

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

March 6, 2025
Date

Committee on Energy & Environment.

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

HB25-1269 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

1 Amend printed bill, page 2, strike lines 7 and 8 and substitute "SECTION,
2 A BOARD OF COUNTY COMMISSIONERS IS NOT".

3 Page 2, line 10, before "AS" insert "SOLELY".

4 Page 3, strike lines 4 and 5 and substitute "SECTION, A GOVERNING BODY
5 OF A MUNICIPALITY IS".

6 Page 3, line 8, before "AS" insert "SOLELY".

7 Page 3, strike line 11 and substitute "(8.6), (8.7), and (8.8) as follows:".

8 Page 4, strike lines 8 and 9 and substitute:

9 "(q.5) "OPERATOR" MEANS AN OWNER, TENANT, OR OTHER
10 INDIVIDUAL OR ENTITY:

11 (I) OCCUPYING OR NAMED ON THE UTILITY BILL FOR A COVERED
12 BUILDING; AND

13 (II) THAT HAS ACCESS TO UTILITY DATA FOR THE COVERED
14 BUILDING."

15 Page 4, strike lines 15 through 18 and substitute "(a) ~~On or before~~
16 ~~December 1, 2022, and on or before June 1 of each subsequent year~~
17 NOTWITHSTANDING THE RULES THAT THE COMMISSION ADOPTED BEFORE
18 JULY 2025, BEGINNING IN 2026 FOR 2025 BENCHMARKING DATA AND FOR
19 EACH SUBSEQUENT YEAR, the owner of a covered building shall submit a
20 report of the benchmarking data for the previous calendar year to the
21 office ON OR BEFORE NOVEMBER 1."

- 1 Page 4, line 20, after "DEMONSTRATES" insert "TO THE OFFICE".
- 2 Page 5, strike lines 12 through 14 and substitute "the annual fee, as set
3 forth in section 24-38.5-112 (1)(e)(II); FROM PAYMENT OF THE BUILDING
4 DECARBONIZATION FEE, AS SET FORTH IN SECTION 24-38.5-123 (5)(b); or
5 from payment of civil penalties, as set forth".
- 6 Page 6, line 3, strike "OFFICE AND IN CONSIDERATION OF" and substitute
7 "OFFICE, SHALL CONSIDER".
- 8 Page 6, line 5, strike "SECTION," and substitute "SECTION AND".
- 9 Page 6, lines 6 and 7, strike "FOR THE COMMISSION TO CONSIDER
10 INCLUDING" and substitute "FOR CONSIDERATION".
- 11 Page 6, strike lines 14 and 15 and substitute "25-7-102 (2)(g), TAKING
12 INTO CONSIDERATION:
13 (A) THE CAPITAL PLANNING PERIODS FOR COVERED BUILDINGS;
14 (B) THE FEASIBILITY OF AN OWNER".
- 15 Page 6, strike line 19 and substitute "SECTION; AND
16 (C) THE PRACTICAL AND FINANCIAL FEASIBILITY OF MEETING THE
17 TARGETS.".
- 18 Page 6, line 26, after "DIRECTOR" insert "OF THE OFFICE".
- 19 Page 7, line 2, strike "2027" and substitute "2026".
- 20 Page 7, line 19, strike "OFFICE" and substitute "OFFICE, THE PUBLIC
21 UTILITIES COMMISSION,".
- 22 Page 7, after line 22 insert:
23 "(III) THE DIRECTOR OF THE PUBLIC UTILITIES COMMISSION OR THE
24 DIRECTOR'S DESIGNEE;".
- 25 Renumber succeeding subparagraphs accordingly.
- 26 Page 8, line 19, strike "AND".
- 27 Page 8, strike line 22 and substitute "OFFICE; AND
28 (XIV) ONE MEMBER REPRESENTING HOSPITALS OR OTHER

1 HEALTH-CARE FACILITIES.

2 (e) AN INDIVIDUAL APPLYING TO SERVE ON THE TASK FORCE MUST
3 SUBMIT A RECOMMENDATION FROM A MEMBER OF THE GROUP THAT THE
4 INDIVIDUAL SEEKS TO REPRESENT ON THE TASK FORCE OR, IF A TRADE
5 ORGANIZATION EXISTS THAT REPRESENTS THE GROUP, A
6 RECOMMENDATION FROM THE TRADE ORGANIZATION.

7 (f) IN MAKING APPOINTMENTS TO THE TASK FORCE, THE DIRECTOR
8 OF THE OFFICE SHALL STRIVE TO ENSURE GEOGRAPHIC REPRESENTATION."

9 Page 9, line 9, strike "AND".

10 Page 9, line 20, after "STATUS" insert "BY SUBMITTING AN AFFIDAVIT,
11 SUBJECT TO CIVIL PENALTIES FOR MISREPRESENTATION, WHICH AFFIDAVIT
12 ATTESTS THAT THE COVERED BUILDING MEETS THE REQUIREMENTS OF THE
13 LOCAL PROGRAM,".

14 Page 9, line 21, after "OFFICE;" insert "AND".

15 Page 9, line 27, strike "SECTION." and substitute "SECTION;

16 (III) A LOCAL JURISDICTION THAT HAS ADOPTED AND
17 IMPLEMENTED A BUILDING PERFORMANCE STANDARDS PROGRAM MAY
18 ISSUE A CERTIFICATION OR REPORT TO THE OFFICE CONFIRMING WHICH
19 COVERED BUILDINGS ARE IN COMPLIANCE WITH THE PROGRAM; AND".

20 Page 10, strike lines 1 through 3 and substitute:

21 "(IV) DECISIONS MADE BY THE OFFICE REGARDING EQUIVALENCE
22 PURSUANT TO SUBSECTION (8.6)(a)(II)(B) OF THIS SECTION ARE SUBJECT
23 TO JUDICIAL".

24 Page 10, after line 16 insert:

25 "(II) ANY RULES THAT THE COMMISSION ADOPTED BEFORE JULY 1,
26 2025, THAT IMPOSE ADDITIONAL COMPLIANCE OBLIGATIONS UPON A
27 COVERED BUILDING OWNER THAT FAILS TO TIMELY MEET A BUILDING
28 PERFORMANCE STANDARD DO NOT APPLY UNTIL 2031 FOR THE 2030
29 BUILDING PERFORMANCE STANDARDS."

30 Renumber succeeding subparagraphs accordingly.

31 Page 11, line 3, after "NECESSARY" insert "FOR COVERED BUILDINGS".

32 Page 11, strike lines 5 through 8 and substitute "COMMISSION IS NOT

- 1 REQUIRED TO REVISE RULES ADOPTED PURSUANT TO THIS SECTION.
2 (8.8) ENERGY USE THAT A COVERED BUILDING OWNER
3 DEMONSTRATES IS ATTRIBUTABLE TO ELECTRIC VEHICLE CHARGING SHALL
4 NOT BE INCLUDED IN A COVERED BUILDING'S TOTAL ENERGY USAGE FOR
5 PURPOSES OF COMPLIANCE WITH BUILDING PERFORMANCE STANDARDS."
- 6 Page 11, line 9, strike "25-7-142.5" and substitute "24-38.5-123".
- 7 Page 11, line 11, strike "~~25-7-142.5.~~" and substitute "**24-38.5-123.**".
- 8 Page 11, line 13, after "**rules -**" insert "**report -**".
- 9 Page 12, line 4, before "EFFECTIVELY" insert "MORE".
- 10 Page 12, strike lines 6 through 8 and substitute "LIMITED TO, PROGRAMS
11 THAT:".
- 12 Page 12, line 12, after "AUDITS," insert "DEVELOPING ANALYSES TO HELP
13 BUILDING OWNERS EVALUATE THE BEST STRATEGIES FOR ACHIEVING
14 FUTURE PERFORMANCE STANDARD TARGETS,".
- 15 Page 13, line 17, strike "STEWARDSHIP" and substitute "BUILDING
16 DECARBONIZATION".
- 17 Page 13, line 18, strike "STEWARDSHIP" and substitute "BUILDING
18 DECARBONIZATION".
- 19 Page 13, line 21, before "EFFECTIVELY" insert "MORE".
- 20 Page 13, line 22, before "IMPROVEMENTS" insert "FEASIBILITY ANALYSES
21 AND".
- 22 Page 14, line 12, strike "OF A NONEXEMPT" and substitute "OR OPERATOR
23 OF A".
- 24 Page 15, line 7, strike "REPAYMENT".
- 25 Page 15, line 8, strike "REPAYMENT".
- 26 Page 15, strike lines 15 through 18.
- 27 Page 15, line 19, strike "**created.**" and substitute "**created - loan from
28 the office - repayment.**".

1 Page 16, strike lines 3 through 6 and substitute "CONDUCTING BUILDING
2 ENERGY AUDITS, DEVELOPING ANALYSES TO HELP BUILDING OWNERS
3 EVALUATE THE BEST STRATEGIES FOR ACHIEVING FUTURE PERFORMANCE
4 STANDARD TARGETS, CONSULTING BUILDING ENGINEERS, PURCHASING
5 ENERGY USE TRACKING SOFTWARE, AND PROVIDING TRAINING ON SUCH
6 SOFTWARE;

7 (III) HAVING AND EXERCISING ALL RIGHTS AND POWERS
8 NECESSARY OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS
9 AND DUTIES GRANTED UNDER THIS SECTION; AND".

10 Renumber succeeding subparagraph accordingly.

11 Page 16, after line 24 insert:

12 "(d) (I) THE OFFICE MAY TRANSFER MONEY FROM ANY LEGALLY
13 AVAILABLE SOURCE TO THE ENTERPRISE FOR THE PURPOSE OF DEFRAYING
14 EXPENSES INCURRED BY THE ENTERPRISE BEFORE IT RECEIVES FEE
15 REVENUE. THE ENTERPRISE MAY ACCEPT AND EXPEND ANY MONEY SO
16 TRANSFERRED, AND, NOTWITHSTANDING ANY STATE FISCAL RULE OR
17 GENERALLY ACCEPTED ACCOUNTING PRINCIPLE THAT COULD OTHERWISE
18 BE INTERPRETED TO REQUIRE A CONTRARY CONCLUSION, SUCH A
19 TRANSFER IS A LOAN FROM THE OFFICE TO THE ENTERPRISE THAT IS
20 REQUIRED TO BE REPAID AND IS NOT A GRANT FOR PURPOSES OF SECTION
21 20 (2)(d) OF ARTICLE X OF THE STATE CONSTITUTION OR AS DEFINED IN
22 SECTION 24-77-102 (7).

23 (II) AS THE ENTERPRISE RECEIVES SUFFICIENT REVENUE IN EXCESS
24 OF ITS EXPENSES, THE ENTERPRISE SHALL REIMBURSE THE OFFICE FOR THE
25 PRINCIPAL AMOUNT OF ANY LOAN MADE BY THE OFFICE, PLUS INTEREST AT
26 A RATE AGREED UPON BY THE OFFICE AND THE ENTERPRISE."

27 Page 18, line 19, after "CONSULTANTS," insert "THE DIVISION OF
28 ADMINISTRATION DESCRIBED IN SECTION 25-1-102 (2)(a),".

29 Page 19, line 5, strike "ON-BILL REPAYMENT".

30 Page 19, strike lines 18 and 19 and substitute "SHALL ADOPT RULES FOR
31 THE SOLE PURPOSE OF SETTING THE AMOUNT OF THE BUILDING
32 DECARBONIZATION ENTERPRISE FEE AT THE MAXIMUM AMOUNT
33 AUTHORIZED IN THIS SECTION TO BE IMPOSED UPON ALL COVERED
34 BUILDING OWNERS; EXCEPT THAT THE FEE SHALL NOT BE IMPOSED ON THE
35 OWNER OF A PUBLIC BUILDING, AS DEFINED IN SECTION 25-7-142 (2)(t).".

36 Page 19, line 20, strike "2026," and substitute "2025,".

1 Page 19, line 26, strike "2026-27," and substitute "2027-28,".

2 Page 19, line 27, strike "SHALL" and substitute "MAY".

3 Page 20, line 5, strike "OFFICE'S" and substitute "ENTERPRISE'S".

4 Page 21, line 3, after "FIVE" insert "FISCAL".

5 Page 21, after line 14 insert:

6 **"(7) Legislative review of building decarbonization enterprise.**

7 ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE ENTERPRISE SHALL
8 SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY DETAILING THE
9 ENTERPRISE'S EXPENDITURES AND PROGRAM OUTCOMES FROM THE
10 PRECEDING YEAR AND THE ENTERPRISE'S FINANCIAL PROJECTIONS FOR THE
11 FOLLOWING YEAR."

12 Page 22, strike lines 19 and 20 and substitute:

13 "(II) The division shall not assess a civil penalty for a violation
14 related to a public building.

15 (II.5) NOTWITHSTANDING RULES THAT THE COMMISSION ADOPTED
16 BEFORE JULY 1, 2025, A CIVIL PENALTY FOR A VIOLATION OF SECTION
17 25-7-142 OR RULES ADOPTED BY THE COMMISSION TO IMPLEMENT SECTION
18 25-7-142 SHALL BE DETERMINED IN A MANNER CONSISTENT WITH
19 SUBSECTIONS (1)(b) AND (2) OF THIS SECTION."

20 Page 22, line 21, strike "~~(H)~~" and substitute "(III)".

21 Page 22, line 24, strike "25-7-142," and substitute "25-7-142 OR RULES
22 ADOPTED BY THE COMMISSION TO IMPLEMENT SECTION 25-7-142,".

23 Page 23, line 9, strike "COVER THE" and substitute "COVER THE COSTS OF
24 THE FOLLOWING:".

25 Page 23, strike line 10 and substitute:

26 "(a) THE ENERGY CODE BOARD CONVENED PURSUANT TO SECTION
27 24-38.5-401 (2);

28 (b) THE TASK FORCE CREATED IN SECTION 25-7-142 (8.5); AND

29 (c) THE".

30 Page 23, strike lines 20 and 21 and substitute:

1 "(a) Civil penalties ASSESSED PURSUANT TO SECTION 25-7-122
2 (1)(b) AND credited to the fund pursuant to section 25-7-122 (1)(i)(III);".

3 Page 23, strike line 23 and substitute "(1)(a)(III) and (1)(a)(IV); and **add**
4 (1)(a)(V) as follows:".

5 Page 24, after line 3 insert:

6 "(III) Maintaining a list of noncompliant owners; ~~and~~".

7 Page 24, strike line 9 and substitute "SECTIONS 25-7-115, 25-7-121, AND
8 25-7-122 (1)(i); AND

9 (V) IN CONSULTATION WITH THE DEPARTMENT, DEVELOPING
10 GUIDANCE THAT DESCRIBES THE CRITERIA THAT THE OFFICE WILL USE TO
11 DETERMINE WHICH BUILDINGS TO REFER TO THE DEPARTMENT FOR
12 ENFORCEMENT. SPECIFIC CRITERIA MUST INCLUDE, BUT NEED NOT BE
13 LIMITED TO:

14 (A) CONSIDERATION OF MITIGATING CIRCUMSTANCES BEYOND THE
15 OWNER'S CONTROL;

16 (B) GOOD FAITH EFFORTS BY THE OWNER TO COMPLY WITH
17 BENCHMARKING AND BUILDING PERFORMANCE REQUIREMENTS; AND

18 (C) FINANCIAL SOLVENCY CONCERNS."

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