

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0214.02 Jennifer Berman x3286

HOUSE BILL 26-1268

HOUSE SPONSORSHIP

McCormick and Smith,

SENATE SPONSORSHIP

(None),

House Committees
Energy & Environment

Senate Committees

A BILL FOR AN ACT

101 CONCERNING MEASURES TO ADVANCE RENEWABLE ENERGY PROJECTS
102 ON PREVIOUSLY DISTURBED LANDS THROUGH THE DESIGNATION
103 OF RENEWABLE ENERGY REINVESTMENT AREAS.

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://leg.colorado.gov>.)

Section 1 of the bill authorizes a local government with permitting authority over land uses (local government) to designate one or more areas within the jurisdiction of the local government as renewable energy reinvestment areas for the siting of renewable energy and energy storage system projects (eligible projects). In designating an area as a renewable

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

energy reinvestment area, the local government must hold at least one public hearing, engage in outreach of disproportionately impacted communities, and ensure that an eligible project may be permitted and constructed pursuant to an administrative approval process based solely on the eligible project's compliance with objective standards.

If an eligible project is sited in a renewable energy reinvestment area, an urban renewal authority or county revitalization authority (tax increment financing authority) may distribute tax revenue to finance any public infrastructure needed for the eligible project in a manner consistent with the tax increment financing authority's governing statutes.

Section 1 requires a utility to respond to a request made by a local government or an eligible project developer for interconnection information regarding the proposed site of an eligible project within 30 days after the request is made.

Section 2 requires the Colorado energy office to consolidate, publish on its website, and periodically update information and resources concerning the process for siting, permitting, and developing eligible projects in renewable energy reinvestment areas.

Sections 3 and 4 make conforming amendments.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 5 to article
3 20 of title 29 as follows:

4 PART 5

5 SITING OF RENEWABLE ENERGY PROJECTS

6 **29-20-501. Definitions.**

7 AS USED IN THIS PART 5, UNLESS THE CONTEXT OTHERWISE
8 REQUIRES:

9 (1) "BROWNFIELD SITE" HAS THE MEANING SET FORTH IN SECTION
10 30-31-103 (3).

11 (2) "CLOSED LANDFILL" HAS THE MEANING SET FORTH IN SECTION
12 30-20-124 (1)(c).

13 (3) "COUNTY REVITALIZATION AUTHORITY" HAS THE MEANING SET
14 FORTH IN SECTION 30-31-103 (6).

1 (4) "DEVELOPER" MEANS A PERSON RESPONSIBLE FOR DEVELOPING
2 AN ELIGIBLE PROJECT.

3 (5) "ELIGIBLE PROJECT" MEANS UNDERTAKINGS AND ACTIVITIES
4 RELATED TO THE DEVELOPMENT OF RENEWABLE ENERGY OR ENERGY
5 STORAGE SYSTEM INFRASTRUCTURE, WHICH UNDERTAKINGS AND
6 ACTIVITIES ARE RELATED TO AN ELIGIBLE SITE AND MAY INCLUDE
7 ACQUISITION OF LAND AND OTHER PROPERTY; DEMOLITION AND REMOVAL
8 OF BUILDINGS AND IMPROVEMENTS; SITE PREPARATION, CLEANUP, AND
9 REMEDIATION; AND INSTALLATION OF RENEWABLE ENERGY OR ENERGY
10 STORAGE SYSTEM INFRASTRUCTURE.

11 (6) "ELIGIBLE SITE" MEANS A BROWNFIELD SITE; LAND AFFECTED
12 BY A MINING OPERATION, INCLUDING LAND AFFECTED BY A MINING
13 OPERATION FOR WHICH THE LIFE OF THE MINE HAS BEEN TERMINATED; A
14 CLOSED LANDFILL; OR LAND THAT IS REGULATED:

15 (a) BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
16 UNDER THE FEDERAL "COMPREHENSIVE ENVIRONMENTAL RESPONSE,
17 COMPENSATION, AND LIABILITY ACT OF 1980", 42 U.S.C. SEC. 9601 ET
18 SEQ.;

19 (b) BY THE UNITED STATES ENVIRONMENTAL PROTECTION
20 AGENCY UNDER THE CORRECTIVE ACTION PROGRAM OF THE FEDERAL
21 "RESOURCE CONSERVATION AND RECOVERY ACT OF 1976", 42 U.S.C.
22 SEC. 6901 ET SEQ.; OR

23 (c) BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
24 UNDER THE "VOLUNTARY CLEAN-UP AND REDEVELOPMENT ACT", PART
25 3 OF ARTICLE 16 OF TITLE 25.

26 (7) "ENERGY STORAGE SYSTEM" HAS THE MEANING SET FORTH IN
27 SECTION 40-2-130 (2)(a).

1 (8) "LAND AFFECTED BY A MINING OPERATION" HAS THE SAME
2 MEANING AS "AFFECTED LAND", AS DEFINED IN SECTION 34-32-103 (1.5).

3 (9) "LIFE OF THE MINE" HAS THE MEANING SET FORTH IN SECTION
4 34-32-103 (6).

5 (10) "LOCAL GOVERNMENT" MEANS A STATUTORY OR HOME RULE
6 CITY, TOWN, COUNTY, OR CITY AND COUNTY.

7 (11) "LOCAL PERMITTING ENTITY" MEANS THE GOVERNING BODY
8 OF A LOCAL GOVERNMENT OR AN AGENCY OF A LOCAL GOVERNMENT WITH
9 PERMITTING AUTHORITY OVER LAND USES.

10 (12) (a) "RENEWABLE ENERGY" MEANS USEFUL ELECTRIC,
11 THERMAL, OR MECHANICAL ENERGY:

12 (I) THAT IS:

13 (A) CONVERTED DIRECTLY OR INDIRECTLY FROM RESOURCES OF
14 CONTINUOUS ENERGY FLOW; OR

15 (B) PERPETUALLY REPLENISHED; AND

16 (II) THE UTILIZATION OF WHICH IS SUSTAINABLE INDEFINITELY.

17 (b) "RENEWABLE ENERGY" INCLUDES SOLAR, WIND, AND
18 GEOTHERMAL ENERGY.

19 (13) "RENEWABLE ENERGY REINVESTMENT AREA" MEANS ONE OR
20 MORE ELIGIBLE SITES THAT A LOCAL PERMITTING ENTITY DESIGNATES AS
21 AN APPROPRIATE LOCATION FOR THE SITING OF ELIGIBLE PROJECTS FOR
22 WHICH PUBLIC INVESTMENT MAY BE FINANCED THROUGH TAX INCREMENT
23 FINANCING PURSUANT TO SECTION 29-20-502 (2).

24 (14) "TAX INCREMENT FINANCING AUTHORITY" MEANS AN URBAN
25 RENEWAL AUTHORITY OR A COUNTY REVITALIZATION AUTHORITY THAT
26 DISTRIBUTES TAX REVENUE PURSUANT TO SECTION 31-25-107 (9) OR
27 30-31-109 (13), RESPECTIVELY.

1 (15) "URBAN RENEWAL AUTHORITY" HAS THE MEANING SET FORTH
2 IN SECTION 31-25-103 (8.5).

3 (16) (a) "UTILITY" MEANS AN ELECTRIC UTILITY IN THE STATE.

4 (b) "UTILITY" INCLUDES:

5 (I) AN INVESTOR-OWNED ELECTRIC UTILITY;

6 (II) A COOPERATIVE ELECTRIC ASSOCIATION FORMED PURSUANT
7 TO ARTICLE 9.5 OF TITLE 40;

8 (III) A MUNICIPALLY OWNED UTILITY; AND

9 (IV) A WHOLESALE ELECTRIC COOPERATIVE AS DEFINED IN
10 SECTION 40-2-136 (3)(c).

11 **29-20-502. Renewable energy reinvestment areas - designation**
12 **by a local permitting entity - public investment for eligible projects**
13 **- tax increment financing.**

14 (1) (a) A LOCAL PERMITTING ENTITY MAY DESIGNATE ONE OR
15 MORE ELIGIBLE SITES WITHIN ITS JURISDICTION AS A RENEWABLE ENERGY
16 REINVESTMENT AREA FOR THE SITING OF ELIGIBLE PROJECTS.

17 (b) TO DESIGNATE ONE OR MORE ELIGIBLE SITES AS A RENEWABLE
18 ENERGY REINVESTMENT AREA, A LOCAL PERMITTING ENTITY MUST:

19 (I) COMPILE AND MAKE PUBLICLY AVAILABLE RELEVANT
20 DOCUMENTATION DEMONSTRATING THAT THE SITE IS AN ELIGIBLE SITE;

21 (II) CONSULT WITH THE DIVISION OF PARKS AND WILDLIFE
22 CREATED IN SECTION 33-9-104(1) REGARDING THE WILDLIFE AND HABITAT
23 IMPACTS OF CONSTRUCTING ELIGIBLE PROJECTS ON THE SITE, INCLUDING
24 IMPACTS TO STATE AND FEDERALLY LISTED SPECIES AND SPECIES AND
25 HABITATS OF CONSERVATION CONCERN;

26 (III) (A) HOLD ONE OR MORE PUBLIC HEARINGS REGARDING THE
27 DESIGNATION OF THE SITE OR SITES AS A RENEWABLE ENERGY

1 REINVESTMENT AREA; OR

2 (B) DESIGNATE THE ELIGIBLE SITE OR SITES AS PART OF A
3 SUBSTANTIAL MODIFICATION TO AN EXISTING URBAN RENEWAL PLAN
4 PURSUANT TO SECTION 31-25-107 OR TO AN EXISTING COUNTY
5 REVITALIZATION PLAN PURSUANT TO SECTION 30-31-109;

6 (IV) ENSURE THAT OUTREACH TO AND ENGAGEMENT OF
7 DISPROPORTIONATELY IMPACTED COMMUNITIES REGARDING THE
8 DESIGNATION OF A RENEWABLE ENERGY REINVESTMENT AREA WITHIN THE
9 JURISDICTION OF THE LOCAL PERMITTING ENTITY IS SUBSTANTIALLY
10 CONSISTENT WITH THE PROCESS SET FORTH IN SECTION 24-4-109 (3)
11 REGARDING THE DESIGNATION; AND

12 (V) ENSURE THAT DESIGNATED ELIGIBLE PROJECTS CAN BE
13 PERMITTED AND CONSTRUCTED PURSUANT TO AN ADMINISTRATIVE
14 APPROVAL PROCESS THROUGH WHICH THE PROJECT IS APPROVED,
15 APPROVED WITH CONDITIONS, OR DENIED BY LOCAL GOVERNMENT
16 ADMINISTRATIVE STAFF BASED SOLELY ON ITS COMPLIANCE WITH
17 OBJECTIVE STANDARDS.

18 (2) (a) NOTWITHSTANDING ANY PROCEDURAL REQUIREMENTS SET
19 FORTH IN A TAX INCREMENT FINANCING AUTHORITY'S GOVERNING
20 STATUTES, THE TAX INCREMENT FINANCING AUTHORITY MAY DISTRIBUTE
21 TAX REVENUE PURSUANT TO EITHER SECTION 31-25-107 (9)(a)(II) OR
22 30-31-109 (13)(a)(II) IN A MANNER THAT IS OTHERWISE CONSISTENT WITH
23 THE TAX INCREMENT FINANCING AUTHORITY'S GOVERNING STATUTES IN
24 ORDER TO FINANCE COSTS INCURRED TO CARRY OUT ONE OR MORE
25 ELIGIBLE PROJECTS SITED IN A RENEWABLE ENERGY REINVESTMENT AREA.

26 (b) AN URBAN RENEWAL AUTHORITY NEED NOT INCLUDE THE
27 DISTRIBUTION OF REVENUE AUTHORIZED PURSUANT TO THIS SUBSECTION

1 (2) IN ITS URBAN RENEWAL PLAN ADOPTED PURSUANT TO SECTION
2 31-25-107.

3 (c) A COUNTY REVITALIZATION AUTHORITY NEED NOT INCLUDE
4 THE DISTRIBUTION OF REVENUE AUTHORIZED PURSUANT TO THIS
5 SUBSECTION (2) IN ITS COUNTY REVITALIZATION PLAN ADOPTED PURSUANT
6 TO SECTION 30-31-109.

7 **29-20-503. Interconnection information for siting eligible**
8 **projects in renewable energy reinvestment areas - requests from local**
9 **governments or developers.**

10 UPON A REQUEST BY A LOCAL GOVERNMENT OR A DEVELOPER FOR
11 INFORMATION REGARDING ELECTRIC GRID HOSTING CAPACITY AND ANY
12 KNOWN SYSTEM CONSTRAINTS FOR THE SPECIFIC LOCATION OF THE
13 DESIGNATED RENEWABLE ENERGY REINVESTMENT AREA, INCLUDING
14 AVAILABLE CAPACITY AT SUBSTATIONS AND FEEDERS, A UTILITY SHALL
15 RESPOND TO THE REQUEST WITHIN THIRTY DAYS AFTER THE REQUEST IS
16 MADE.

17 **29-20-504. Saving clause.** NOTHING IN THIS PART 5 SHALL BE
18 CONSTRUED TO AUTHORIZE THE CONSTRUCTION, OPERATION, OR
19 EXPANSION OF AN ELIGIBLE PROJECT IN A RENEWABLE ENERGY
20 REINVESTMENT AREA IF THE PROJECT WOULD OTHERWISE BE PROHIBITED
21 OR DISALLOWED UNDER APPLICABLE FEDERAL OR STATE ENVIRONMENTAL
22 STATUTES, RULES, OR REGULATIONS, INCLUDING STATUTES, RULES, OR
23 REGULATIONS GOVERNING THE IDENTIFICATION, ASSESSMENT,
24 REMEDIATION, OR REUSE OF A BROWNFIELD SITE.

25 **SECTION 2.** In Colorado Revised Statutes, **add** 24-38.5-126 as
26 follows:

27 **24-38.5-126. Development guidance for renewable energy**

1 **development in renewable energy reinvestment areas - definition.**

2 (1) ON OR BEFORE SEPTEMBER 1, 2027, THE COLORADO ENERGY
3 OFFICE SHALL:

4 (a) PUBLISH ON THE COLORADO ENERGY OFFICE'S WEBSITE AN
5 OUTLINE OF THE GENERAL PROCESS FOR SITING, PERMITTING, AND
6 DEVELOPING RENEWABLE ENERGY PROJECTS IN RENEWABLE ENERGY
7 REINVESTMENT AREAS; AND

8 (b) CONSOLIDATE RELEVANT TECHNICAL AND INFORMATIONAL
9 RESOURCES FOR RENEWABLE ENERGY DEVELOPMENT IN RENEWABLE
10 ENERGY REINVESTMENT AREAS.

11 (2) THE COLORADO ENERGY OFFICE SHALL PERIODICALLY REVIEW
12 AND UPDATE THE INFORMATION PROVIDED PURSUANT TO SUBSECTION (1)
13 OF THIS SECTION ON THE OFFICE'S WEBSITE.

14 (3) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
15 REQUIRES, "RENEWABLE ENERGY REINVESTMENT AREA" HAS THE MEANING
16 SET FORTH IN SECTION 29-20-501 (13).

17 **SECTION 3.** In Colorado Revised Statutes, 31-25-105, **amend**
18 (1)(l); and **add** (1)(m) as follows:

19 **31-25-105. Powers of an authority.**

20 (1) Every authority has all the powers necessary or convenient to
21 carry out and effectuate the purposes and provisions of this part 1,
22 including, but not limited to, the following powers in addition to others
23 granted in this part 1:

24 (l) To rent or to provide by any other means suitable quarters for
25 the use of the authority or to accept the use of such quarters as may be
26 furnished by the municipality or any other public body, and to equip such
27 quarters with such furniture, furnishings, equipment, records, and

1 supplies as the authority may deem necessary to enable it to exercise its
2 powers under this part 1; AND

3 (m) PURSUANT TO SECTION 31-25-107 (9)(a)(II), TO AUTHORIZE
4 THE DISTRIBUTION OF TAX REVENUE TO FINANCE ANY PUBLIC
5 INFRASTRUCTURE NEEDED FOR ONE OR MORE ELIGIBLE PROJECTS SITED IN
6 A RENEWABLE ENERGY REINVESTMENT AREA, AS THOSE TERMS ARE
7 DEFINED IN SECTION 29-20-501.

8 **SECTION 4.** In Colorado Revised Statutes, 30-31-105, **add** (5)
9 as follows:

10 **30-31-105. Powers of an authority.**

11 (5) PURSUANT TO SECTION 30-31-109 (13)(a)(II), AN AUTHORITY
12 MAY DISTRIBUTE TAX REVENUE TO FINANCE COSTS INCURRED TO CARRY
13 OUT ONE OR MORE ELIGIBLE PROJECTS SITED IN A RENEWABLE ENERGY
14 REINVESTMENT AREA, AS THOSE TERMS ARE DEFINED IN SECTION
15 29-20-501.

16 **SECTION 5. Act subject to petition - effective date.** This act
17 takes effect at 12:01 a.m. on the day following the expiration of the
18 ninety-day period after final adjournment of the general assembly (August
19 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
20 referendum petition is filed pursuant to section 1 (3) of article V of the
21 state constitution against this act or an item, section, or part of this act
22 within such period, then the act, item, section, or part will not take effect
23 unless approved by the people at the general election to be held in
24 November 2026 and, in such case, will take effect on the date of the
25 official declaration of the vote thereon by the governor.