

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 17-1155.01 Esther van Mourik x4215

SENATE BILL 17-301

SENATE SPONSORSHIP

Scott and Marble,

HOUSE SPONSORSHIP

Becker K. and Saine,

Senate Committees

Agriculture, Natural Resources, & Energy
Finance
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING ENERGY-RELATED STATUTES, AND, IN CONNECTION**
102 **THEREWITH, REDUCING AN APPROPRIATION.**

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 provides a nonstatutory legislative declaration about the changes in law set forth in section 2 of the bill.

Section 2 directs the public utilities commission to adopt rules under which investor-owned utilities may submit plans for the acquisition of natural gas reserves to meet their long-term supply needs, subject to the commission's review and approval of applications.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 3rd Reading
May 9, 2017

SENATE
Amended 2nd Reading
May 8, 2017

Section 3 repeals the wind for schools grant program.

Section 4 repeals the renewable energy and energy efficiency for schools loan program.

Section 5 removes the Colorado energy office's (office) involvement with the forest service and the air quality control commission to support the increased use of woody biomass in bio-heating.

Section 6 removes the office's involvement in grants with the Colorado energy research institute for the development of a central resource for building trade professionals.

Section 7:

- ! Specifies nuclear and hydroelectric power as a cleaner energy source that the office should promote;
- ! Amends the office's requirement to develop and encourage increased utilization of energy curricula, and expands the collaborative groups to include the energy industry and executive departments;
- ! Repeals certain programs for which the office is responsible; and
- ! Requires the director of the office and the executive director of the department of natural resources, or their designees, to convene stakeholders for one or more meetings before November 1, 2017, to identify voluntary methods to address funding shortfalls associated with the long-term management of abandoned oil and gas facilities.

Section 8 renames the clean and renewable energy fund as the energy fund and continues the general fund transfer to the energy fund for 4 years and adds the authority to spend the money in the fund for educating the general public on energy issues and opportunities.

Section 9 adds 4 years of funding for the innovative energy fund from the general fund and removes the requirement that the funds used in the innovative energy fund for grants or loans shall be limited to innovative energy efficiency projects and policy development.

Section 10 repeals the office's authority to submit a proposal for credentialing photovoltaic installers.

Section 11 repeals the green building incentive pilot program.

Section 12 repeals the "Colorado Clean Energy Finance Program Act".

Section 13 removes the office's responsibility to maintain a list of solar installers, the requirement for a builder to offer that list to customers, and the requirement for the office to offer training on solar installations.

Section 14 removes a requirement for a 2018 study by the office on alternative fuel truck emissions.

Section 15 removes an obsolete section of law pertaining to a

computer system for tracking the movement of gasoline or special fuel in the state.

Section 16 removes the office as the administrator of the Colorado carbon fund special license plate.

Section 17 increases the registration fee on electric motor vehicles and the portion of the fee that is earmarked for the highway users tax fund to offset the reduced gas tax collected as a result of the vehicle's increased efficiency.

Current law authorizes a homeowner to finance certain energy efficiency improvements to the home through a loan pursuant to the property assessed clean energy program (PACE). PACE requires an applicant to file a title commitment on the home and a hearing must be held in order to seek a voluntary subordination of existing liens to PACE's junior lien. **Sections 18 through 21** exempt a homeowner from the title commitment and hearing requirements if the owner is not seeking to subordinate the priority of existing liens and clarifies that housing authorities can use PACE as a completely voluntary assessment.

Sections 22 and 23 make conforming amendments.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) Diversification of a public utility's supply portfolio offers
5 potential benefits to the utility's customers and to Colorado residents
6 generally through enhanced reliability, greater price stability, and, in the
7 case of Colorado-based resources, the multiplier effect of employing local
8 workers and businesses;

9 (b) When properly hedged, a low natural gas price environment
10 offers the opportunity to enhance a utility's natural gas acquisition
11 portfolio by creating the flexibility to pursue long-term supply strategies;
12 and

13 (c) It may be predicted that a utility's investment in natural gas
14 reserves can lower the average long-term cost of delivered natural gas,
15 and supplement existing term contracts and spot market purchases.

1 **SECTION 2.** In Colorado Revised Statutes, **add** 40-2-122.5 as
2 follows:

3 **40-2-122.5. Supply portfolio diversification - beneficial**
4 **ownership of natural gas reserves - rules.** THE COMMISSION SHALL
5 ADOPT RULES BY WHICH IT WILL EVALUATE APPLICATIONS FILED BY
6 COLORADO'S INVESTOR-OWNED NATURAL GAS UTILITIES TO ACQUIRE
7 INTERESTS IN NATURAL GAS RESERVES. THE RULE-MAKING MUST
8 COMMENCE ON OR BEFORE AUGUST 1, 2017, AND FOLLOW THE
9 REQUIREMENTS SET FORTH IN THE "STATE ADMINISTRATION PROCEDURE
10 ACT", ARTICLE 4 OF TITLE 24. THE RULES MUST, AT MINIMUM, ESTABLISH
11 CRITERIA FOR ASSET EVALUATION AND APPLICATION REVIEW AND
12 ADMINISTRATION; EXCEPT THAT AN INVESTOR-OWNED UTILITY'S COSTS
13 ASSOCIATED WITH ANY APPROVED APPLICATION MAY NOT BE RECOVERED
14 THROUGH BASE RATES.

15 =====

16 **SECTION 3.** In Colorado Revised Statutes, **34-60-106, add (18)**
17 **as follows:**

18 **34-60-106. Additional powers of commission - rules -**
19 **legislative declaration.** (18) (a) THE GENERAL ASSEMBLY HEREBY FINDS
20 AND DECLARES THAT:

21 (I) THE COMMISSION HAS ISSUED A NOTICE TO OPERATORS TO
22 REQUIRE OPERATORS IN THE STATE TO IDENTIFY AND INSPECT FLOWLINES
23 WITHIN ONE THOUSAND FEET OF A BUILDING UNIT TO ENSURE AND
24 DOCUMENT INTEGRITY OF FLOWLINES STATEWIDE AND TO VERIFY THAT
25 ANY EXISTING FLOWLINE THAT IS NOT IN ACTIVE USE, REGARDLESS OF
26 WHEN IT WAS INSTALLED OR TAKEN OUT OF SERVICE, IS ABANDONED
27 PURSUANT TO 2 CCR 404-1, RULE 1103, AS THE RULE WAS IN EFFECT ON

1 THE EFFECTIVE DATE OF THIS SUBSECTION (18). THIS PROCESS IS BEING
2 DONE IN TWO PHASES. THE FIRST PHASE EMPHASIZES THE IDENTIFICATION
3 AND INSPECTION OF FLOWLINES WITHIN ONE THOUSAND FEET OF A
4 BUILDING UNIT, THE DOCUMENTATION OF INTEGRITY OF THOSE FLOWLINES,
5 AND THE PROPER ABANDONMENT OF ANY FLOWLINE STATEWIDE THAT IS
6 NOT IN ACTIVE USE. THE SECOND PHASE IS TO INSPECT AND DOCUMENT
7 FLOWLINE INTEGRITY FOR ALL EXISTING FLOWLINES STATEWIDE.

8 (II) THE GENERAL ASSEMBLY SUPPORTS THIS NOTICE TO
9 OPERATORS ISSUED BY THE COMMISSION. IT IS IMPORTANT FOR THE
10 LEGISLATURE TO KEEP APPRISED OF THE PROGRESS AND RESULTS OF THIS
11 EFFORT TO ENSURE THAT IT IS DIRECTED AT A MEANINGFUL AND
12 IMMEDIATE RESPONSE THAT ENHANCES UNDERSTANDING AND SAFETY
13 WITH RESPECT TO UNDERGROUND FLOWLINES NEAR RESIDENTIAL
14 DEVELOPMENTS.

15 (b) NOTWITHSTANDING SECTION 24-1-136 (11), THE COMMISSION
16 SHALL REPORT PROGRESS OF THE EFFORT DESCRIBED IN THIS SUBSECTION
17 (18) TO THE GENERAL ASSEMBLY THIRTY DAYS AFTER THE ENACTMENT OF
18 THIS SUBSECTION (18) AND EVERY THIRTY DAYS THEREAFTER UNTIL THE
19 PROCESS OF ENSURING INTEGRITY OF THE FLOWLINES AND DOCUMENTING
20 THAT PROCESS IS COMPLETED.

21 **SECTION 4.** In Colorado Revised Statutes, **add 40-2-126.5** as
22 follows:

23 **40-2-126.5. Distribution facilities - improvements to**
24 **distribution grid - planning - approval - definitions.** (1) AS USED IN
25 THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

26 (a) "DISTRIBUTED ENERGY RESOURCES" MEANS DISTRIBUTED
27 GENERATION, AS DEFINED IN SECTION 40-2-124 (1)(a)(III), AS WELL AS

1 DEMAND RESPONSE PROGRAMS AND DISTRIBUTED ENERGY STORAGE.

2 (b) "DISTRIBUTION RESOURCE PLAN" MEANS A PLAN FOR:

3 (I) DISTRIBUTION GRID UPGRADES AND INVESTMENTS; AND

4 (II) FORECASTING OF DISTRIBUTED GENERATION DEMAND AND
5 PENETRATION, AND INVESTMENTS TO ACCOMMODATE THAT DEMAND AND
6 PENETRATION.

7 (c) "QUALIFYING RETAIL UTILITY" MEANS INVESTOR-OWNED
8 ELECTRIC UTILITIES SERVING MORE THAN FIVE HUNDRED THOUSAND
9 CUSTOMERS IN COLORADO AND DOES NOT INCLUDE MUNICIPALLY-OWNED
10 ELECTRIC UTILITIES OR COOPERATIVE ELECTRIC ASSOCIATIONS.

11 (2) AS PART OF THE ELECTRIC RESOURCE PLANNING PROCESS, EACH
12 QUALIFYING RETAIL UTILITY IN COLORADO SHALL SUBMIT TO THE
13 COMMISSION A PROPOSAL FOR A DISTRIBUTION RESOURCE PLAN.

14 (3) THE COMMISSION SHALL REVIEW EACH QUALIFYING RETAIL
15 UTILITY'S DISTRIBUTION RESOURCE PLAN PROPOSAL AND APPROVE, MODIFY
16 AND APPROVE, OR REJECT A DISTRIBUTION RESOURCE PLAN FOR THE
17 QUALIFYING RETAIL UTILITY.

18 (4) AFTER APPROVAL OF A QUALIFYING RETAIL UTILITY'S
19 DISTRIBUTION RESOURCE PLAN, THE QUALIFYING RETAIL UTILITY'S
20 EXPENDITURES FOR DISTRIBUTION INFRASTRUCTURE NECESSARY TO
21 EFFECTUATE THE PLAN MAY BE PROPOSED AND CONSIDERED AS PART OF
22 THE NEXT GENERAL RATE CASE FOR THE QUALIFYING RETAIL UTILITY. THE
23 COMMISSION MAY APPROVE THESE EXPENDITURES IF IT CONCLUDES THAT
24 RATEPAYERS WOULD REALIZE NET BENEFITS AND THE ASSOCIATED COSTS
25 ARE JUST AND REASONABLE. THE COMMISSION SHALL ALSO ADOPT
26 CRITERIA, BENCHMARKS, AND ACCOUNTABILITY MECHANISMS TO
27 EVALUATE THE SUCCESS OF ANY INVESTMENT AUTHORIZED PURSUANT TO

1 A DISTRIBUTION RESOURCE PLAN.

2 **SECTION 5.** In Colorado Revised Statutes, **repeal** article 89 of
3 title 22 as follows:

4 **ARTICLE 89**

5 **Wind for Schools Grant Program**

6 **22-89-101. Short title.** ~~This article shall be known and may be~~
7 ~~cited as the "Wind for Schools Grant Program".~~

8 **22-89-102. Legislative declaration.** ~~(1) The general assembly~~
9 ~~hereby finds, determines, and declares that:~~

10 ~~(a) Colorado's schools face a perennial struggle with tight budgets,~~
11 ~~and their financial difficulties are worsened by volatile electricity prices~~
12 ~~that often lead to high electricity bills;~~

13 ~~(b) A small but growing number of schools have responded to~~
14 ~~these difficulties by beginning to produce their own electricity with wind~~
15 ~~turbines;~~

16 ~~(c) By producing their own electricity with wind turbines, some~~
17 ~~schools have reduced their electricity costs while promoting energy~~
18 ~~independence and environmental responsibility and have provided~~
19 ~~students with an opportunity to understand this burgeoning technology;~~

20 ~~(d) The general assembly would serve the best interests of~~
21 ~~Colorado schools by supporting the efforts of public schools and~~
22 ~~community colleges that are considering wind power projects.~~

23 **22-89-103. Definitions.** ~~As used in this article, unless the context~~
24 ~~otherwise requires:~~

25 ~~(1) "Colorado energy office" means the Colorado energy office~~
26 ~~created in section 24-38.5-101, C.R.S.~~

27 ~~(2) "Qualified school" means a public school or community~~

1 college in the state that is working with the national renewable energy
2 laboratory to establish a wind for schools project. A qualified school shall
3 have a project team involved that includes the school, community, and
4 technical assistance membership.

5 (3) "Wind for schools grant program" or "grant program" means
6 the grant program created pursuant to section 22-89-104 to fund wind
7 power projects at a qualified school.

8 (4) "Wind for schools project" means a project supported by the
9 national renewable energy laboratory and wind powering America to help
10 a qualified school install a wind turbine that will help defray the school's
11 energy costs and provide educational opportunities for students relating
12 to the generation of wind power.

13 **22-89-104. Wind for schools grant program - created -**
14 **applications.** (1) There is hereby created the wind for schools grant
15 program to fund wind for schools projects at qualified schools. A
16 qualified school may, with the written authorization of the local board of
17 education, apply to the Colorado energy office, in accordance with
18 procedures and deadlines adopted by the office, to receive moneys
19 through the grant program. The office shall administer the grant program
20 as provided in this article and pursuant to policies adopted by the office.

21 (2)(a) The Colorado energy office shall adopt policies specifying
22 when a qualified school may request a grant and the procedure for making
23 the request.

24 (b) A qualified school that receives a grant through the grant
25 program shall use the moneys received to pay for technical assistance,
26 equipment, or installation costs associated with a wind for schools
27 project.

1 **22-89-105. Wind for schools grant program - policies -**

2 **awarding grants.** (1) The Colorado energy office shall adopt policies for
3 the implementation of the wind for schools grant program. At a minimum,
4 the policies shall specify the procedures for applying for a grant, the form
5 of the grant application, the information to be provided by the applicant,
6 and the criteria for awarding grants.

7 (2) (a) ~~The Colorado energy office shall review each grant~~
8 ~~application received from a qualified school pursuant to section~~
9 ~~22-89-104 and shall make a determination as to whether the grant should~~
10 ~~be awarded and, except as provided in paragraph (c) of this subsection~~
11 ~~(2), the amount of the grant. If the office determines an application is~~
12 ~~missing any information required by the office's policy to be included~~
13 ~~with the application, the office may contact the applicant to obtain the~~
14 ~~missing information.~~

15 (b) ~~In awarding grants pursuant to this article, the Colorado~~
16 ~~energy office shall consider, at a minimum, whether a qualified school:~~

17 (I) ~~Would reduce its electricity costs by the implementation of a~~
18 ~~wind for schools project; and~~

19 (H) ~~Has a plan in place to incorporate the implementation of a~~
20 ~~wind for schools project into its educational curriculum.~~

21 (c) ~~A qualified school shall not receive an aggregate amount of~~
22 ~~grants pursuant to this article that exceeds five thousand dollars.~~

23 (3) ~~The Colorado energy office shall use at least fifty thousand~~
24 ~~dollars for the implementation of this grant program from the existing~~
25 ~~resources of the office. The minimum funding requirement for the~~
26 ~~implementation of this grant program may be met in one or more fiscal~~
27 ~~years. The office shall not submit a request for an appropriation or a~~

1 supplemental appropriation for this purpose.

2 **SECTION 6.** In Colorado Revised Statutes, **repeal** article 92 of
3 title 22 as follows:

4 **22-92-101. Short title.** ~~This article shall be known and may be~~
5 ~~cited as the "Renewable Energy and Energy Efficiency for Schools Loan~~
6 ~~Program Act".~~

7 **22-92-102. Legislative declaration.** ~~(1) The general assembly~~
8 ~~hereby finds that:~~

9 ~~(a) Colorado's school districts face a perennial struggle with tight~~
10 ~~budgets, and their financial difficulties are worsened by volatile energy~~
11 ~~prices that often lead to high utility bills;~~

12 ~~(b) A small but growing number of school districts have~~
13 ~~responded to these difficulties by beginning to produce their own energy~~
14 ~~with renewable energy sources;~~

15 ~~(c) By producing their own energy with renewable energy sources,~~
16 ~~some school districts have reduced their energy costs while promoting~~
17 ~~energy independence and environmental responsibility and have provided~~
18 ~~students with an opportunity to understand this burgeoning technology;~~
19 ~~and~~

20 ~~(d) Some school districts have also reduced their energy costs by~~
21 ~~improving the efficiency of their existing energy sources.~~

22 ~~(2) The general assembly further finds that section 3 of article IX~~
23 ~~of the state constitution authorizes the general assembly to adopt laws~~
24 ~~establishing the terms and conditions upon which the state treasurer may~~
25 ~~make loans to school districts in order to assist public schools in~~
26 ~~providing necessary buildings, land, and equipment.~~

27 ~~(3) Now, therefore, the general assembly determines and declares~~

1 that it would serve the best interests of Colorado schools for the state to
2 make available loans to support the efforts of school districts that choose
3 to undertake renewable energy projects or energy efficiency projects.
4 Furthermore, to ensure that the best interests of Colorado schools are
5 being served, the legislative service agencies of the general assembly
6 shall conduct a post-enactment review of this act and report their
7 conclusions to the education committees of the house of representatives
8 and senate, or any successor committees. The review shall include
9 consideration of the following information:

10 (a) The name and location of each qualified school district that
11 has applied for a loan from the loan program;

12 (b) The number of loans that have been awarded to qualified
13 school districts from the loan program;

14 (c) The name and location of each qualified school district that
15 has been awarded a loan from the loan program;

16 (d) The amount of each loan that is awarded to a qualified school
17 district from the loan program;

18 (e) The terms of repayment for each loan that is awarded to a
19 qualified school district from the loan program;

20 (f) The rate of interest that is being charged on each loan that is
21 awarded to a qualified school district from the loan program; and

22 (g) Any other information that the legislative service agencies
23 determine may be helpful to the education committees of the house of
24 representatives and senate, or any successor committees, in evaluating the
25 effectiveness of the loan program.

26 **22-92-103. Definitions.** As used in this article, unless the context
27 otherwise requires:

1 (1) ~~"Bank" shall have the same meaning as set forth in section~~
2 ~~11-101-401 (5), C.R.S.~~

3 (1.5) ~~"Colorado energy office" or "office" means the Colorado~~
4 ~~energy office created in section 24-38.5-101, C.R.S., or any successor~~
5 ~~office.~~

6 (2) ~~"Energy efficiency project" means a project that will result in~~
7 ~~more efficient use of energy or resources. The term includes:~~

8 (a) ~~Installation of equipment and related infrastructure that will~~
9 ~~help defray energy costs;~~

10 (b) ~~Improving the energy efficiency of a building by addressing~~
11 ~~lighting issues, improving mechanical systems and equipment, adding~~
12 ~~insulation or otherwise improving the building envelope, adding or~~
13 ~~incorporating solar thermal technologies, or improving operations~~
14 ~~management;~~

15 (c) ~~Reducing water usage or water consumption; and~~

16 (d) ~~Improving the energy efficiency of motor vehicle fleets,~~
17 ~~including bus fleets, through measures including the use of hybrid or~~
18 ~~alternative-fuel vehicles and the addition of fuel-saving technologies to~~
19 ~~existing vehicles.~~

20 (3) ~~Repealed.~~

21 (4) ~~"Public school fund" means the public school fund created and~~
22 ~~existing pursuant to section 3 of article IX of the state constitution.~~

23 (5) ~~"Qualified school district" means a school district in the state~~
24 ~~that has a renewable energy project team.~~

25 (6) ~~"Renewable energy and energy efficiency for schools loan~~
26 ~~program" or "loan program" means the renewable energy and energy~~
27 ~~efficiency for schools loan program created in section 22-92-104.~~

1 ~~(7) "Renewable energy and energy efficiency for schools loan~~
2 ~~program administration fund" or "fund" means the renewable energy and~~
3 ~~energy efficiency for schools loan program administration fund created~~
4 ~~in section 22-92-106.~~

5 ~~(8) "Renewable energy project" means a project to help a qualified~~
6 ~~school district install equipment and related infrastructure that will help~~
7 ~~defray the school district's energy costs and provide educational~~
8 ~~opportunities for students relating to the generation of renewable energy.~~
9 ~~A "renewable energy project" shall be operated in compliance with~~
10 ~~existing laws and may incorporate one or more of the following:~~

11 ~~(a) Wind energy;~~

12 ~~(b) Solar energy; or~~

13 ~~(c) Other sources of renewable energy.~~

14 ~~(9) "Renewable energy project team" means a team of people who~~
15 ~~are dedicated to a renewable energy project at a school district. A~~
16 ~~renewable energy project team shall include, at a minimum,~~
17 ~~representatives of the school district, representatives of the local~~
18 ~~community, and at least one member who provides professional technical~~
19 ~~assistance to the school district to facilitate a renewable energy project or~~
20 ~~energy efficiency project. The member of a renewable energy project~~
21 ~~team who provides professional technical assistance to the school district~~
22 ~~may be a representative of a local electrical utility.~~

23 **22-92-104. Renewable energy and energy efficiency for schools**
24 **loan program - created - applications - permissible uses of loans.**

25 ~~(1) There is hereby created the renewable energy and energy efficiency~~
26 ~~for schools loan program to fund renewable energy projects and energy~~
27 ~~efficiency projects at qualified school districts. A qualified school district~~

1 may, with the written authorization of the school district board of
2 education, apply to the Colorado energy office, in accordance with
3 procedures and deadlines established by rules promulgated by the state
4 board of education pursuant to section 22-92-105, to receive moneys
5 through the loan program. The office shall administer the loan program
6 as provided in this article and pursuant to the policies adopted by the
7 office.

8 (2) If a qualified school district applies for a loan from the loan
9 program pursuant to subsection (1) of this section, and the state treasurer
10 authorizes a loan for the school district pursuant to section 22-92-107, the
11 school district shall not accept the loan unless the school district has first
12 determined what financing terms are available to it from at least two
13 banks.

14 (3)(a) A qualified school district that receives a loan through the
15 loan program shall use the moneys received to pay for technical
16 assistance, equipment, or installation costs associated with a renewable
17 energy project or an energy efficiency project.

18 (b) A qualified school district that receives a loan through the loan
19 program for a renewable energy project may use the moneys received to
20 finance the acquisition of a renewable energy project that is located on the
21 school premises and, if it generates electricity, is interconnected on the
22 customer side of the utility meter in accordance with interconnection
23 standards adopted by the public utilities commission. Such a project may
24 incorporate or consist of third-party ownership, as authorized under part
25 2 of article 38.7 of title 24, C.R.S., or an interest in a community solar
26 garden, as defined in section 40-2-127, C.R.S.

27 (4) A qualified school district that applies for a loan through the

1 ~~loan program for a renewable energy project shall contact its local~~
2 ~~electrical utility and allow the utility, at the utility's discretion, to place a~~
3 ~~representative of the utility on the school district's renewable energy~~
4 ~~project team.~~

5 ~~(5) A qualified school district may apply for a loan from the loan~~
6 ~~program for a renewable energy project or an energy efficiency project~~
7 ~~that is located at a charter school of the school district.~~

8 **22-92-105. Renewable energy and energy efficiency for schools**
9 **loan program - rules - awarding loans.** ~~(1) On or before October 15,~~
10 ~~2009, the state board of education, in consultation with the Colorado~~
11 ~~energy office, shall promulgate rules establishing policies and procedures~~
12 ~~for the administration of the renewable energy and energy efficiency for~~
13 ~~schools loan program. At a minimum, the rules shall include:~~

14 ~~(a) Policies specifying the procedures by which a qualified school~~
15 ~~district may apply for a loan, the form of the loan application, the~~
16 ~~information to be provided by an applicant, and the criteria used by the~~
17 ~~office for awarding and denying loans;~~

18 ~~(b) The requirements that the office shall require of loan~~
19 ~~applicants, which requirements shall include, but need not be limited to~~
20 ~~a requirement that a loan applicant submit with its application:~~

21 ~~(I) An energy rating for the facility for which a renewable energy~~
22 ~~project loan is intended that demonstrates that the facility qualifies for the~~
23 ~~federal energy star label or meets the efficiency requirements set forth in~~
24 ~~section 22-32-124.3; or~~

25 ~~(II) An energy efficiency plan that is created in consultation with~~
26 ~~the office, which plan includes:~~

27 ~~(A) Cost-effective energy-saving measures and programs that the~~

1 applicant will implement; and

2 ~~(B) Actions that the applicant will take to implement, monitor,~~
3 ~~review, and revise the plan.~~

4 ~~(2) (a) The Colorado energy office shall review each loan~~
5 ~~application received from a qualified school district pursuant to section~~
6 ~~22-92-104(1), evaluate the renewable energy project or energy efficiency~~
7 ~~project described therein, and make a recommendation to the state~~
8 ~~treasurer as to whether to award the loan and the amount of the loan. If~~
9 ~~the office determines an application is missing any information required~~
10 ~~by the office's policy to be included with the application, the office may~~
11 ~~contact the applicant to obtain the missing information.~~

12 ~~(b) In reviewing loan applications for renewable energy projects~~
13 ~~and energy efficiency projects pursuant to paragraph (a) of this subsection~~
14 ~~(2), the Colorado energy office shall consider, at a minimum, whether a~~
15 ~~qualified school district would reduce its energy costs by the~~
16 ~~implementation of the renewable energy project or energy efficiency~~
17 ~~project that is the subject of each loan application.~~

18 ~~(3) The state treasurer is authorized to require each qualified~~
19 ~~school district that receives a loan from the loan program to pay to the~~
20 ~~Colorado energy office a fee that reflects the direct and indirect costs~~
21 ~~incurred by the state treasurer in administering loans pursuant to section~~
22 ~~22-92-107. If the state treasurer elects to impose a fee pursuant to this~~
23 ~~subsection (3), he or she shall notify the Colorado energy office and the~~
24 ~~state board of education of the decision to impose the fee. A fee imposed~~
25 ~~pursuant to this subsection (3) may be imposed on a regularly scheduled~~
26 ~~basis to be determined by the state treasurer. A qualified school district~~
27 ~~that receives a loan from the loan program shall be required to pay the fee~~

1 until the loan is repaid in full.

2 (4) If the state treasurer elects to impose a fee as part of the loan
3 application process pursuant to subsection (3) of this section, the
4 Colorado energy office shall forward all moneys received as fees to the
5 state treasurer.

6 **22-92-106. Renewable energy and energy efficiency for schools**
7 **loan program administration fund - creation - administrative costs.**

8 (1) There is hereby created in the state treasury the renewable energy and
9 energy efficiency for schools loan program administration fund. The fund
10 shall consist of:

11 (a) Moneys appropriated to the fund from the public school energy
12 efficiency fund created in section 39-29-109.5 (2), C.R.S.;

13 (b) Any other moneys appropriated by the general assembly to the
14 fund;

15 (c) Any gifts, grants, or donations received by the office for the
16 fund pursuant to subsection (4) of this section; and

17 (d) Any other moneys directed to the fund by the office pursuant
18 to subsection (5) of this section.

19 (2) The moneys in the fund shall be subject to annual
20 appropriation by the general assembly for the direct and indirect costs
21 incurred by the office in administering the program pursuant to this
22 article. The moneys in the fund shall not be included in any loan made to
23 a qualified school district pursuant to this article.

24 (3) Any moneys in the fund not expended for the purpose of this
25 article may be invested by the state treasurer as provided by law. All
26 interest and income derived from the investment and deposit of moneys
27 in the fund shall be credited to the fund. Any unexpended and

1 unencumbered moneys remaining in the fund at the end of a fiscal year
2 shall remain in the fund and shall not be credited or transferred to the
3 general fund or another fund.

4 (4) ~~The office may seek and accept gifts, grants, and donations~~
5 ~~from public and private sources to fund the program, but receipt of gifts,~~
6 ~~grants, and donations shall not be a prerequisite to the implementation of~~
7 ~~the program. All private and public funds received through gifts, grants,~~
8 ~~and donations shall be transmitted to the state treasurer, who shall credit~~
9 ~~the same to the fund.~~

10 (5) ~~To the extent permitted by law, the office may, at its~~
11 ~~discretion, direct other moneys to fund the program.~~

12 **22-92-107. Loans from public school fund authorized.** ~~(1) As~~
13 ~~authorized under the provisions of section 3 of article IX of the state~~
14 ~~constitution, the state treasurer may make loans to school districts to~~
15 ~~assist them in providing necessary buildings, land, and equipment,~~
16 ~~including renewable energy projects and energy efficiency projects as~~
17 ~~described in this article. Loans made pursuant to this article shall not be~~
18 ~~subject to the provisions of section 24-36-113, C.R.S., that require the~~
19 ~~state treasurer to secure the maximum rate of interest on investments of~~
20 ~~state moneys. The procedures for the making of loans shall be determined~~
21 ~~by the state treasurer subject to the following:~~

22 (a) ~~No loan shall be authorized for any renewable energy project~~
23 ~~or energy efficiency project that has not been evaluated by the Colorado~~
24 ~~energy office pursuant to section 22-92-105 (2)(a).~~

25 (b) ~~No loan shall be authorized in an amount exceeding the~~
26 ~~amount recommended by the Colorado energy office pursuant to section~~
27 ~~22-92-105 (2)(a) unless the Colorado energy office approves the change~~

1 in the loan amount.

2 (c) No loan shall be authorized unless the method for repayment
3 of the loan is specified in the application.

4 (2)(a) Subject to the limitations described in this section, the state
5 treasurer shall determine the amount of the permanent school fund that
6 may be loaned out pursuant to this section, which qualified school
7 districts shall receive loans, the amount of each loan, the terms of
8 repayment of each loan, and the rate of interest to be charged on loans.
9 The average rate of interest charged on loans made in any calendar year
10 must at least equal the average book yield earned by the fund in the most
11 recently completed quarter. Payments of the principal of and interest on
12 all loans shall be returned to the public school fund.

13 (b) The state treasurer may include, as part of any loan agreement
14 with any qualified school district, whatever terms and conditions he or
15 she feels are necessary to protect the principal of the public school fund
16 against loss.

17 (3) The general assembly shall appropriate money from the
18 general fund to restore moneys to the public school fund, together with
19 interest, that are lost by reason of the failure of any school district to
20 repay a loan made pursuant to this section.

21 (4) Administrative costs that will be incurred by a qualified school
22 district as a result of the renewable energy project or energy efficiency
23 project that is the basis for the loan may be included in the amount of the
24 loan.

25 **SECTION 7.** In Colorado Revised Statutes, 23-31-313, **amend**
26 (7)(b) as follows:

27 **23-31-313. Healthy forests - vibrant communities - funds**

1 **created - repeal. (7) Enhanced economic opportunities.** In order to
2 support local business development and job creation through the
3 implementation of forest treatments, the forest service shall:

4 (b) Work with ~~the Colorado energy office created in section~~
5 ~~24-38.5-101, C.R.S., and the air quality control commission created in~~
6 section 25-7-104 ~~C.R.S.~~, to support the appropriately increased use of
7 woody biomass in bio-heating.

8 **SECTION 8.** In Colorado Revised Statutes, 23-41-114, **amend**
9 (4)(b)(VI)(A) as follows:

10 **23-41-114. Colorado energy research institute - creation.**

11 (4) The institute shall conduct:

12 (b) The following specific research and educational programs
13 designed to meet the information needs of the department of natural
14 resources, other agencies of the state's executive branch, the legislature,
15 and the public:

16 (VI) (A) To provide grants ~~through the Colorado energy office~~
17 ~~created in section 24-38.5-101, C.R.S.~~, for the development of a central
18 resource for building trade professionals, including contractors,
19 engineers, architects, and designers, for the purpose of increasing
20 available tools and education to advance energy-efficient design and
21 construction.

22 **SECTION 9.** In Colorado Revised Statutes, 24-38.5-102, **amend**
23 (1)(a)(III) and (1)(o); **repeal** (1)(f), (1)(g), and (1)(r); and **add** (4) as
24 follows:

25 **24-38.5-102. Colorado energy office - duties and powers.**

26 (1) The Colorado energy office shall:

27 (a) Work with communities, utilities, private and public

1 organizations, and individuals to promote:

2 (III) Cleaner energy sources such as biogas, ~~and~~ biomass,
3 HYDROELECTRIC, AND NUCLEAR;

4 (f) ~~Implement and administer a wind for schools project pursuant~~
5 ~~to article 89 of title 22, C.R.S.;~~

6 (g) ~~Work with the Colorado energy research institute to provide~~
7 ~~grants to advance energy-efficient design and construction as specified in~~
8 ~~section 23-41-114 (4)(b)(VI), C.R.S.;~~

9 (o) Collaborate with ~~the department of higher education~~
10 STAKEHOLDERS to develop AND ENCOURAGE INCREASED UTILIZATION OF
11 energy curricula, INCLUDING SCIENCE, TECHNOLOGY, ENGINEERING, AND
12 MATH CURRICULA, that will serve the work force needs of all energy
13 industries. Such collaboration may include EXECUTIVE DEPARTMENTS,
14 research institutions, state colleges, community colleges, INDUSTRY, and
15 trade organizations in an effort to develop a means by which the state may
16 address all facets of work force demands in developing a balanced energy
17 portfolio. Institutions may also partner in the development of curricula
18 with organizations that have existing energy curricula and training
19 programs.

20 (r) ~~Implement and administer the renewable energy and energy~~
21 ~~efficiency for schools loan program pursuant to article 92 of title 22,~~
22 ~~C.R.S.;~~

23 (4) THE DIRECTOR OF THE OFFICE AND THE EXECUTIVE DIRECTOR
24 OF THE DEPARTMENT OF NATURAL RESOURCES, OR THEIR DESIGNEES,
25 SHALL CONVENE STAKEHOLDERS FOR ONE OR MORE MEETINGS BEFORE
26 NOVEMBER 1, 2017, TO IDENTIFY VOLUNTARY METHODS TO ADDRESS
27 FUNDING SHORTFALLS ASSOCIATED WITH THE LONG-TERM MANAGEMENT

1 OF ABANDONED OIL AND GAS FACILITIES.

2 **SECTION 10.** In Colorado Revised Statutes, 24-38.5-102.4,
3 **amend** (1)(a)(I), (2)(a), and (2)(b); and **add** (1)(a)(IV) as follows:

4 **24-38.5-102.4. Energy fund - creation - use of fund -**
5 **definitions - repeal.** (1) (a) (I) ~~The clean and renewable energy fund is~~
6 hereby created in the state treasury. The principal of the fund ~~shall consist~~
7 CONSISTS of ~~moneys~~ MONEY transferred to the fund from the general fund,
8 ~~moneys~~ MONEY transferred to the fund at the end of the 2006-07 state
9 fiscal year and at the end of each succeeding state fiscal year from
10 ~~moneys~~ MONEY received by the Colorado energy office, ~~moneys~~ MONEY
11 received pursuant to the federal "American Recovery and Reinvestment
12 Act of 2009", Pub.L. 111-5, or any amendments thereto, or from revenue
13 contracts, court settlement funds, supplemental environmental program
14 funds, repayment or return of funds from eligible public depositories, and
15 gifts, grants, and donations, and any other ~~moneys~~ MONEY received by the
16 Colorado energy office. Interest and income earned on the deposit and
17 investment of ~~moneys~~ MONEY in the ~~clean and renewable~~ energy fund
18 ~~shall be~~ ARE credited to the fund. ~~Moneys~~ MONEY in the fund at the end
19 of any state fiscal year ~~shall remain~~ REMAINS in the fund and ~~shall~~ MAY
20 not be credited to the state general fund or any other fund. ~~Moneys~~
21 MONEY in the fund ~~shall~~ MAY not be transferred to the innovative energy
22 fund created in section 24-38.5-102.5.

23 (IV) (A) ON JULY 1, 2017, AND EACH JULY 1 THEREAFTER
24 THROUGH JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER ONE
25 MILLION ONE HUNDRED THOUSAND DOLLARS TO THE ENERGY FUND FROM
26 THE GENERAL FUND.

27 (B) THIS SUBSECTION (1)(a)(IV) IS REPEALED, EFFECTIVE JULY 1,

1 2021.

2 (2) (a) All ~~moneys~~ MONEY in the ~~clean and renewable~~ energy fund
3 ~~are~~ IS continuously appropriated to the Colorado energy office for the
4 purposes of advancing energy efficiency and renewable energy
5 throughout the state.

6 (b) The Colorado energy office may expend ~~moneys~~ MONEY from
7 the ~~clean and renewable~~ energy fund:

8 (I) To attract renewable energy industry investment in the state;

9 (II) To assist in technology transfer into the marketplace for newly
10 developed energy efficiency and renewable energy technologies;

11 (III) To provide market incentives for the purchase and
12 distribution of energy efficient and renewable energy products;

13 (IV) To assist in the implementation of energy efficiency projects
14 throughout the state;

15 (V) To aid governmental agencies in energy efficiency
16 government initiatives;

17 (VI) To facilitate widespread implementation of renewable energy
18 technologies; ~~and~~

19 (VII) TO EDUCATE THE GENERAL PUBLIC ON ENERGY ISSUES AND
20 OPPORTUNITIES; AND

21 ~~(VII)~~ (VIII) In any other manner that serves the purposes of
22 advancing energy efficiency and renewable energy throughout the state.

23 **SECTION 11.** In Colorado Revised Statutes, 24-38.5-102.5,
24 **amend** (1)(a) and (2)(c)(II) as follows:

25 **24-38.5-102.5. Innovative energy fund - creation - use of fund**
26 **- definitions - repeal.** (1) (a) (I) The innovative energy fund is hereby
27 created in the state treasury. The principal of the fund ~~shall consist~~

1 CONSISTS of ~~moneys~~ MONEY transferred to the fund by the general
2 assembly, ~~moneys~~ MONEY transferred at the end of each state fiscal year
3 from ~~moneys~~ MONEY received by the Colorado energy office, ~~moneys~~
4 ~~received pursuant to section 39-29-108 (2), C.R.S.~~, or from revenue
5 contracts, court settlement funds, supplemental program funds, repayment
6 or return of funds from eligible public depositories, and gifts, grants, and
7 donations, and any other ~~moneys~~ MONEY received by the Colorado energy
8 office. Interest and income earned on the deposit and investment of
9 ~~moneys~~ MONEY in the innovative energy fund ~~shall be~~ IS credited to the
10 fund. ~~Moneys~~ MONEY in the fund at the end of any state fiscal year ~~shall~~
11 ~~remain~~ REMAINS in the fund and ~~shall~~ MAY not be credited to the state
12 general fund or any other fund. ~~Moneys~~ MONEY in the fund ~~shall~~ MAY not
13 be transferred to the ~~clean and renewable~~ energy fund created in section
14 24-38.5-102.4.

15 (II) (A) ON JULY 1, 2017, AND EACH JULY 1 THEREAFTER
16 THROUGH JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER ONE
17 MILLION DOLLARS TO THE INNOVATIVE ENERGY FUND FROM THE
18 GENERAL FUND.

19 (B) THIS SUBSECTION (1)(a)(II) IS REPEALED, EFFECTIVE JULY 1,
20 2021.

21 (2) (c) (II) The Colorado energy office may establish terms and
22 conditions for making grants or loans pursuant to this section and in
23 accordance with the objectives of the office as set forth in section
24 24-38.5-102. ~~except that the grants or loans shall be limited to innovative~~
25 ~~energy efficiency projects and policy development.~~

26 SECTION 12. In Colorado Revised Statutes, 24-38.5-103,
27 amend (1)(a) introductory portion as follows:

1 **24-38.5-103. Electric vehicle grant fund - creation -**
2 **administration - legislative declaration.** (1)(a) There is hereby created
3 in the state treasury the electric vehicle grant fund, referred to in this
4 section as the "fund". The fund shall be used to provide grants to state
5 agencies, public universities, public transit agencies, local governments,
6 landlords of multi-family apartment buildings, private nonprofit or
7 for-profit corporations, and the unit owners' associations of common
8 interest communities as defined in article 33.3 of title 38, C.R.S., to install
9 recharging TO OFFSET COSTS ASSOCIATED WITH CHARGING stations for
10 electric vehicles. The grants shall be prioritized based upon:

11 **SECTION 13.** In Colorado Revised Statutes, **repeal** 24-38.5-104
12 as follows:

13 **24-38.5-104. Photovoltaic installer qualifications - cooperation**
14 **with department of regulatory agencies.** (1) ~~Effective July 1, 2011, all~~
15 ~~photovoltaic installations funded wholly or partially through state or~~
16 ~~federal grants, including grants under the federal "American Recovery~~
17 ~~and Reinvestment Act of 2009", Pub.L. 111-5, shall be subject to the~~
18 ~~requirements set forth in section 40-2-128, C.R.S.~~

19 (2) ~~If the governor, by executive order, appoints a committee to~~
20 ~~study the desirability of credentialing of solar installers, the committee,~~
21 ~~or the Colorado energy office on the committee's behalf, is specifically~~
22 ~~authorized to submit a proposal for such credentialing to the department~~
23 ~~of regulatory agencies pursuant to section 24-34-104.1 (2). In addition,~~
24 ~~the committee may study and make recommendations concerning the~~
25 ~~scope-of-work provisions of section 40-2-128, C.R.S., specifically~~
26 ~~including enforcement of the supervision and worker ratio requirements~~
27 ~~of section 40-2-128 (1)(c) and (1)(d), C.R.S.~~

- 1 (2) "Energy efficiency improvement" means:
- 2 (a) ~~An upgrade to a structure, appliance, fixture, plumbing,~~
3 ~~heating or cooling system, or water heater in any existing residence that~~
4 ~~is intended to reduce the consumption of electricity, natural gas, water, or~~
5 ~~any other fuel or energy source; and~~
- 6 (b) ~~The installation or upgrade of building insulation, air sealing~~
7 ~~measures, and duct sealing in any existing residence.~~
- 8 (3) "Existing residence" means a residence, either single-family
9 detached or multi-family, that:
- 10 (a) ~~Is located in Colorado;~~
- 11 (b) ~~Is used as the qualified homebuyer's primary residence; and~~
- 12 (c) ~~Has a current home energy rating, as determined by a~~
13 ~~recognized green building rating system, that is below minimum~~
14 ~~standards, as determined by the energy code.~~
- 15 (4) "Green building incentive pilot program" or "pilot program"
16 means the green building incentive pilot program described in section
17 24-38.5-203.
- 18 (5) "Highly efficient new residential construction" means a new
19 single-family detached residence or new multi-family residence located
20 in Colorado that is designed and constructed to be at least twenty-five
21 percent more efficient than the energy code's requirements, as
22 documented by a recognized green building rating system.
- 23 (6) "Home energy audit" means an inspection, survey, and
24 analysis of a home's structure and systems in order to quantify the
25 building's projected energy consumption.
- 26 (7) "Home energy rating" means an objective and standard
27 measurement of a home's energy efficiency relative to standards

1 contained in an energy code, such as those developed by the residential
2 energy services network or any successor organization.

3 (8) "Qualified homebuyer" means a person that has entered into
4 a sales contract to purchase highly efficient new residential construction
5 and will be selling the person's existing residence in order to purchase the
6 highly efficient new residential construction as the person's primary
7 residence.

8 (9) "Recognized green building rating system" means a system of
9 rules for comparing the performance of a whole building or building
10 system to the energy code, to a problem, or to a test case that serves as a
11 basis for evaluation or comparison. "Recognized green building rating
12 system" includes, but is not limited to:

13 (a) The federal energy star program, jointly operated by the United
14 States environmental protection agency and the United States department
15 of energy, or its successor program;

16 (b) The January 2008 version, or any successor standard, of the
17 "LEED for Homes Rating System" administered by the United States
18 green building council or its successor organization;

19 (c) The national green building standard, commonly cited as
20 ANSI/ICC 700-2008, established by the national association of home
21 builders and the international council code, or any successor standard; and

22 (d) Energy audits that are performed by the electric utility, or its
23 designee, providing service to the residence.

24 **24-38.5-203. Green building incentive pilot program.**

25 (1) Except as provided in paragraph (b) of subsection (9) of this section,
26 the Colorado energy office shall establish and administer a green building
27 incentive pilot program in accordance with the requirements established

1 in this part 2:

2 ~~(2) (a) A qualified homebuyer may submit an application,~~
3 ~~provided by the Colorado energy office, to the Colorado energy office for~~
4 ~~a grant to make energy efficiency improvements to the homebuyer's~~
5 ~~existing residence that the homebuyer is selling in preparation for~~
6 ~~purchasing a highly efficient new residential construction.~~

7 ~~(b) The Colorado energy office shall award a larger grant to a~~
8 ~~qualified homebuyer with an existing residence that has a home energy~~
9 ~~rating or home energy audit showing greater inefficiency.~~

10 ~~(3) The energy efficiency improvements shall be performed by~~
11 ~~contractors approved by the Colorado energy office as specified in~~
12 ~~subsection (6) of this section.~~

13 ~~(4) The Colorado energy office shall require the qualified~~
14 ~~homebuyer to submit documentation:~~

15 ~~(a) That the home energy rating of the qualified homebuyer's~~
16 ~~existing residence is below the energy code's requirements;~~

17 ~~(b) That the qualified homebuyer has entered into a sales contract~~
18 ~~to purchase a highly efficient new residential construction;~~

19 ~~(c) Of the estimated completion date of the qualified homebuyer's~~
20 ~~highly efficient new residential construction;~~

21 ~~(d) Of the name or names of the contractors that will perform the~~
22 ~~energy efficiency improvements on the existing residence; and~~

23 ~~(e) That the highly efficient new residential construction meets the~~
24 ~~definition specified in section 24-38.5-202 (5). The qualified homebuyer~~
25 ~~may seek such documentation from the home builder, who may then~~
26 ~~submit the documentation on behalf of the qualified homebuyer.~~

27 ~~(5) Energy efficiency improvements made to an existing residence~~

1 shall be completed in a manner that is consistent with a home energy
2 rating or a home energy audit, and shall result in improved energy
3 efficiency. Retrofits and upgrades to improve the energy efficiency of a
4 qualified homebuyer's existing residence shall be completed before the
5 closing of the sale of the residence.

6 (6) The Colorado energy office shall create a list of contractors
7 eligible to perform energy efficiency improvements to a qualified
8 homebuyer's existing residence.

9 (7) In order to confirm that the qualified homebuyer met the
10 requirements of the pilot program, the qualified homebuyer shall submit
11 to the Colorado energy office copies of closing documentation for the
12 highly efficient new residential construction no later than thirty days after
13 the construction is complete. If construction is delayed and not completed
14 by the estimated completion date, the Colorado energy office may grant
15 a waiver or extension for submission of this documentation.

16 (8) If the purchase of the highly efficient new residential
17 construction is not finalized for any reason, including but not limited to
18 the cancellation of the sale by the qualified homebuyer or the failure of
19 the qualified homebuyer to secure financing, the qualified homebuyer
20 shall reimburse the total amount of the grant to the Colorado energy
21 office within thirty days after such cancellation or failure.

22 (9) (a) Funding for the pilot program shall be provided from
23 federal funds transferred to the Colorado energy office that the Colorado
24 energy office has already received prior to August 10, 2011, or may
25 receive after August 10, 2011. The Colorado energy office may require
26 additional documentation or information from the qualified homebuyer
27 as required to secure any additional federal funds.

1 department of housing and urban development.

2 (2) ~~"Certified contractor" means:~~

3 (a) ~~A contractor, including but not limited to a general, heating,~~
4 ~~air conditioning, or lighting contractor, certified by the program~~
5 ~~administrator to market the program to potential qualified borrowers and~~
6 ~~make clean energy improvements that may be financed by clean energy~~
7 ~~loans; and~~

8 (b) ~~A manufacturer or dealer of manufactured homes, as defined~~
9 ~~in section 24-32-3302, who is certified by the program administrator to~~
10 ~~market the program to potential qualified borrowers and make clean~~
11 ~~energy improvements that may be financed by clean energy loans.~~

12 (3) ~~"Clean energy improvement" means:~~

13 (a) ~~Any repair of or addition or improvement to residential real~~
14 ~~property completed by or under the supervision of a certified contractor~~
15 ~~that improves the energy efficiency of the property or replaces all or a~~
16 ~~portion of the energy from nonrenewable sources used in connection with~~
17 ~~the property with energy from renewable sources; and~~

18 (b) ~~Any installation of, or connection with, equipment that~~
19 ~~produces or conducts recycled energy or renewable energy resources, as~~
20 ~~defined in section 40-2-124, C.R.S., or solar heating and cooling systems,~~
21 ~~for use on residential or commercial real property if such installation or~~
22 ~~connection is completed by or under the supervision of a certified~~
23 ~~contractor.~~

24 (4) ~~"Clean energy loan" means a loan in a maximum amount of~~
25 ~~twelve thousand five hundred dollars originated by a participating public~~
26 ~~lender or a participating private lender, including but not limited to a bank~~
27 ~~or mortgage lender, to a qualified borrower for the purpose of financing~~

1 ~~one or more clean energy improvements to the borrower's primary~~
2 ~~residence, rental property, or place of business; except that, if the~~
3 ~~qualified borrower is a nonprofit corporation or local government housing~~
4 ~~authority that provides units in a multi-unit housing project as homes to~~
5 ~~individuals or families who meet the income qualifications of first tier or~~
6 ~~second tier qualified borrowers, the maximum amount of a loan shall be~~
7 ~~twelve thousand five hundred dollars multiplied by the number of units~~
8 ~~in the multi-unit housing project provided to the individuals or families.~~

9 (5) ~~"First tier qualified borrower" means a qualified borrower~~
10 ~~whose income is less than eighty percent of area median income.~~

11 (6) ~~"Office" means the Colorado energy office.~~

12 (7) ~~"Program" means the Colorado clean energy finance program.~~

13 (8) ~~"Program administrator" or "administrator" means one or more~~
14 ~~entities selected by the office to:~~

15 (a) ~~Market the program;~~

16 (b) ~~Recruit, train, and certify contractors;~~

17 (c) ~~Measure and verify, in accordance with standards established~~
18 ~~by the office, energy, emissions, and gross and net cost savings resulting~~
19 ~~from clean energy improvements financed by clean energy loans~~
20 ~~originated and serviced by participating public lenders and private~~
21 ~~lenders;~~

22 (d) ~~Encourage homeowners to participate in utility demand side~~
23 ~~management programs where applicable; and~~

24 (e) ~~Perform such other duties as may be authorized in this article~~
25 ~~or required by the office.~~

26 (9) ~~"Program fund" means the clean energy program fund created~~
27 ~~in section 24-38.7-103 (2)(a).~~

1 ~~(10) "Public lender" means a county, municipality, district,~~
2 ~~authority, or other political subdivision of the state authorized to make~~
3 ~~economic development, affordable housing, or housing rehabilitation~~
4 ~~loans.~~

5 ~~(11) "Qualified borrower" means an individual or family who~~
6 ~~owns his, her, or their primary residence and satisfies lending guidelines~~
7 ~~established by the program administrator or a Colorado charitable~~
8 ~~nonprofit corporation exempt from taxation under section 501 (c) (3) of~~
9 ~~the federal "Internal Revenue Code of 1986", as amended, or county or~~
10 ~~municipal housing authority that provides homes for ownership or rental~~
11 ~~to homeowners or renters who meet the income qualifications of first tier~~
12 ~~or second tier qualified borrowers.~~

13 ~~(12) "Second tier qualified borrower" means a qualified borrower~~
14 ~~whose income is eighty percent or more, but less than one hundred twenty~~
15 ~~percent, of area median income.~~

16 ~~(13) "Third tier qualified borrower" means a qualified borrower~~
17 ~~whose income is one hundred twenty percent or more of area median~~
18 ~~income.~~

19 **24-38.7-103. Colorado energy office - powers and duties -**
20 **program - fund created.** ~~(1) The Colorado clean energy finance~~
21 ~~program is hereby created. The office shall oversee the program and the~~
22 ~~program administrator and shall, in addition to exercising any other~~
23 ~~powers and performing any other duties specified in this article:~~

24 ~~(a) Select the program administrator in accordance with the~~
25 ~~provisions of the "Procurement Code", articles 101 to 112 of this title. In~~
26 ~~selecting the program administrator, the office shall consider the extent~~
27 ~~to which a potential program administrator has demonstrated experience~~

1 in recruiting, training, and certifying contractors or can otherwise
2 establish that it will be able to perform such functions:

3 (b) Directly market the program to the general public or contract
4 with the program administrator for the marketing of the program to the
5 general public;

6 (c) Develop and operate or contract with the program
7 administrator for the development and operation of a quality assurance,
8 measurement, and verification program to:

9 (I) Monitor the quality of clean energy improvement installations;

10 (II) Measure and report on energy, emissions, and gross and net
11 cost savings resulting from clean energy improvements financed by clean
12 energy loans; and

13 (III) Authorize participating lenders, certified contractors, and
14 qualified borrowers on whose property clean energy improvements are
15 made to use the "Colorado Clean & Green" logo or other logo and
16 marketing materials prepared in accordance with section 24-38.7-105.

17 (d) Determine, in consultation with the state treasurer, when the
18 administrative and procedural framework for the program and the
19 available administrative and financial resources for the program are
20 sufficiently developed to allow the office to effectively oversee the
21 program. No clean energy loan shall be marketed to a potential qualified
22 borrower, applied for by a potential qualified borrower, or made to a
23 qualified borrower until the office has determined that it is ready to
24 effectively oversee the program and instructed certified contractors to
25 begin marketing clean energy loans.

26 (e) Exercise such other powers and perform such other duties
27 necessary or incidental to or implied from the specific powers and duties

1 specified in this article.

2 ~~(2) (a) The clean energy program fund is hereby created in the~~
3 ~~state treasury, and the following accounts are hereby created in the fund:~~

4 ~~(I) The loan buy-down account; and~~

5 ~~(II) The loan loss reserve account.~~

6 ~~(b) The program fund and the accounts of the program fund shall~~
7 ~~consist of such moneys as the general assembly may appropriate thereto~~
8 ~~from the innovative energy fund created in section 24-38.5-102.5, the~~
9 ~~clean and renewable energy fund created in section 24-38.5-102.4, and~~
10 ~~any gifts, grants, or donations that may be made to the program fund. In~~
11 ~~accordance with section 24-36-113 (1)(a), which requires the state~~
12 ~~treasurer, in making investments, to use prudence and care to preserve the~~
13 ~~principal and to secure the maximum rate of interest consistent with~~
14 ~~safety and liquidity, if the general assembly chooses not to appropriate~~
15 ~~moneys to the program fund or to the accounts of the program fund,~~
16 ~~nothing in this article shall be deemed to require the state treasurer to~~
17 ~~credit any moneys to the program fund or the accounts of the program~~
18 ~~fund. All interest and income earned on the deposit and investment of~~
19 ~~moneys in the program fund and the accounts of the program fund shall~~
20 ~~be used for the loan buy-down account and the loan loss reserve account.~~
21 ~~Moneys in the loan buy-down account and loan loss reserve account of~~
22 ~~the program fund shall remain in the accounts and shall not be transferred~~
23 ~~to the general fund or any other fund at the end of any fiscal year.~~

24 ~~(3) (a) All moneys in the program fund are continuously~~
25 ~~appropriated to the office, and the office shall make payments from the~~
26 ~~loan buy-down account of the program fund to participating public~~
27 ~~lenders and private lenders to compensate the lenders for the reduction in~~

1 the amount of future interest payments resulting from the provision of
2 clean energy loans to first tier and second tier qualified borrowers at the
3 below-market interest rates determined pursuant to section 24-38.7-104
4 (2). The office shall pay the compensation for each clean energy loan by
5 paying to the lender a lump sum equal to the present value of the
6 reduction in future interest payments on the date the loan closes.

7 (b) The office shall make payments from the loan loss reserve
8 account of the program fund to compensate participating public lenders
9 and private lenders for the uncollectible amount of clean energy loans any
10 such lenders have written off. The office shall pay the compensation for
11 each uncollectible clean energy loan by paying to the lender a lump sum
12 equal to the present value of the uncollectible portion of the loan on the
13 date the lender wrote it off.

14 (c) The state treasurer shall periodically transfer moneys from the
15 loan buy-down account of the program fund to the loan loss reserve
16 account of the program fund to ensure that the balance of the loan loss
17 reserve account is at least five percent of the total principal amount of
18 outstanding clean energy loans made by participating public lenders and
19 private lenders. The administrator shall update the state treasurer
20 regarding outstanding clean energy loans originated by such lenders as
21 required by the state treasurer so that the state treasurer can accurately
22 determine the appropriate amount and timing of transfers.

23 (d) The state treasurer may invest up to a total amount of forty
24 million dollars of state moneys in bonds or notes issued by participating
25 public or private lenders for the purpose of funding clean energy loans
26 under this part 1 and under part 2 of this article during the 2008-09,
27 2009-10, and 2010-11 fiscal years subject to the following conditions:

1 ~~(I) The state treasurer may invest no more than fifteen million~~
2 ~~dollars during the 2008-09 fiscal year and no more than a total amount of~~
3 ~~twenty-five million dollars during the 2008-09 and 2009-10 fiscal years;~~
4 ~~and~~

5 ~~(II) Such investments shall be subject to the state treasurer's~~
6 ~~discretion and shall comply with the qualifications for state investments~~
7 ~~listed in section 24-36-113.~~

8 **24-38.7-104. Program administrator - training and**
9 ~~**certification of contractors - reporting.** (1) In accordance with terms~~
10 ~~contractually agreed to by the program administrator and the office,~~
11 ~~acting on behalf of the state, the program administrator shall implement~~
12 ~~and administer the program by:~~

13 ~~(a) Recruiting, selecting, screening, training, and certifying~~
14 ~~contractors, including but not limited to general, heating, air conditioning,~~
15 ~~and lighting contractors, to be certified contractors capable of marketing~~
16 ~~the program and completing clean energy improvements. The program~~
17 ~~administrator may charge contractors a reasonable fee for training and~~
18 ~~certification, and the recruiting, selection, screening, training, and~~
19 ~~certification process shall include, at a minimum:~~

20 ~~(I) Direct marketing of the program to contractors;~~

21 ~~(II) Financial and business practices background checks of~~
22 ~~contractors seeking to become certified contractors; and~~

23 ~~(III) Initial training that includes:~~

24 ~~(A) Education regarding the elements of the program, the~~
25 ~~financial and environmental benefits of clean energy improvements,~~
26 ~~including but not limited to specific education regarding products~~
27 ~~qualified to bear the federal energy star label, and recommended means~~

1 of marketing the program to potential program customers; and

2 ~~(B) The provision of information regarding additional required~~
3 ~~training and other requirements for contractors who may wish to become~~
4 ~~preferred contractors under the federal home performance with energy~~
5 ~~star program.~~

6 ~~(b) Issuing annual reports regarding the administration of the~~
7 ~~program as specified in subsection (3) of this section.~~

8 ~~(2) A potential qualified borrower shall apply for a clean energy~~
9 ~~loan by completing an initial loan application. The office or, at the~~
10 ~~discretion of the office, the program administrator or participating public~~
11 ~~lenders and private lenders shall prescribe the form of the loan application~~
12 ~~and shall determine, based on the application and such other information~~
13 ~~as the administrator may reasonably require from the applicant, whether~~
14 ~~the applicant is a qualified borrower and, if so, whether the qualified~~
15 ~~borrower is a first tier, second tier, or third tier qualified borrower.~~
16 ~~However, a participating public lender may only originate clean energy~~
17 ~~loans for first tier and second tier qualified borrowers. A qualified~~
18 ~~borrower may choose a loan term of up to ten years. The state treasurer~~
19 ~~shall, using a formula tied to a regularly published interest rate index~~
20 ~~selected by the state treasurer, determine a base annual rate of interest to~~
21 ~~be charged on loans made to third tier qualified borrowers. The state~~
22 ~~treasurer shall set an annual rate of interest for loans to second tier~~
23 ~~qualified borrowers by subtracting a number of basis points selected by~~
24 ~~the state treasurer from the base annual rate and shall set an annual rate~~
25 ~~of interest for loans to first tier qualified borrowers by subtracting a~~
26 ~~number of basis points selected by the state treasurer from the annual rate~~
27 ~~of interest for loans to second tier qualified borrowers. The interest rate~~

1 charged to a qualified borrower that is a nonprofit corporation or a
2 housing authority shall be the interest rate charged to second tier qualified
3 borrowers; except that the interest rate charged to a nonprofit corporation
4 or housing authority shall be the interest rate charged to first tier qualified
5 buyers if the nonprofit corporation or housing authority only provides the
6 housing for which the loan will finance clean energy improvements to
7 individuals or families who are first tier qualified borrowers.

8 (2.5) (a) The office shall not issue a clean energy loan under this
9 article for the installation of solar photovoltaic equipment to a qualified
10 borrower until the borrower certifies that:

11 (I) (A) The performance of all photovoltaic electrical work, the
12 installation of photovoltaic modules, and the installation of photovoltaic
13 module mounting equipment is subject to on-site supervision by a
14 certified photovoltaic energy practitioner as designated by the North
15 American board of certified energy practitioners (NABCEP) or a licensed
16 master electrician, licensed journeyman electrician, or licensed residential
17 wireman, as defined in section 12-23-101, C.R.S.

18 (B) In the case of building-integrated photovoltaic technology, if
19 the type of building-integrated photovoltaic technology installed or the
20 scope of the building-integrated photovoltaic installation involved does
21 not require a licensed master electrician, licensed journeyman electrician,
22 or licensed residential wireman to perform the installation work and the
23 installation work concerns the installation of roofing materials, the on-site
24 supervision may be performed by a certified solar energy installer, as
25 designated by NABCEP or roof integrated solar energy (RISE).

26 (C) For a building-integrated photovoltaic installation, a licensed
27 master electrician, licensed journeyman electrician, or licensed residential

1 wireman must perform the installation work for any stage of the
2 installation after the installation materials penetrate the roof, a structural
3 wall, or another part of the building, or any stage of the installation in
4 which the building-integrated photovoltaic materials transition to a
5 surface-mounted junction box and utilize types of conduit and building
6 wire that are approved by the national electrical code, as defined in
7 section 12-23-101 (3.2), C.R.S.

8 (D) By submitting an initial application for funding or an initial
9 contract proposal, the applicant assumes responsibility for employing or
10 contracting with one or more certified energy practitioners or licensed
11 master electricians, licensed journeyman electricians, or licensed
12 residential wiremen to supervise the installation and as necessary to
13 maintain the three-to-one ratio required by subparagraphs (H) and (I) of
14 this paragraph (a), including during any off-site, pre-installation
15 assembly. To receive final payment for the work, the applicant must
16 supply the name and certification number of each certified energy
17 practitioner or the license number of each master electrician, journeyman
18 electrician, or residential wireman who actually provided on-site
19 supervision or was present to maintain the three-to-one ratio required by
20 subparagraphs (H) and (I) of this paragraph (a).

21 (H) All work performed on the alternating-current side of the
22 inverter will be performed by an electrical contractor who employs a
23 licensed journeyman electrician or a licensed residential wireman who
24 will perform the work. All electrical work that pertains to article 23 of
25 title 12, C.R.S., will be performed by an electrical apprentice registered
26 with the appropriate state regulatory agency, a licensed journeyman
27 electrician, or a licensed residential wireman. The appropriate ratio of no

1 less than one journeyman or residential wireman for every three electrical
2 apprentices will be maintained.

3 ~~(III) On a system with a direct current design capacity of more
4 than five hundred kilowatts:~~

5 ~~(A) During any photovoltaic electrical work, the ratio of the
6 number of persons who are assisting with the work and who are neither
7 licensed electricians nor registered electrical apprentices to the number
8 of persons who are certified as provided in subparagraph (I) of this
9 paragraph (a) shall never exceed three to one, and a person who is both
10 licensed and certified shall not count double for purposes of measuring
11 this ratio; and~~

12 ~~(B) There shall be at least one on-site supervisor who is certified
13 as provided in subparagraph (I) of this paragraph (a) during the
14 installation of photovoltaic modules, the installation of photovoltaic
15 module mounting equipment, and any photovoltaic electrical work;
16 except that, if at any time during any of these stages, there are more than
17 twelve persons on the work site who are neither licensed electricians nor
18 registered electrical apprentices and who are not certified as provided in
19 subparagraph (I) of this paragraph (a), there shall be at least two persons
20 who are certified as provided in subparagraph (I) of this paragraph (a)
21 present on the work site and providing direct supervision.~~

22 ~~(IV) On a system with a direct current design capacity of five
23 hundred kilowatts or less:~~

24 ~~(A) During the installation of photovoltaic modules, the
25 installation of photovoltaic module mounting equipment, and any
26 photovoltaic electrical work, the ratio of the number of persons who are
27 assisting with the work and who are neither licensed electricians nor~~

1 ~~registered electrical apprentices to the number of persons who are~~
2 ~~certified as provided in paragraph (a) of this subsection (2.5) shall never~~
3 ~~exceed three to one, and a person who is both licensed and certified shall~~
4 ~~not count double for purposes of measuring this ratio; and~~

5 ~~(B) There shall be, at all times, at least one on-site supervisor who~~
6 ~~is certified as provided in subparagraph (I) of this paragraph (a).~~

7 ~~(b) As used in this subsection (2.5), the terms "photovoltaic~~
8 ~~electrical work" and "photovoltaic module mounting equipment" shall~~
9 ~~have the meanings set forth in section 40-2-128, C.R.S.~~

10 ~~(3)(a) No later than one year from the date of issuance of the first~~
11 ~~clean energy loan by a participating public lender or private lender~~
12 ~~pursuant to this article, and no later than the same date each subsequent~~
13 ~~year, the program administrator shall provide to the office a report~~
14 ~~detailing its administration of the program since its inception and for the~~
15 ~~prior fiscal year. The report shall include, at a minimum:~~

16 ~~(I) A detailed accounting of the financial status of the program,~~
17 ~~including statements regarding:~~

18 ~~(A) The total number and principal amount of clean energy loans~~
19 ~~originated and the number and principal amount of clean energy loans~~
20 ~~originated to first tier, second tier, and third tier qualified borrowers;~~

21 ~~(B) The total amount of outstanding principal and interest on~~
22 ~~clean energy loans owed by qualified borrowers and the amount of such~~
23 ~~principal and interest owed by first tier, second tier, and third tier~~
24 ~~qualified borrowers;~~

25 ~~(C) The total number and principal and interest amounts of any~~
26 ~~uncollectible clean energy loans written off by participating public~~
27 ~~lenders and private lenders and the number and principal amounts of such~~

1 loans issued to first tier, second tier, and third tier qualified borrowers;

2 (D) ~~The total amount of bonds or other notes in which the state~~
3 ~~treasurer has invested as authorized by section 24-38.7-103 (3)(d), the~~
4 ~~payments made on such bonds or other notes, and the payments to be~~
5 ~~made in the future on such bonds or other notes; and~~

6 (E) ~~The amounts paid to participating public lenders and private~~
7 ~~lenders by the office pursuant to section 24-38.7-103 (3)(a) and (3)(b) and~~
8 ~~any contracts entered into by the state and the administrator as authorized~~
9 ~~by this article;~~

10 (H) ~~Estimates of the total energy, emissions, and gross and net~~
11 ~~cost savings resulting from clean energy improvements financed by clean~~
12 ~~energy loans; and~~

13 (HH) ~~Any recommended program improvements.~~

14 (b) ~~Subject to the limitation set forth in section 24-1-136 (11), no~~
15 ~~later than January 30, 2010, and no later than each January 30 thereafter,~~
16 ~~the office shall report to the transportation and energy committee of the~~
17 ~~house of representatives and the agriculture, natural resources, and energy~~
18 ~~committee of the senate, or any successor committees, regarding the~~
19 ~~program. The report shall include the information provided to the office~~
20 ~~in the program administrator's annual report and whatever additional~~
21 ~~information the office deems relevant to fully apprise the committees~~
22 ~~regarding the status of the program.~~

23 **24-38.7-105. Administration - "Colorado Clean & Green"**
24 **designation - cash funding.** (1) ~~The office, or the administrator under~~
25 ~~the direction of the office, may produce or cause to be produced a suitable~~
26 ~~design or drawing, referred to in this section as the "logo", to be used in~~
27 ~~the marketing of clean energy loans and clean energy improvements. The~~

1 logo may, but is not required to, contain the slogan "Colorado Clean &
2 Green" or other words or symbols as the office in its discretion may deem
3 appropriate.

4 (2) The title to the logo and copyrights for all marketing materials
5 using the logo shall at all times remain in and be reserved to the office.

6 (3) The logo, or any reproduction, copy, or facsimile thereof, may
7 not be used in any advertising, display, labeling, or identification without
8 prior written permission from the office.

9 (4) A lender, certified contractor, or qualified borrower that
10 complies with this article and the office's qualifications for use of the logo
11 shall be permitted to use the logo in advertising, labeling, or marketing of
12 products and services.

13 (5) The cost of the design and production of the logo shall be
14 recovered through license fees. The office or administrator may condition
15 the design and production of the logo on the receipt of gifts, grants,
16 donations, or advance deposits in an amount sufficient to defray the costs
17 of design and production.

18 PART 2

19 THIRD-PARTY COMMERCIAL

20 SOLAR ENERGY INSTALLATIONS

21 **24-38.7-201. Legislative declaration.** This part 2 is intended to
22 complement part 1 of this article by facilitating clean energy loans for
23 larger-scale commercial, industrial, and institutional installations of solar
24 heating or cooling and solar electric generation facilities, which hold
25 great potential for clean energy development but in which the size
26 limitations, economic incentives, and industry practices applicable to
27 small residential installations either cannot be duplicated or are not

1 economically feasible.

2 **24-38.7-202. Definitions.** ~~As used in this part 2, unless the~~
3 ~~context otherwise requires:~~

4 (1) ~~"Clean energy improvement" means an installation of solar~~
5 ~~heating, solar cooling, or solar electric generation equipment and any~~
6 ~~related controls, meters, wiring, and other facilities on commercial,~~
7 ~~industrial, or government-owned real property.~~

8 (2) ~~"Clean energy loan" means a loan originated by a participating~~
9 ~~public lender or a participating private lender, including but not limited~~
10 ~~to a bank or mortgage lender, for the purpose of financing one or more~~
11 ~~clean energy improvements to commercial, industrial, or~~
12 ~~government-owned real property, subject to the following conditions:~~

13 (a) ~~The loan may, but need not, be to an independent third party~~
14 ~~rather than to the owner of the property or to a public utility.~~

15 (b) ~~The loan may be for a fixed term of twenty years.~~

16 (c) ~~The loan may be a fully assumable, nonrecourse loan and may~~
17 ~~not be subject to any prepayment penalty.~~

18 (d) ~~The amount of the loan may exceed the amount stated in~~
19 ~~section 24-38.7-102 (4).~~

20 (3) ~~"Office" means the Colorado energy office.~~

21 (4) ~~"Public lender" means a county, municipality, district,~~
22 ~~authority, or other political subdivision of the state authorized to make~~
23 ~~economic development, affordable housing, or housing rehabilitation~~
24 ~~loans. "Public lender" includes, without limitation, the Colorado housing~~
25 ~~and finance authority.~~

26 **24-38.7-203. Colorado energy office - administrator - state**
27 **treasurer - powers and duties - statement of intent.** (1) ~~The office and~~

1 the administrator shall administer this part 2 substantially in accordance
2 with part 1 of this article, except with regard to:

3 (a) ~~The definitions of terms common to both part 1 of this article
4 and this part 2, as such definitions are modified in this part 2; and~~

5 (b) ~~Provisions that, in the judgment and discretion of the office,
6 the administrator, and the state treasurer, are appropriate only in the
7 context of small residential installations under part 1 of this article.~~

8 (2) ~~The provisions of part 1 of this article and of article 36 of this
9 title concerning the type and quality of investments made by the state
10 treasurer shall continue to apply. The general assembly intends that the
11 extension of the program under this part 2 be accomplished as seamlessly
12 as possible, within existing appropriations, and with minimal disruption
13 to the current practices of the office, the administrator, and the state
14 treasurer.~~

15 **SECTION 16.** In Colorado Revised Statutes, 38-35.7-106, **repeal**
16 (2), (3), (4), and (5) as follows:

17 **38-35.7-106. Solar prewire option - solar consultation.**

18 (2) ~~Every person that builds a new single-family detached residence for
19 sale, whether or not the residence has been prewired for a photovoltaic
20 solar generation system, shall provide to every buyer under contract a list
21 of businesses in the area that offer residential solar installation services
22 so that the buyer, if he or she so desires, can obtain expert help in
23 assessing whether the residence is a good candidate for solar installation
24 and how much of a cost savings a residential photovoltaic solar
25 generation system could provide. The list of businesses shall be derived
26 from a master list of Colorado solar installers maintained by the Colorado
27 energy office.~~

1 (3) ~~The Colorado energy office shall maintain and update, as~~
2 ~~appropriate, a master list of Colorado solar installers and shall make the~~
3 ~~master list available, upon request, to any person that requests a copy. The~~
4 ~~Colorado energy office may specify qualifications for businesses to be~~
5 ~~included in the master list and shall make the master list available on its~~
6 ~~official website.~~

7 (4) ~~Providing the master list of solar installers prepared by the~~
8 ~~Colorado energy office to a buyer under contract shall not constitute an~~
9 ~~endorsement of any installer or contractor listed. A person that builds a~~
10 ~~new single-family detached residence shall not be liable for any advice,~~
11 ~~labor, or materials provided to the buyer by a third-party solar installer.~~

12 (5) ~~The Colorado energy office or its designees shall offer~~
13 ~~periodic training sessions on residential photovoltaic solar generation~~
14 ~~systems or solar thermal systems to persons that build new single-family~~
15 ~~detached residences. The Colorado energy office may assess and collect~~
16 ~~from participants a registration fee, not to exceed the actual costs of~~
17 ~~providing such training.~~

18 **SECTION 17.** In Colorado Revised Statutes, 39-22-516.8, **repeal**
19 (14) as follows:

20 **39-22-516.8. Tax credit for innovative trucks - definitions -**
21 **repeal.** (14) (a) ~~During the calendar year ending December 31, 2018, the~~
22 ~~Colorado energy office created in section 24-38.5-101, C.R.S., shall~~
23 ~~determine whether category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 medium or~~
24 ~~heavy duty trucks generate life-cycle emissions materially greater than~~
25 ~~comparable medium or heavy duty trucks using traditional fuel. Such a~~
26 ~~life-cycle analysis must include the direct emissions regulated by the~~
27 ~~United States environmental protection agency or by the department of~~

1 ~~public health and environment that are associated with producing,~~
2 ~~transporting, and using the alternative or traditional fuels. The Colorado~~
3 ~~energy office shall consider the likely adoption of future technology at~~
4 ~~each stage of the life-cycle.~~

5 (b) ~~In making the determinations described in paragraph (a) of this~~
6 ~~subsection (14), the Colorado energy office shall consider public input,~~
7 ~~any analysis or reports prepared by the department of public health and~~
8 ~~environment, other states, or the United States environmental protection~~
9 ~~agency, and any peer-reviewed studies conducted in the United States that~~
10 ~~evaluate similar matters.~~

11 (c) ~~In the event that category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 medium~~
12 ~~or heavy duty trucks are shown to generate life-cycle emissions materially~~
13 ~~greater than comparable traditional fuel trucks, then the Colorado energy~~
14 ~~office shall notify the department of revenue that no tax credit specified~~
15 ~~in this section is available for such trucks for the income tax years~~
16 ~~commencing on or after January 1, 2019, but before January 1, 2022;~~
17 ~~except that the Colorado energy office may determine if a particular~~
18 ~~category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 truck model or engine does not~~
19 ~~generate life-cycle emissions materially greater than a comparable~~
20 ~~traditional fuel truck model or engine and is thus allowed a credit for a~~
21 ~~given income tax year, or the Colorado energy office may allow a credit~~
22 ~~if the taxpayer can demonstrate that the taxpayer has a long-term fuel~~
23 ~~contract for his or her category 4, 4 A, 4 B, 4 C, 7, 7 A, or 9 truck from~~
24 ~~a green fuel provider, such that the life-cycle emissions from such truck~~
25 ~~are not materially greater than the emissions of a comparable traditional~~
26 ~~fuel truck. For purposes of this paragraph (c), "green fuel provider"~~
27 ~~means the alternative fuel is produced and delivered by providers that~~

1 ~~have adopted best practices for low life-cycle emissions. On or before~~
2 ~~January 1, 2019, and on or before each January 1 thereafter through~~
3 ~~January 1, 2021, the Colorado energy office and the department of~~
4 ~~revenue shall, through their respective websites, specify which category~~
5 ~~4, 4 A, 4 B, 4 C, 7, 7 A, or 9 medium or heavy duty trucks are not allowed~~
6 ~~a credit for a given income tax year.~~

7 **SECTION 18.** In Colorado Revised Statutes, **amend** 39-27-109.7
8 as follows:

9 **39-27-109.7. Data collection services.** In order to track the
10 movement of gasoline or special fuel within this state and thereby
11 facilitate and expedite the collection of excise taxes imposed pursuant to
12 this part 1, the executive director of the department of revenue may enter
13 into a contract with one or more private entities for the provision of a
14 computer-based program to monitor and track the data that licensees are
15 required to report to the department pursuant to this part 1. Such
16 computer-based program shall be funded solely with moneys from the
17 highway users tax fund. ~~except that, for the state fiscal year 2009-10, up~~
18 ~~to thirty-seven thousand six hundred thirty dollars for the computer-based~~
19 ~~program to monitor and track exempt dyed diesel fuel that is blended with~~
20 ~~biodiesel fuel after withdrawal at a terminal rack or refinery rack pursuant~~
21 ~~to section 39-27-102.5 (2) (a) may be funded by moneys received by the~~
22 ~~governor's energy office created in section 24-38.5-101, C.R.S., as said~~
23 ~~office existed prior to July 1, 2012, from the United States department of~~
24 ~~energy.~~ The department shall update the computer-based program to
25 monitor and track the data that liquefied petroleum licensees are required
26 to report to the department pursuant to this part 1 based on the changes in
27 House Bill 15-1228, enacted in 2015.

1 **SECTION 19.** In Colorado Revised Statutes, 42-3-228, **amend**
2 (2) and (3) as follows:

3 **42-3-228. Special plates - Colorado carbon fund.** (2) The
4 Colorado carbon fund ~~established by the Colorado energy office,~~ may
5 design the Colorado carbon fund special license plates. The design for the
6 special license plates shall conform with standards established by the
7 department and shall be subject to the department's approval.

8 (3) A person may apply for the Colorado carbon fund special
9 license plates if the person pays the taxes and fees required under this
10 section and provides to the department or an authorized agent a
11 certificate, issued by ~~the Colorado energy office, or a successor office,~~
12 NATURAL CAPITALISM SOLUTIONS, A 501 (c)(3) NONPROFIT ORGANIZATION,
13 confirming that such person has made to the Colorado carbon fund, or its
14 successor, the donation required to qualify for the special license plates.

15 **SECTION 20.** In Colorado Revised Statutes, 42-3-304, **amend**
16 (25)(a); and add (26) as follows:

17 **42-3-304. Registration fees - passenger and passenger-mile**
18 **taxes - clean screen fund - definitions - repeal.** (25) (a) Beginning
19 January 1, 2014, THROUGH DECEMBER 31, 2017, in addition to any other
20 fee imposed by this section, county clerks and recorders shall annually
21 collect a fee of fifty dollars at the time of registration on every plug-in
22 electric motor vehicle. County clerks and recorders shall transmit the fee
23 to the state treasurer, who shall credit thirty dollars of each fee to the
24 highway users tax fund created in section 43-4-201, ~~C.R.S.~~, and twenty
25 dollars of each fee to the electric vehicle grant fund created in section
26 24-38.5-103. ~~C.R.S.~~

27 (26) (a) (I) BEGINNING JANUARY 1, 2018, IN ADDITION TO ANY

1 OTHER FEE IMPOSED BY THIS SECTION, COUNTY CLERKS AND RECORDERS
2 SHALL ANNUALLY COLLECT A FEE OF NINETY-FIVE DOLLARS AT THE TIME
3 OF REGISTRATION ON EVERY BATTERY ELECTRIC MOTOR VEHICLE. COUNTY
4 CLERKS AND RECORDERS SHALL TRANSMIT THE FEE TO THE STATE
5 TREASURER, WHO SHALL CREDIT SIXTY-FIVE DOLLARS OF EACH FEE TO THE
6 HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201, AND THIRTY
7 DOLLARS OF EACH FEE TO THE ELECTRIC VEHICLE GRANT FUND CREATED
8 IN SECTION 24-38.5-103.

9 (II) BEGINNING JANUARY 1, 2018, IN ADDITION TO ANY OTHER FEE
10 IMPOSED BY THIS SECTION, COUNTY CLERKS AND RECORDERS SHALL
11 ANNUALLY COLLECT A FEE OF SIXTY-FIVE DOLLARS AT THE TIME OF
12 REGISTRATION ON EVERY PLUG-IN HYBRID ELECTRIC MOTOR VEHICLE.
13 COUNTY CLERKS AND RECORDERS SHALL TRANSMIT THE FEE TO THE STATE
14 TREASURER, WHO SHALL CREDIT THIRTY-FIVE DOLLARS OF EACH FEE TO
15 THE HIGHWAY USERS TAX FUND CREATED IN SECTION 43-4-201, AND
16 THIRTY DOLLARS OF EACH FEE TO THE ELECTRIC VEHICLE GRANT FUND
17 CREATED IN SECTION 24-38.5-103.

18 (b) THE DEPARTMENT OF REVENUE SHALL CREATE AN ELECTRIC
19 VEHICLE DECAL, WHICH A COUNTY CLERK AND RECORDER SHALL GIVE TO
20 EACH PERSON WHO PAYS THE FEE CHARGED UNDER THIS SUBSECTION (26).
21 THE DECAL MUST BE ATTACHED TO THE UPPER RIGHT-HAND CORNER OF
22 THE FRONT WINDSHIELD ON THE MOTOR VEHICLE FOR WHICH IT WAS
23 ISSUED. IF THERE IS A CHANGE OF VEHICLE OWNERSHIP, THE DECAL IS
24 TRANSFERABLE TO THE NEW OWNER.

25 (c) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
26 REQUIRES:

27 (I) "BATTERY ELECTRIC MOTOR VEHICLE" MEANS A MOTOR

1 VEHICLE THAT:

2 (A) CAN BE RECHARGED FROM ANY EXTERNAL SOURCE OF
3 ELECTRICITY, WHERE THE ELECTRICITY IS STORED IN A RECHARGEABLE
4 BATTERY PACK THAT PROPELS OR CONTRIBUTES TO PROPEL THE VEHICLE'S
5 DRIVE WHEELS;

6 (B) DOES NOT HAVE AN ENGINE CAPABLE OF RUNNING ON A LIQUID
7 FUEL SUCH AS GASOLINE, COMPRESSED NATURAL GAS, OR DIESEL FUEL;

8 AND

9 (C) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST FIFTY-FIVE
10 MILES PER HOUR.

11 (II) "PLUG-IN ELECTRIC MOTOR VEHICLE" MEANS A MOTOR
12 VEHICLE THAT:

13 (A) CAN BE RECHARGED FROM ANY EXTERNAL SOURCE OF
14 ELECTRICITY, WHERE THE ELECTRICITY IS STORED IN A RECHARGEABLE
15 BATTERY PACK THAT PROPELS OR CONTRIBUTES TO PROPEL THE VEHICLE'S
16 DRIVE WHEELS;

17 (B) HAS AN ENGINE CAPABLE OF RUNNING ON A LIQUID FUEL SUCH
18 AS GASOLINE, COMPRESSED NATURAL GAS, OR DIESEL FUEL; AND

19 (C) HAS A MAXIMUM SPEED CAPABILITY OF AT LEAST FIFTY-FIVE
20 MILES PER HOUR.

21 **SECTION 21.** In Colorado Revised Statutes, 29-4-226, **amend**
22 (1) introductory portion as follows:

23 **29-4-226. Exemption from special assessments.** (1) The
24 following shall be exempt from the payment of any special assessments
25 to the state, any county, city and county, municipality, or other political
26 subdivision of the state, EXCEPT FOR ASSESSMENTS ISSUED UNDER PART 1
27 OF ARTICLE 20 OF TITLE 32:

1 **SECTION 22.** In Colorado Revised Statutes, 32-20-105, **amend**
2 (3) introductory portion as follows:

3 **32-20-105. District - purpose - general powers and duties -**
4 **new energy improvement program.** (3) The district shall establish,
5 develop, finance, and administer a new energy improvement program.
6 However, the district may conduct the program within any given county
7 only if the board of county commissioners of the county has adopted a
8 resolution authorizing the district to conduct the program within the
9 county. If a county adopts a resolution authorizing the district to conduct
10 the program within the county, the county treasurer shall retain a
11 collection fee as specified in section 30-1-102 (1)(c) ~~C.R.S.~~, for each
12 special assessment that it collects as part of the program. The board of
13 county commissioners of any county that has adopted a resolution
14 authorizing the district to conduct the program within the county may
15 subsequently adopt a resolution deauthorizing the district from
16 conducting the program within the county. However, if the county adopts
17 a deauthorizing resolution, the county shall continue to meet all of its
18 obligations under this ~~article~~ ARTICLE 20 as to program financing
19 obligations existing on the effective date of the deauthorization until any
20 and all special assessments within the county have been paid in full and
21 remitted to the district. The district shall design the program to allow an
22 owner of eligible real property to apply to join the district, receive
23 reimbursement or a direct payment from the district, and consent to the
24 levying of a special assessment on the eligible real property specially
25 benefited by a new energy improvement for which the district makes
26 reimbursement or a direct payment. The district shall establish an
27 application process for the program that allows an owner of eligible real

1 property to become a qualified applicant by submitting an application to
2 the district and that may include one or more deadlines for the filing of an
3 application. EXCEPT AS SPECIFIED IN SECTION 32-20-111, the application
4 process must require the applicant to submit with the application a
5 commitment of title insurance issued by a duly licensed Colorado title
6 insurance company within thirty days before the date the application is
7 submitted. The district may charge program application fees. In order to
8 administer the program, the district, acting directly or through a program
9 administrator or other agents, employees, or professionals as the district
10 may appoint, hire, retain, or contract with, may aggregate qualified
11 applicants into one or more bond issues and shall:

12 **SECTION 23.** In Colorado Revised Statutes, 32-20-106, **amend**
13 (3)(a) introductory portion as follows:

14 **32-20-106. Special assessments - determination of special**
15 **benefits - notice and hearing requirements - certification of**
16 **assessment roll - manner of collection.** (3) (a) The district may levy a
17 special assessment against eligible real property specially benefited by a
18 new energy improvement based on the cost to the district of the new
19 energy improvement. The district shall initiate the levy of any special
20 assessment by the adoption of a resolution of the board that sets the
21 special assessment, approves the preparation of a preliminary special
22 assessment roll, and sets a date for a public hearing regarding the special
23 assessment roll. The district shall prepare a preliminary special
24 assessment roll listing all special assessments to be levied. The district
25 may post notice of the hearing on the special assessment on any district
26 internet website and shall, EXCEPT AS SPECIFIED IN SECTION 32-20-111,
27 send notice that the special assessment roll has been completed and notice

1 of a hearing on the special assessment roll no later than thirty days before
2 the hearing date to:

3 **SECTION 24.** In Colorado Revised Statutes, **add** 32-20-111 as
4 follows:

5 **32-20-111. Procedure if lien subordination not sought.** THE
6 PROVISIONS OF THIS ARTICLE 20 PERTAINING TO THE REQUIREMENT OF
7 TITLE INSURANCE CONTAINED IN SECTION 32-20-105 (3) AND THE
8 PROVISION OF NOTICE, OBJECTION, AND APPEAL CONTAINED IN SECTION
9 32-20-106 (3)(a)(I), (3)(a)(II), (3)(b), AND (3)(c), AND ALL SECTIONS
10 REFERENCING THESE SECTIONS, DO NOT APPLY TO RESIDENTIAL ELIGIBLE
11 REAL PROPERTY IF THE PROPERTY OWNER OR PRIVATE THIRD PARTY THAT
12 IS FINANCING THE IMPROVEMENTS ARE NOT SEEKING TO SUBORDINATE THE
13 PRIORITY OF EXISTING MORTGAGES PURSUANT TO SECTION 32-20-105
14 (3)(i).

15 **SECTION 25.** In Colorado Revised Statutes, 22-41-110, **amend**
16 (1)(b)(II) and (1)(b)(III); and **repeal** (1)(b)(IV) as follows:

17 **22-41-110. Timely payment of school district obligations.**

18 (1) (b) This section applies to:

19 (II) Obligations of a school district in connection with a lease
20 agreement or installment purchase agreement entered into by a school
21 district under section 22-32-127 or 22-45-103 (1)(c) on or after July 1,
22 1991; AND

23 (III) Refunding bonds issued by a school district pursuant to
24 article 56 of title 11. ~~C.R.S.~~; and

25 ~~(IV) Obligations of a school district in connection with a loan~~
26 ~~received under the renewable energy and energy efficiency for schools~~
27 ~~loan program created in section 22-92-104.~~

1 **SECTION 26.** In Colorado Revised Statutes, 39-29-109.5,
2 **amend** (3) introductory portion, (3)(c), and (3)(d); and **repeal** (3)(e) as
3 follows:

4 **39-29-109.5. Interest differential - public school energy**
5 **efficiency fund - creation - uses - definitions - repeal.** (3) The Colorado
6 energy office shall use ~~moneys~~ MONEY appropriated from the fund to
7 establish and manage a program to improve energy efficiency in public
8 schools. In administering the program, the office shall give consideration
9 to whether a public school or school district is located in an area socially
10 or economically impacted by the development, processing, or energy
11 conversion of minerals and mineral fuels subject to taxation under this
12 article. The program shall include the following features:

13 (c) Assisting school districts in increasing the effectiveness of
14 their utility budget management; AND

15 (d) Providing training and supporting resources related to energy
16 efficiency for school districts. ~~and~~

17 ~~(e) Providing funding for the administration of the renewable~~
18 ~~energy and energy efficiency for schools loan program created in section~~
19 ~~22-92-104, C.R.S.~~

20 **SECTION 27. No appropriation.** The general assembly has
21 determined that section 2 of this act can be implemented within existing
22 appropriations, and therefore no separate appropriation of state money is
23 necessary to carry out the purposes of section 2 of this act.

24 **SECTION 28. Appropriation - adjustments to 2017 long bill.**
25 To implement this act, the general fund appropriation made in the annual
26 general appropriation act for the 2017-18 state fiscal year to the office of
27 the governor for use by the Colorado energy office for program

1 administration is decreased by \$70,000.

2 **SECTION 29. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.