



Legislative  
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**SB 18-003**

# FINAL FISCAL NOTE

<b>Drafting Number:</b>	LLS 18-0697	<b>Date:</b>	September 7, 2018
<b>Prime Sponsors:</b>	Sen. Scott Rep. Hansen; Becker J.	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** COLORADO ENERGY OFFICE

**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>minimal</i> )	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill concerns the mission of the Colorado Energy Office (CEO). It will create an ongoing minimal state workload increase.

**Appropriation Summary:** No appropriation is required.

**Fiscal Note Status:** The fiscal note reflects the enacted bill.

## Summary of Legislation

This bill makes changes to the Colorado Energy Office (CEO). Specifically, the bill renames two funds that support the office and modifies fund requirements; it repeals several mostly inactive CEO programs; and it creates certain new requirements for the office.

**Energy Fund and Innovative Energy Fund.** The bill renames the Clean and Renewable Energy Fund as the Energy Fund and adds educating the general public on energy issues and opportunities to the list of authorized uses of the fund. For the Innovative Energy Fund, the bill removes the requirement that expenditures are limited only to innovative energy efficiency projects and policy development grants and loans.

**Program repeals.** The bill repeals several statutory programs and requirements in the CEO that are primarily defunct, including:

- the Wind for Schools Grant Program;
- the Renewable Energy and Energy Efficiency for Schools Loan Program;
- the Green Building Incentive Pilot Program;
- the Clean Energy Finance Program;
- its involvement with the Forest Service and the Air Quality Control Commission to support the increased use of woody biomass;
- its involvement in grants with the Colorado Energy Research Institute for the development of a central resource for building trade professionals;
- its participation in the Pollution Prevention Advisory Board Assistance Committee;

- its responsibility to maintain a list of solar installers, which is transferred to a nonprofit organization;
- a provision funding a computer system for tracking the movement of gasoline or special fuel in the state in FY 2009-10; and
- its administration of the Colorado Carbon Fund Special License Plate, which is transferred to a nonprofit organization.

**New requirements.** The bill creates the following new requirements for the CEO:

- adds nuclear power, propane, and energy storage systems to the list of energy sources and systems that the CEO must promote; and
- requires it to collaborate with energy industries and executive departments when developing and encouraging increased utilization of energy curricula.

## **Background**

**Colorado Energy Office funding.** The General Assembly did not reauthorize the transfer of \$3.1 million to the Clean and Renewable Energy Fund and the Innovative Energy Fund during the 2017 legislative session. The CEO filled the state funding gap by securing temporarily repurposed U.S. Department of Energy funds, which allowed CEO staff to remain in place to work on federally approved programs. The Joint Budget Committee included and the legislature approved an appropriation of \$3.1 million and 16.5 FTE for the CEO in the FY 2018-19 Long Bill.

**Background on programs that repeal under SB 18-003.** The programs repealed by SB 18-003 are primarily defunct, as described below.

- *Wind for School Grant Program.* The Wind for Schools program was created in 2007 and dispersed 12 grants to schools totaling \$60,000 over several years. Previously, the grant program was funded primarily by federal American Recovery and Reinvestment Act money. This program is statutorily contingent on federal participation, which ended in 2013.
- *Renewable Energy and Energy Efficiency for Schools Loan Program.* The Renewable Energy and Energy Efficiency for Schools program was created in 2009 as a partnership between the CEO and the State Treasurer's Office to provide schools with loans for energy improvements to buildings. No applications have been received since the program's inception.
- *Green Building Incentive Pilot Program.* The Green Building Incentive program was a federally funded pilot program completed in 2012.
- *Clean Energy Finance Program.* The Clean Energy Finance Program never launched. Intended to be a partnership between the CEO and the State Treasurer's Office, the program would have allowed the investment of state funds in bonds for a clean energy program.
- *Carbon Fund special license plate.* The license plate was originally issued in 2008. In 2012, the CEO transferred the sponsorship of this plate to a nonprofit.

## **State Expenditures**

The bill creates a minimal workload increase for the CEO to implement the new requirements under the bill.

**Effective Date**

The bill was signed into law by the Governor and took effect on June 1, 2018.

**State and Local Government Contacts**

Colorado Energy Office  
Governor  
Local Affairs  
Public Health and Environment  
Revenue

Education  
Information Technology  
Natural Resources  
Regulatory Agencies