

SENATE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

March 20, 2024  
Date

Committee on Transportation & Energy.

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

SB24-165 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

- 1 Amend printed bill, page 5, line 5, strike "25-7-148, and 25-7-149" and
- 2 substitute "and 25-7-148".
- 3 Page 5, strike lines 6 through 27.
- 4 Page 6, strike lines 1 through 19.
- 5 Renumber succeeding C.R.S. sections accordingly.
- 6 Page 7, lines 20 and 21, strike "AND APPROVE OR REJECT".
- 7 Page 8, line 10, strike "**Ozone**" and substitute "**High ozone**".
- 8 Page 8, line 14, strike "AREA." and substitute "AREA, AS DESIGNATED BY
- 9 THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY.".
- 10 Page 8, after line 14 insert:
- 11 "(b) "IMPLEMENTATION SEASON" MEANS THE PERIOD BEGINNING
- 12 JUNE 1 AND ENDING AUGUST 31 OF EACH YEAR.".
- 13 Reletter succeeding paragraphs accordingly.
- 14 Page 8, strike lines 17 and 18.
- 15 Page 14, strike lines 9 through 27.
- 16 Page 15, strike line 1 and substitute:

1           **"SECTION 4.** In Colorado Revised Statutes, **add 25-7-306** as  
2 follows:

3           **25-7-306. On-road and nonroad vehicle emission budgets -**  
4 **reporting - definitions.** (1) AS USED IN THIS SECTION, UNLESS THE  
5 CONTEXT OTHERWISE REQUIRES:

6           (a) "COVERED NONATTAINMENT AREA" MEANS THE EIGHT-HOUR  
7 OZONE DENVER METRO/NORTH FRONT RANGE NONATTAINMENT AREA.

8           (b) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH  
9 AND ENVIRONMENT.

10          (c) "EMISSION BUDGET" MEANS AN AVERAGE ANNUAL MOTOR  
11 VEHICLE EMISSION BUDGET FOR NITROGEN OXIDES AND VOLATILE  
12 ORGANIC COMPOUNDS DESCRIBED IN SUBSECTION (2)(a) OF THIS SECTION.

13          (2) (a) AS PART OF THE 2025 RULE-MAKING FOR THE  
14 CONSIDERATION OF ANY OZONE STATE IMPLEMENTATION PLAN FOR THE  
15 2008 AND 2015 EIGHT-HOUR OZONE NATIONAL AMBIENT AIR QUALITY  
16 STANDARDS DEVELOPED PURSUANT TO THE FEDERAL ACT, THE  
17 DEPARTMENT SHALL PROPOSE, AND THE COMMISSION SHALL ADOPT,  
18 MODIFY, OR REJECT, AVERAGE ANNUAL MOTOR VEHICLE EMISSION  
19 BUDGETS FOR NITROGEN OXIDES AND VOLATILE ORGANIC COMPOUNDS FOR  
20 2026 THROUGH 2050 THAT APPLY TO THE COVERED NONATTAINMENT  
21 AREA. EACH YEAR'S EMISSION BUDGET MUST INCLUDE MAXIMUM EMISSION  
22 LEVELS OF NITROGEN OXIDES AND VOLATILE ORGANIC COMPOUNDS FROM  
23 ALL INDIVIDUAL ON-ROAD AND NONROAD MOTOR VEHICLE CLASSES IN THE  
24 COVERED NONATTAINMENT AREA.

25          (b) THE EMISSION BUDGET FOR 2030 MUST BE AT LEAST TEN  
26 PERCENT BELOW THE EMISSION BUDGET FOR 2026. THE EMISSION BUDGETS  
27 FOR 2030 THROUGH 2050 MUST PROGRESSIVELY DECLINE EVERY FIVE  
28 YEARS.

29          (3) BEGINNING IN JANUARY 2026, AND IN JANUARY EVERY YEAR  
30 THEREAFTER, THE DEPARTMENT SHALL INCLUDE, AS PART OF ITS  
31 PRESENTATION DURING ITS "SMART ACT" HEARING REQUIRED BY  
32 SECTION 2-7-203, INFORMATION CONCERNING THE EMISSION BUDGETS."

33 Strike "OZONE" and substitute "IMPLEMENTATION" on: **Page 8**, lines 19,  
34 20, and 22.

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