

CHAPTER 124

NATURAL RESOURCES

HOUSE BILL 26-1303

BY REPRESENTATIVE(S) Bradley and Carter, Espenoza, Duran, Phillips;
also SENATOR(S) Ball and Catlin, Exum, Rich, Coleman.

AN ACT

CONCERNING TECHNICAL CHANGES TO ENERGY AND CARBON MANAGEMENT STATUTES.

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

SECTION 1. In Colorado Revised Statutes, 34-60-106, **amend** (20)(d)(III) as follows:

34-60-106. Additional powers of commission - fees - rules - definitions - repeal.

(20) The commission shall adopt rules to require certification for workers in the following fields:

(d) Welders working on oil and gas process lines, including:

(III) ~~Passage of the International Code Council Exam F31, national standard journeyman mechanical, or an analogous successor exam;~~ For any person working on pressurized process lines in upstream and midstream operations, **PASSAGE OF:**

(A) **THE AMERICAN PETROLEUM INSTITUTE STANDARD 1104, WELDING OF PIPELINES AND RELATED FACILITIES, OR AN ANALOGOUS SUCCESSOR CERTIFICATION;**

(B) **THE AMERICAN SOCIETY OF MECHANICAL ENGINEERS SECTION IX, WELDING, BRAZING, AND FUSING QUALIFICATIONS, OR AN ANALOGOUS SUCCESSOR QUALIFICATION; OR**

(C) **A NATIONALLY RECOGNIZED EXAMINATION, CERTIFICATION, OR QUALIFICATION, OTHER THAN THOSE SPECIFIED IN SUBSECTIONS (20)(d)(III)(A) AND**

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(20)(d)(III)(B) OF THIS SECTION, THAT IS APPLICABLE FOR THE CERTIFICATION OF WELDERS WORKING ON OIL AND GAS PROCESS LINES.

SECTION 2. In Colorado Revised Statutes, 34-60-121, **amend** (6), (7)(b), and (7)(c) as follows:

34-60-121. Violations - investigations - penalties - rules - definition - legislative declaration.

(6) If the commission determines, after a hearing conducted in accordance with section 34-60-108, that an energy and carbon management operator has failed to perform any corrective action imposed under subsection (4) of this section or failed to comply with a cease-and-desist order issued under subsection (5) of this section, the commission may issue an order suspending, modifying, or revoking the operator's permit or permits or suspending or revoking the operator's license to conduct ~~oil and gas~~ ENERGY AND CARBON MANAGEMENT operations or may take other appropriate action. An energy and carbon management operator subject to an order that suspends, modifies, or revokes a permit or that suspends or revokes the operator's license to conduct ~~oil and gas~~ ENERGY AND CARBON MANAGEMENT operations shall continue the affected operations only for the purpose of bringing the affected operations into compliance with the permit or modified permit and must bring the affected operations into compliance under the supervision of the commission. Once the affected operations are in compliance to the satisfaction of the commission and any penalty not subject to judicial review or appeal has been paid, the commission may reinstate the permit or the license to conduct ~~oil and gas~~ ENERGY AND CARBON MANAGEMENT operations.

(7) (b) If the commission finds, after the hearing conducted pursuant to subsection (7)(a) of this section, that the energy and carbon management operator is responsible under the legal standards specified in subsection (7)(a) of this section, the commission may issue an order that prohibits the issuance of any new permits to the energy and carbon management operator, suspends any or all of the energy and carbon management operator's certificates of clearance, suspends the operator's license to conduct ~~oil and gas~~ ENERGY AND CARBON MANAGEMENT operations, or any combination of the three. If the energy and carbon management operator demonstrates to the satisfaction of the commission that the operator has brought each of the violations into compliance and that any penalty not subject to judicial review or appeal has been paid, the commission may vacate the order.

(c) In a hearing conducted pursuant to this subsection (7), the commission may consider as evidence violations for which enforcement was commenced prior to May 16, 2024, in determining whether to prohibit the issuance of any new permits to the operator, suspend any or all of the operator's certificates of clearance, suspend the operator's license to conduct ~~oil and gas~~ ENERGY AND CARBON MANAGEMENT operations, or any combination of the three.

SECTION 3. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part

of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 5, 2026