this number will likely grow in future years due to increases in electricity demand, costs in this fiscal note assume number of projects will stay constant and that any future increase in staffing will be adjusted through the budget process based on actual workload in the office.

State Expenditures

The bill increases state expenditures in the CEO by about \$140,000 in FY 2026-27, \$676,000 in FY 2027-28, and \$577,000 in ongoing years, paid from the General Fund. The bill also increases workload in the Department of Public Safety, the Department of Public Health and Environment, and the Public Utilities Commission. Costs are shown in Table 2 and impacts are described below.

Table 2
State Expenditures
Colorado Energy Office

Cost Component	Budget Year FY 2026-27	Out Year FY 2027-28	Out Year FY 2028-29
Personal Services	\$86,673	\$329,065	\$329,065
Operating Expenses	\$1,024	\$4,224	\$4,224
Capital Outlay Costs	\$7,000	\$14,000	\$0
Contractors	\$25,000	\$250,000	\$165,000
Centrally Appropriated Costs	\$19,670	\$78,458	\$78,458
Total Costs	\$139,457	\$675,747	\$576,747
Total FTE	0.8 FTE	3.3 FTE	3.3 FTE

Colorado Energy Office

The CEO requires full-time and contract staff to create the Colorado Clean Energy Permitting Coordination Office.

Staff

The CEO requires 1.0 FTE in FY 2026-27 and 3.3 FTE in FY 2027-28 and ongoing years to establish and perform the duties of the office, which include facilitating permit application meetings, coordinating permitting schedules for covered projects, developing model community benefit agreements, assisting contractors with technical assistance and inventories, and working with coordinating agencies, among other duties. Staff includes 1.0 FTE program manager starting September 2026, and an additional 2.0 FTE project managers and 0.3 accounting staff once the office is operational in July 2027. Standard operating and capital outlay costs are included.

Contractors

The CEO requires multiple contractors to assist the office in performing the duties required by the bill. Contractor costs are estimates; actual costs will be determined through the procurement process.

- In FY 2026-27 only, CEO requires \$25,000 to create a dashboard for the public to view which entities received coordinated permitting schedules or technical assistance.
- Beginning in FY 2027-28, the office requires \$150,000 annually to provide technical assistance to local governments, permitting authorities, and other entities, and to owners or operators of projects that use former fossil fuel generation sites, are located in coal transition communities, or are located on brownfield sites.
- Beginning in FY 2027-28, the office requires \$100,000 annually to develop and update annually an inventory identifying coal plant and industrial sites and brownfield sites suitable for redevelopment for clean energy resource facilities, plus identify other key infrastructure considerations.

Centrally Appropriated Costs

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which may include employee insurance, supplemental employee retirement payments, indirect cost assessments, and other costs, are shown in the table above.

Department of Public Safety

The bill increases workload for the Division of Homeland Security and Emergency Management in the Department of Public Safety (CDPS) to collaborate with the office, local emergency management agencies, and owners and operators of covered projects on implementing safety and emergency preparedness plans. The fiscal note assumes the CEO will lead this process, and any workload increase for CDPS is absorbable within existing resources.

Department of Public Health and Environment

To the extent the bill results in additional owners and operators applying for air quality permits, the bill may increase workload in the Air Pollution Control Division in the Department of Public Health and Environment (CDPHE) to assess and process new permits. CDPHE may also be asked to participate in application coordination meetings. The fiscal note assumes these impacts are absorbable within existing CDPHE resources.

Public Utilities Commission

The bill requires the CEO to coordinate with the Public Utilities Commission (PUC) in the Department of Regulatory Agencies to align permitting readiness with grid reliability needs. Any workload increase in the PUC is absorbable within existing resources.

Local Government

The bill may increase expenditures for local governments that elect to participate in activities related to the office. These governments may collaborate with the office, owners and operators of covered projects, federally recognized tribal governments, and other relevant state agencies on model community benefit agreements, community engagement plans, and safety and emergency preparedness plans. Because the bill requires the office to prioritize coal transition communities and communities with former fossil fuel generation and brownfield sites, local governments in these communities are most likely to be impacted by the bill.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2026-27, the bill requires a General Fund appropriation of \$119,787 to the Colorado Energy Office, and 0.8 FTE.

Departmental Difference

Department of Public Safety

The CDPS estimates that the Division of Homeland Security and Emergency Management will have costs of \$325,000 beginning in FY 2027-28 for 2.0 FTE emergency preparedness and communication specialists, plus funding for travel and vehicle expenses. These specialists would review safety and emergency preparedness plans and travel to impacted communities to help coordinate community outreach, planning, and training. While the bill requires owners and operators to collaborate with the division on implementing emergency preparedness plans, the fiscal note assumes the Clean Energy Permitting Coordination Office will take on most of the workload receiving and reviewing these plans, and any increase in workload in the DHSEM is absorbable with existing resources.

Department of Public Health and Environment

The Air Pollution Control Division in the CDPHE estimates the bill requires about \$350,000 beginning in FY 2027-28 for 2.0 FTE to address an increase in permitting activities and 1.0 FTE to act as a liaison for CDPHE in meetings related to covered projects, plus 0.3 FTE of legal services. The fiscal note assumes the bill will not lead to a notable increase in permits submitted to the Air Pollution Control Division and that the Clean Energy Permitting Coordination Office will perform the majority of the work related to covered projects, therefore any workload increase is minimal and does not require an appropriation.

State and Local Government Contacts

Colorado Energy Office
Counties
Governor's Office
Law
Natural Resources

Municipalities
Public Health and Environment
Public Safety
Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).