



Legislative  
Council Staff

*Nonpartisan Services for Colorado's Legislature*

HB 19-1003

REVISED  
FISCAL NOTE

(replaces fiscal note dated January 14, 2019)

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<b>Drafting Number:</b>	LLS 19-0692	<b>Date:</b>	March 28, 2019
<b>Prime Sponsors:</b>	Rep. Hansen Sen. Foote; Story	<b>Bill Status:</b>	House Second Reading
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**Bill Topic:** COMMUNITY SOLAR GARDENS MODERNIZATION ACT

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**Summary of Fiscal Impact:**

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure ( <i>minimal</i> )	<input checked="" type="checkbox"/> Local Government ( <i>minimal, not estimated</i> )
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill increases the maximum size of a community solar garden from two to five megawatts; modifies requirements related to subscriber location; and requires electrical supervision and inspection for community solar gardens producing over two megawatts. In FY 2019-20 only, the bill creates a minimal workload increase for state government. The impact on local governments is expected to be minimal and has not been estimated.

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

**Fiscal Note Status:** The revised fiscal note reflects the introduced bill, as amended by the House Energy and Environment Committee and by the House Appropriations Committee.

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## Summary of Legislation

This bill modifies the definition of "community solar garden" (CSG) to mean a solar electric generation facility with a nameplate rating of five megawatts; the rating is two megawatts under current law. The bill also modifies the definition of "subscriber" so that customers no longer need to be in the same or adjacent county as the CSG, but only the service territory of the qualifying retail utility. Finally, the bill requires any CSG exceeding two megawatts to have an electrician's on-site supervision for any photovoltaic electrical work and for initial installation to be subject to final electrical inspection.

## Background

Under current law, CSGs, which are currently defined as generating less than two megawatts of electricity, are valued by the county assessor. Solar energy facilities, which are defined as generating more than two megawatts of electricity, are valued by the State Assessed section of the Division of Property Taxation in the Department of Local Affairs (DOLA) because these facilities are considered public utilities.

As of January 2019, there are 231 megawatts at Xcel Energy and about 13 megawatts at Black Hills Energy of CSGs that are operational or committed through 2019.

**State Expenditures**

In FY 2019-20 only, DOLA and the Department of Regulatory Agencies (DORA) will have a workload increase to implement the bill.

**Division of Property Taxation — DOLA.** The Division of Property Taxation will have a minimal workload increase to amend existing property statement forms for renewable energy properties and develop procedures for assessing CSG above two megawatts in FY 2019-20. The division will also need to determine the eligibility of each CSG over two megawatts for the property tax exemption in current law that repeals at the end of calendar year 2020. These workload increases can be accomplished within existing resources.

**Public Utilities Commission — DORA.** The Public Utilities Commission will perform rulemaking to conform with the bill in FY 2019-20. This rulemaking can be accomplished within the normal course of the commission's business.

**Local Government**

Any local property tax decrease resulting from the expanded CSG definition is expected to be minimal and will depend on future CSG development.

**Effective Date**

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

**State and Local Government Contacts**

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