A BILL FOR AN ACT

CONCERNING THE REDUCTION OF BUILDING GREENHOUSE GAS EMISSIONS, AND, IN CONNECTION THEREWITH, REQUIRING THE COLORADO ENERGY OFFICE TO IDENTIFY FOR ADOPTION THREE MODEL CODES, REQUIRING LOCAL GOVERNMENTS AND CERTAIN STATE AGENCIES TO ADOPT AND ENFORCE CODES THAT ARE CONSISTENT WITH TWO OF THE MODEL CODES, ENCOURAGING LOCAL GOVERNMENTS AND CERTAIN STATE AGENCIES TO ADOPT AND ENFORCE CODES THAT ARE CONSISTENT WITH THE THIRD MODEL CODE, CREATING THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM, CREATING THE HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM, AND ESTABLISHING THE CLEAN AIR BUILDING INVESTMENTS FUND.
The bill requires the Colorado energy office (office) to identify for adoption 3 sets of model code language:

- Model electric and solar ready code language;
- Model low energy and carbon code language; and
- Model green code language.

On or before January 1, 2025, municipalities, counties, the office of the state architect, the division of housing, and the division of fire prevention and control shall adopt and enforce an energy code that achieves equivalent or better energy performance than the 2021 international energy conservation code and the model electric and solar ready code language identified for adoption by the office.

On or before January 1, 2030, municipalities, counties, the office of the state architect, the division of housing, and the division of fire prevention and control shall adopt and enforce an energy code that achieves equivalent or better energy and carbon emissions performance than the model low energy and carbon code language identified for adoption by the office.

In the event of a conflict between the 2021 international energy conservation code, the 2024 international energy conservation code, or any of these 3 sets of model code language and either the Colorado plumbing code or the national electric code, the Colorado plumbing code or the national electric code prevails.

The bill creates 2 primary grant programs:

- The building electrification for public buildings grant program to provide grants to local governments, school districts, state agencies, and special districts for the installation of high-efficiency electric heating equipment; and
- The high-efficiency electric heating and appliances grant program to provide grants to local governments, utilities, nonprofit organizations, and housing developers for the installation of high-efficiency electric heating equipment in multiple structures within a neighborhood.

The bill establishes the clean air building investments fund, a continuously appropriated cash fund, to fund the creation, implementation, and administration of both of these grant programs.
The bill also requires the following transfers from the general fund:

- $3 million to the energy fund created for the Colorado energy office to issue grants and provide training related to the 2021 international energy conservation code, electric and solar ready codes, and low energy and carbon codes;
- $10 million to the clean air building investments fund for the creation, implementation, and administration of the building electrification for public buildings grant program; and
- $12 million to the clean air building investments fund for the creation, implementation, and administration of the high-efficiency electric heating and appliances grant program.

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

SECTION 1. In Colorado Revised Statutes, add 24-38.5-113 as follows:

24-38.5-113. Model energy codes - transfer - report - definitions. (1) As used in this section, unless the context otherwise requires:

(a) "Acceptable refrigerant" means a refrigerant that is:

(I) Listed as acceptable in 42 U.S.C. sec. 7671k of the federal "Clean Air Act" and used in equipment that is listed and installed pursuant to the use conditions imposed within that section; and

(II) Listed as acceptable in Appendix U and Appendix V of Subpart G of 40 CFR 82 and used in equipment that is listed and installed pursuant to the use conditions imposed within those appendices.

(b) "Electric ready" means adequate panel capacity, dedicated electric panel space, electrical wire, electrical
RECEPTACLES, AND ADEQUATE PHYSICAL SPACE TO ACCOMMODATE FUTURE INSTALLATION OF HIGH-EFFICIENCY ELECTRIC APPLIANCES INCLUDING HEATING, WATER HEATING, COOKING, DRYING, AND AN ELECTRIC VEHICLE.

(c) (I) "EV CAPABLE" MEANS A PARKING SPACE THAT:

(A) HAS THE ELECTRICAL PANEL CAPACITY AND CONDUIT INSTALLED TO SUPPORT FUTURE IMPLEMENTATION OF ELECTRICAL VEHICLE CHARGING WITH A MINIMUM OF TWO HUNDRED EIGHT VOLTS AND A MINIMUM OF FORTY-AMPERE RATED CIRCUITS; AND

(B) IS ADJACENT TO THE TERMINAL POINT OF THE CONDUIT FROM THE ELECTRICAL FACILITIES DESCRIBED IN SUBSECTION (1)(c)(I)(A) OF THIS SECTION.

(II) "EV CAPABLE" INCLUDES TWO ADJACENT PARKING SPACES IF THE CONDUIT FOR THE ELECTRICAL FACILITIES DESCRIBED IN SUBSECTION (1)(c)(I)(A) OF THIS SECTION TERMINATES ADJACENT TO AND BETWEEN BOTH PARKING SPACES.

(d) (I) "EV READY" MEANS A PARKING SPACE THAT:

(A) HAS THE ELECTRICAL PANEL CAPACITY, RACEWAY WIRING, RECEPTACLE, AND CIRCUIT OVERPROTECTION DEVICES INSTALLED TO SUPPORT FUTURE IMPLEMENTATION OF ELECTRICAL VEHICLE CHARGING WITH A MINIMUM OF TWO HUNDRED EIGHT VOLTS AND A MINIMUM OF FORTY-AMPERE RATED CIRCUITS; AND

(B) IS ADJACENT TO THE RECEPTACLE FOR THE ELECTRICAL FACILITIES DESCRIBED IN SUBSECTION (1)(d)(I)(A) OF THIS SECTION.

(II) "EV READY" INCLUDES TWO ADJACENT PARKING SPACES IF THE RECEPTACLE FOR THE ELECTRICAL FACILITIES DESCRIBED IN SUBSECTION (1)(d)(I)(A) OF THIS SECTION IS INSTALLED ADJACENT TO AND BETWEEN
BOTH PARKING SPACES,

(e) "EV SUPPLY EQUIPMENT" MEANS:

(I) AN ELECTRIC VEHICLE CHARGING SYSTEM AS DEFINED IN
SECTION 38-12-601 (6)(a) THAT HAS POWER CAPACITY OF AT LEAST 6.2
KILOWATTS AND HAS THE ABILITY TO CONNECT TO THE INTERNET; OR

(II) AN INDUCTIVE RESIDENTIAL CHARGING SYSTEM FOR
BATTERY-POWERED ELECTRIC VEHICLES THAT:

(A) IS CERTIFIED BY UNDERWRITERS LABORATORIES OR AN
EQUIVALENT CERTIFICATION;

(B) COMPLIES WITH THE CURRENT VERSION OF ARTICLE 625 OF THE
NATIONAL ELECTRICAL CODE, PUBLISHED BY THE NATIONAL FIRE
PROTECTION ASSOCIATION, AND OTHER APPLICABLE INDUSTRY
STANDARDS;

(C) IS ENERGY STAR CERTIFIED; AND

(D) HAS THE ABILITY TO CONNECT TO THE INTERNET.

(e) "INDIVIDUAL WITH A DISABILITY" HAS THE SAME MEANING AS
SET FORTH IN THE FEDERAL "AMERICANS WITH DISABILITIES ACT OF
IMPLEMENTING REGULATIONS.

(f) "INTERNATIONAL ENERGY CONSERVATION CODE" MEANS THE
ENERGY CODE PUBLISHED BY THE INTERNATIONAL CODE COUNCIL, OR
SUBSEQUENT CODE OR ENTITY.

(g) "MIXED FUEL USE BUILDING" MEANS A RESIDENTIAL OR
COMMERCIAL BUILDING THAT IS DESIGNED AND BUILT WITH EQUIPMENT
THAT USES GASEOUS FUELS ON SITE IN ADDITION TO ELECTRICITY.

(h) "PROVISIONS FOR ELECTRICAL SERVICE CAPACITY" MEANS:

(I) BUILDING ELECTRICAL SERVICE, SIZED FOR THE ANTICIPATED
LOAD OF ELECTRIC VEHICLE CHARGING STATIONS, THAT HAS OVER
CURRENT PROTECTION DEVICES NECESSARY FOR ELECTRIC VEHICLE
CHARGING STATIONS OR HAS ADEQUATE SPACE TO ADD OVER CURRENT
PROTECTION DEVICES;

(II) A CONDUIT SYSTEM INSTALLED FROM BUILDING ELECTRICAL
SERVICE TO PARKING SPACES THAT CAN SUPPORT, AT A MINIMUM,
ELECTRICAL WIRING FOR INSTALLATION OF ELECTRIC VEHICLE CHARGING
STATIONS, AND, IF THE CONDUIT SYSTEM IS FOR FUTURE INSTALLATION OF
ELECTRIC VEHICLE CHARGING STATIONS, THAT LABELS BOTH ENDS OF THE
CONDUIT SYSTEM TO MARK THE CONDUIT SYSTEM AS PROVIDED FOR
FUTURE ELECTRIC VEHICLE CHARGING STATIONS; AND

(III) SPACE WITHIN A BUILDING TO ADD ADDITIONAL BUILDING
ELECTRICAL SERVICE FOR INSTALLATION OF ELECTRICAL SERVICE
CAPACITY FOR ELECTRIC VEHICLE CHARGING STATIONS.

(i) "Solar ready" means adequate panel capacity,
DEDICATED ELECTRICAL PANEL SPACE, ELECTRICAL CONDUIT, PHYSICAL
ROOF SPACE, AND STRUCTURAL LOAD TO ACCOMMODATE FUTURE
INSTALLATION OF SOLAR PANELS, WITH EXEMPTIONS FOR SMALL ROOFS
AND CONSISTENTLY SHADED ROOFS.

(j) "State agencies" means the Office of the State
ARCHITECT, THE DIVISION OF FIRE PREVENTION AND CONTROL, AND THE
DIVISION OF HOUSING.

(2) (a) BEFORE JULY 1, 2023, THE COLORADO ENERGY OFFICE
SHALL IDENTIFY FOR ADOPTION MODEL ELECTRIC AND SOLAR READY CODE
LANGUAGE.

(b) THE COLORADO ENERGY OFFICE SHALL CONSULT WITH LOCAL
GOVERNMENTS, BUILDERS, THE DIVISION OF HOUSING WITHIN THE
DEPARTMENT OF LOCAL AFFAIRS, AFFORDABLE HOUSING EXPERTS, AND OTHER STAKEHOLDERS BEFORE IDENTIFYING MODEL ELECTRIC AND SOLAR READY CODE LANGUAGE FOR ADOPTION.

(c) The model electric and solar ready code language identified for adoption by the Colorado energy office must include the following provisions for residential or commercial buildings subject to the code:

(I) Solar ready requirements;

(II) EV ready and EV capable requirements for residential buildings;

(III) EV ready, EV capable, and EV supply equipment installed requirements for multifamily and commercial buildings with provisions for electrical service capacity in twenty percent or more of the vehicle parking spaces in the garage or parking area;

(IV) Electric ready requirements for all single-family residential mixed fuel use buildings;

(V) Electric ready requirements for multi-family and small commercial mixed fuel use buildings under ten thousand square feet; and

(VI) Requirements that multi-family and large commercial mixed fuel use buildings ten thousand square feet or greater provide dedicated electric panel space, electrical wire, electrical receptacles, and adequate panel capacity to accommodate the future installation of efficient, electric technologies and charging for electric vehicles. These requirements must take into account the cost-effectiveness of
PRE-WIRING FOR EFFICIENT ELECTRIC EQUIPMENT AND THE ABILITY TO
DETERMINE WHAT WIRING AND RECEPTACLE LOCATIONS WOULD BE
NEEDED.

(d) In identifying the model electric ready and solar
ready code language for multi-family and large commercial
mixed fuel use for buildings ten thousand square feet or
greater, the Colorado energy office shall:

(I) Consult with building and construction industry
experts including architects, building and construction trade
unions, building engineers, commercial building owners,
commercial developers, electrical contractors, electrical
engineers, energy efficiency experts, licensed electricians,
licensed plumbers, local and state building officials,
mechanical engineers, mechanical and plumbing contractors,
and multi-family residential homebuilders;

(II) Develop clear guidelines to be included in the model
energy ready and solar ready codes that seek to minimize the
costs that builders, building owners, and developers incur in
meeting electric ready and solar ready code language
requirements while also ensuring that buildings can be
converted to high efficiency electric heating equipment and
appliances at the lowest possible cost to building owners. These
guidelines must include provisions for:

(A) A standard methodology for determining how to
calculate or measure when compliance with the model codes
reaches a substantial cost differential that would require a
waiver or variance for some or all of the provisions of the
MODEL CODE; AND

(B) AN EVIDENCE-BASED, UNIFORM WAIVER OR VARIANCE PROCESS TO ALLOW A BUILDER, DEVELOPER, OR BUILDING OWNER TO REQUEST A WAIVER WHEN IT CAN BE DEMONSTRATED WITH REASONABLE EVIDENCE THAT COMPLIANCE WILL CREATE A SUBSTANTIAL COST DIFFERENTIAL; AND

(III) AS USED IN SUBSECTION (2)(d)(II), "SUBSTANTIAL COST DIFFERENTIAL" MEANS ONE PERCENT OR GREATER OF THE TOTAL MECHANICAL, ELECTRICAL, OR PLUMBING CONSTRUCTION COSTS ON THE PROJECT.

(3) (a) AFTER THE PUBLICATION OF THE 2024 INTERNATIONAL ENERGY CONSERVATION CODE, BUT NOT LATER THAN JANUARY 1, 2025, THE COLORADO ENERGY OFFICE SHALL IDENTIFY FOR ADOPTION MODEL LOW ENERGY AND CARBON CODE LANGUAGE THAT CONSISTS OF:

(I) THE MORE ENERGY EFFICIENT OF EITHER THE 2021 OR 2024 INTERNATIONAL ENERGY CONSERVATION CODE, EXCEPT AS THE COLORADO ENERGY OFFICE MAY MODIFY IT PURSUANT TO SUBSECTIONS (3)(c) AND (3)(d) OF THIS SECTION, INCLUDING ANY APPENDICES THAT THE COLORADO ENERGY OFFICE DEEMS APPROPRIATE; AND

(II) THE MODEL ELECTRIC AND SOLAR READY CODE LANGUAGE IDENTIFIED FOR ADOPTION BY THE COLORADO ENERGY OFFICE PURSUANT TO SUBSECTION (2) OF THIS SECTION, AND MODIFIED AS THE COLORADO ENERGY OFFICE DEEMS APPROPRIATE.

(b) THE COLORADO ENERGY OFFICE SHALL CONSULT WITH LOCAL GOVERNMENTS, BUILDERS, THE DIVISION OF HOUSING WITHIN THE DEPARTMENT OF LOCAL AFFAIRS, AFFORDABLE HOUSING EXPERTS, AND OTHER STAKEHOLDERS BEFORE IDENTIFYING MODEL LOW ENERGY AND
CARBON CODE LANGUAGE FOR ADOPTION.

(c) The Colorado Energy Office may relax the stringency of any requirements in the International Energy Conservation Code that it adopts as part of the Model Low Energy and Carbon Code pursuant to subsection (3)(a)(I) of this section, including appendices, if it deems that doing so is appropriate, but the Colorado Energy Office shall not increase the stringency of any requirements in the International Energy Conservation Code including appendices that it adopts as part of the Model Low Energy and Carbon Code pursuant to subsection (3)(a)(I) of this section.

(d) The Model Low Energy and Carbon Code language identified for adoption by the Colorado Energy Office must:

(I) Provide compliance pathways for all-electric and mixed fuel use residential and commercial buildings;

(II) Exempt electricity consumption in residential and commercial buildings from any onsite or offsite renewable energy requirements;

(III) Allow projects consisting of only replacing a space or water heating system, at the end of that system’s useful life, with the installation of a new system using the same fuel or power source, without triggering pre-wire requirements.

(IV) Ensure that for any renewable energy measures used to ensure that a home or commercial building is compliant with the Model Low Energy and Carbon Code language identified by the Colorado Energy Office, any electric renewable energy credits generated may not be double counted between
COMPLIANCE WITH THIS SECTION AND REQUIREMENTS UNDER SECTION 25-7-105 (1)(e), SECTION 40-3.2-108 (3)(b), OR ANY SIMILAR GREENHOUSE GAS EMISSION REDUCTION PROGRAM OR SET OF REQUIREMENTS. NOTHING IN THIS SECTION SHALL PRECLUDE A UTILITY FROM ACQUIRING RENEWABLE ENERGY CREDITS FROM A BUILDING OWNER THROUGH A NET-METERING AGREEMENT; AND

(V) TAKE INTO ACCOUNT HOME AFFORDABILITY.

(4) BEFORE JULY 1, 2024, THE COLORADO ENERGY OFFICE SHALL IDENTIFY MODEL GREEN CODE LANGUAGE FOR ADOPTION. THE COLORADO ENERGY OFFICE SHALL PROMOTE THE VOLUNTARY ADOPTION OF THIS MODEL GREEN CODE LANGUAGE.

(5) (a) THE DIRECTOR OF THE COLORADO ENERGY OFFICE SHALL APPOINT AND CONVENE AN ENERGY CODE ADVISORY BOARD.

(b) NO LATER THAN OCTOBER 1, 2022, THE ENERGY CODE ADVISORY BOARD SHALL IDENTIFY A MODEL ELECTRIC READY AND SOLAR READY CODE FOR ADOPTION BY COUNTIES, MUNICIPALITIES, AND STATE AGENCIES.

(c) NO LATER THAN JUNE 30, 2023, THE ENERGY CODE ADVISORY BOARD SHALL IDENTIFY A MODEL LOW ENERGY AND LOW CARBON CODE FOR ADOPTION BY COUNTIES, MUNICIPALITIES, AND STATE AGENCIES.

(d) IN ORDER FOR THE ENERGY CODE ADVISORY BOARD TO IDENTIFY AN ENERGY CODE PURSUANT TO EITHER SUBSECTION (5)(b) OR (5)(c) OF THIS SECTION, THE DEPARTMENT OF LOCAL AFFAIRS AND THE COLORADO ENERGY OFFICE MUST FIRST VERIFY THAT THE ENERGY CODES IDENTIFIED FOR ADOPTION COMPLY WITH THE STATUTORY INTENT OF HOUSE BILL 22-1362.

(d)(I) THE ADVISORY BOARD SHALL SUNSET SEPTEMBER 1, 2027.
(II) Prior to the repeal of this section, the Department of Regulatory Agencies shall conduct a sunset review as described in Section 24-34-104 (5).

(6) The use of an acceptable refrigerant may not be prohibited or otherwise restricted by a locality, county, or other state rule or regulation; except that nothing in this article 38.5 may be construed to prohibit, limit, or otherwise modify the requirements of Regulation Number 22, 5 CCR 1001-26, as amended, or any entity's procurement requirements for their own use.

(6) (a) Any energy code adopted by either a local government or state agency in accordance with this section must not apply to construction or renovation that serves the primary purpose of making a building accessible or more accessible for an individual with a disability.

(b) As used in this subsection (6), "accessible" means able to be approached, entered, and used.

(7) On or before December 31, 2025, the Colorado Energy Office shall submit a report to the Energy and Environment Committee of the House of Representatives and the Transportation and Energy Committee of the Senate, or any successor committees. At a minimum, the report must include:

(a) An analysis of the projected carbon emissions of buildings that will be subject to low energy and carbon codes adopted pursuant to sections 24-30-1303 (1), 24-32-3305 (3.5), 24-33-1203 (1)(x), 30-28-211 (3), and 31-15-602 (3) during 2040 and 2050; and
(b) (I) A determination as to whether the low energy and carbon code language identified for adoption by the Colorado Energy Office will need to be updated to ensure the building sector emissions reductions necessary to achieve the economy-wide greenhouse gas pollution reduction targets established in section 25-7-102 (2)(g).

(II) If the Colorado Energy Office concludes that the low energy and carbon code language will need to be updated, it shall propose legislative options for implementing such updates and include those options in the report submitted pursuant to this subsection (7).

(8) (a) The Colorado Energy Office shall provide energy code training to assist local governments, divisions in the executive branch of state government, builders, and contractors in adopting and implementing the 2021 International Energy Conservation Code, electric and solar ready codes, and low energy and carbon codes. The training and materials provided along with this training must be in both English and Spanish.

(b) If it is able to obtain funding, the Colorado Energy Office shall provide financial assistance through an application process to support the adoption and enforcement by local governments of the 2021 International Energy Conservation Code, an electric and solar ready code, and a low energy and carbon code.

(9) The Colorado Energy Office shall adopt policies and procedures as necessary for the creation and administration of
A GRANT PROGRAM TO AWARD THE GRANTS DESCRIBED IN SUBSECTION (10)(a)(I) OF THIS SECTION, INCLUDING POLICIES AND PROCEDURES THAT AT A MINIMUM ESTABLISH THE APPLICATION PROCESS AND THE GRANT AWARD CRITERIA.

(10) (a)  WITHIN THREE DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (10)(a), THE STATE TREASURER SHALL TRANSFER THREE MILLION DOLLARS FROM THE GENERAL FUND TO THE ENERGY FUND CREATED IN SECTION 24-38.5-102.4. THE COLORADO ENERGY OFFICE SHALL EXPEND THE MONEY TRANSFERRED BY THE GENERAL ASSEMBLY PURSUANT TO THIS SUBSECTION (10)(a) FOR THE PURPOSES OF:

(I) ISSUING GRANTS, NOT TO EXCEED A TOTAL OF TWO MILLION DOLLARS, TO LOCAL GOVERNMENTS TO SUPPORT THEIR ADOPTION AND ENFORCEMENT OF THE 2021 INTERNATIONAL ENERGY CONSERVATION CODE, AN ELECTRIC AND SOLAR READY CODE, AND A LOW ENERGY AND CARBON CODE AND COVERING THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH ISSUING THESE GRANTS; AND

(II) PROVIDING ENERGY CODE TRAINING AND TECHNICAL ASSISTANCE, INCLUDING GRANT WRITING ASSISTANCE, NOT TO EXCEED A TOTAL COST OF ONE MILLION DOLLARS, TO ASSIST LOCAL GOVERNMENTS AND DIVISIONS IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT IN ADOPTING AND ENFORCING THE 2021 INTERNATIONAL ENERGY CONSERVATION CODE, AN ELECTRIC AND SOLAR READY CODE, A LOW ENERGY AND CARBON CODE, OR A GREEN CODE AND COVERING THE DIRECT AND INDIRECT COSTS ASSOCIATED WITH ALIGNING ENERGY CODES AND WITH PROVIDING THIS TRAINING AND TECHNICAL ASSISTANCE.

(b)  WITHIN THREE DAYS AFTER THE EFFECTIVE DATE OF THIS SUBSECTION (10)(b), THE STATE TREASURER SHALL TRANSFER ONE
MILLION DOLLARS FROM THE GENERAL FUND TO THE ENERGY FUND
CREATED IN SECTION 24-38.5-102.4. THE COLORADO ENERGY OFFICE
SHALL EXPEND THE MONEY TRANSFERRED BY THE GENERAL ASSEMBLY
PURSUANT TO THIS SUBSECTION (10)(b) FOR THE PURPOSE OF PROVIDING
ENERGY CODE TRAINING TO ASSIST ARCHITECTS, BUILDERS,
CONTRACTORS, AND DESIGNERS IN IMPLEMENTING THE 2021
INTERNATIONAL ENERGY CONSERVATION CODE, ELECTRIC AND SOLAR
READY CODES, AND LOW ENERGY AND CARBON CODES. THE TRAINING AND
MATERIALS PROVIDED ALONG WITH THIS TRAINING MUST BE IN BOTH
ENGLISH AND SPANISH.

SECTION 2. In Colorado Revised Statutes, add 24-38.5-114 as
follows:

24-38.5-114. Building electrification for public buildings grant
program - creation - report - legislative declaration. (1) THE GENERAL
ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:
(a) EMISSIONS FROM HEATING BUILDINGS ARE ONE OF THE FIVE
LARGEST SOURCES OF GREENHOUSE GAS POLLUTION IN COLORADO;
(b) MANY PUBLIC BUILDINGS OWNED BY LOCAL GOVERNMENTS,
SCHOOL DISTRICTS, INSTITUTES OF HIGHER EDUCATION, AND OTHER
GOVERNMENTAL ENTITIES ARE OLDER BUILDINGS WITH BOTH HIGH ENERGY
COSTS AND EMISSIONS;
(c) ENERGY PERFORMANCE CONTRACTING IS AN IMPORTANT TOOL
THAT GOVERNMENTAL ENTITIES CAN USE TO UPGRADE THE ENERGY
PERFORMANCE OF BUILDINGS BY FINANCING ENERGY UPGRADES BASED ON
PROJECTED SAVINGS IN ENERGY COSTS;
(d) NEWER TECHNOLOGIES SUCH AS COLD CLIMATE HEAT PUMPS
AND HEAT PUMP WATER HEATERS OFFER MANY OPPORTUNITIES TO REDUCE
GREENHOUSE GAS AND NITROGEN OXIDE EMISSIONS AND IMPROVE INDOOR AIR QUALITY; AND

(e) THEREFORE, IT IS IMPORTANT FOR STATE INVESTMENTS TO SUPPORT PUBLIC AGENCIES IN INCLUDING HIGH-EFFICIENCY ELECTRIC HEATING UPGRADES IN ENERGY PERFORMANCE CONTRACTS FOR PUBLIC BUILDINGS.

(2) THERE IS CREATED IN THE COLORADO ENERGY OFFICE THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM TO PROVIDE GRANTS TO INSTITUTES OF HIGHER EDUCATION, LOCAL GOVERNMENTS, SCHOOL DISTRICTS, STATE AGENCIES, AND SPECIAL DISTRICTS FOR THE INSTALLATION OF HIGH-EFFICIENCY ELECTRIC HEATING EQUIPMENT.

(3) GRANTEES MAY USE MONEY RECEIVED THROUGH THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM FOR THE FOLLOWING PURPOSES:

(a) THE PURCHASE AND INSTALLATION OF HIGH-EFFICIENCY ELECTRIC EQUIPMENT FOR SPACE HEATING, WATER HEATING, OR COOKING;

(b) THE PURCHASE OF ELECTRICAL INSTALLATIONS AND UPGRADES NECESSARY TO SUPPORT THE INSTALLATION OF HIGH-EFFICIENCY ELECTRIC EQUIPMENT;

(c) THE PURCHASE AND INSTALLATION OF OTHER INNOVATIVE BUILDING HEATING TECHNOLOGIES THAT THE COLORADO ENERGY OFFICE DETERMINES WILL LIKELY ACHIEVE EQUAL OR LOWER LEVELS OF GREENHOUSE GAS EMISSIONS THAN HIGH EFFICIENCY HEAT PUMPS OPERATED ON THE PROJECTED 2030 ELECTRIC GRID; AND

(d) IN THE CASE OF ELIGIBLE ENTITIES FROM LOW-INCOME, DISPROPORTIONATELY IMPACTED COMMUNITIES, OR JUST TRANSITION
COMMUNITIES AS THOSE COMMUNITIES ARE IDENTIFIED BY THE COLORADO ENERGY OFFICE, TO COVER THE ADMINISTRATIVE COSTS ASSOCIATED WITH THE PURCHASE AND INSTALLATION DESCRIBED IN SUBSECTIONS (3)(a), (3)(b), AND (3)(c) OF THIS SECTION.

(4) The Colorado energy office shall administer the building electrification for public buildings grant program, award grants as provided in this section, and develop policies and procedures as necessary to implement the grant program.

(5) Grants shall be paid out of the clean air buildings investments fund created in section 24-38.5-116.

(6) The Colorado energy office may develop policies and procedures prioritizing the grant applications of eligible entities from low-income, disproportionately impacted communities, or just transition communities as those communities are identified by the Colorado energy office and the Colorado energy office shall award at least thirty percent of the total amount of money it awards through grants pursuant to the building electrification for public buildings grant program to such eligible entities.

(7)(a) To receive a grant, an eligible entity must submit an application to the Colorado energy office in accordance with the policies and procedures specified by the Colorado energy office.

(b) The Colorado energy office shall provide technical assistance in applying for grants through the building electrification for public buildings grant program as needed to eligible entities from low-income, disproportionately impacted
COMMUNITIES, OR JUST TRANSITION COMMUNITIES AS THOSE COMMUNITIES ARE IDENTIFIED BY THE COLORADO ENERGY OFFICE.

(8) (a) EACH GRANTEE THAT RECEIVES A GRANT THROUGH THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM SHALL SUBMIT AN ANNUAL REPORT TO THE COLORADO ENERGY OFFICE FOR THE FIRST FIVE YEARS AFTER RECEIVING THE GRANT.

(b) (I) ON OR BEFORE FEBRUARY 1, 2024, AND ON EACH YEAR THEREAFTER, THE COLORADO ENERGY OFFICE SHALL SUBMIT A SUMMARIZED REPORT TO THE TRANSPORTATION AND ENERGY COMMITTEE OF THE SENATE AND THE ENERGY AND ENVIRONMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, ON THE BUILDING ELECTRIFICATION FOR PUBLIC BUILDINGS GRANT PROGRAM. AT A MINIMUM, THIS SUMMARIZED REPORT MUST INCLUDE:

(A) A DESCRIPTION OF THE GRANTS AWARDED, INCLUDING A DESCRIPTION OF THE PROJECTS FUNDED BY THE GRANTS AS DESCRIBED TO THE COLORADO ENERGY OFFICE IN THE GRANT APPLICATIONS;

(B) THE PERCENTAGE OF GRANTS AWARDED TO LOW-INCOME, DISPROPORTIONATELY IMPACTED, OR JUST TRANSITION COMMUNITIES, AND TO INDIVIDUALS WITH A DISABILITY OR ENTITIES THAT USED THE GRANTS TO PROVIDE A SERVICE FOR INDIVIDUALS WITH A DISABILITY; AND

(C) TO THE EXTENT AVAILABLE, THE IMPACTS OF THE GRANTS ON GAS USE, ELECTRICITY USE, EMISSIONS, AND ENERGY COSTS.

(II) THIS SUBSECTION (8)(b) IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 3. In Colorado Revised Statutes, add 24-38.5-115 as follows:

24-38.5-115. High-efficiency electric heating and appliances grant program - creation - report - legislative declaration. (1) THE
GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

(a) EMISSIONS FROM HEATING BUILDINGS ARE ONE OF THE FIVE LARGEST SOURCES OF GREENHOUSE GAS POLLUTION IN COLORADO;

(b) OVER A MILLION COLORADANS LIVE IN ENERGY BURDENED HOUSEHOLDS THAT SPEND FIVE PERCENT OR MORE OF THEIR HOUSEHOLD INCOME ON ENERGY EXPENDITURES;

(c) NEWER TECHNOLOGIES SUCH AS COLD CLIMATE HEAT PUMPS AND HEAT PUMP WATER HEATERS OFFER MANY OPPORTUNITIES TO REDUCE GREENHOUSE GAS AND NITROGEN OXIDE EMISSIONS AND IMPROVE INDOOR AIR QUALITY;

(d) ENERGY UPGRADES TO RESIDENTIAL AND COMMERCIAL BUILDINGS MAY BE MORE COST EFFECTIVE AND EASIER TO IMPLEMENT WHEN DEPLOYED AT THE NEIGHBORHOOD SCALE, AND NEIGHBORHOOD-SCALE UPGRADES MAY ALLOW UTILITIES TO AVOID OR DEFER INVESTMENTS IN GAS AND ELECTRIC DISTRIBUTION, THEREBY REDUCING COSTS FOR ALL UTILITY RATEPAYERS; AND

(e) THEREFORE, IT IS IMPORTANT FOR THE STATE TO SUPPORT INVESTMENTS IN NEIGHBORHOOD-SCALE ENERGY EFFICIENCY UPGRADES.

(2) THERE IS CREATED IN THE COLORADO ENERGY OFFICE THE HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM TO PROVIDE GRANTS TO INSTITUTIONS OF HIGHER EDUCATION, LOCAL GOVERNMENTS, UTILITIES, NONPROFIT ORGANIZATIONS, BUSINESSES AND OTHER ENTITIES AS DETERMINED BY THE COLORADO ENERGY OFFICE; AND HOUSING DEVELOPERS FOR THE INSTALLATION OF HIGH-EFFICIENCY ELECTRIC HEATING EQUIPMENT IN MULTIPLE STRUCTURES WITHIN A NEIGHBORHOOD.

(3) GRANTEES MAY USE THE MONEY RECEIVED THROUGH THE
HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM

FOR THE FOLLOWING PURPOSES:

(a) The purchase and installation of high-efficiency electric equipment for space heating, water heating, or cooking in multiple residential or commercial buildings located in close proximity;

(b) The purchase of electrical installations and upgrades necessary to support the installation of high-efficiency electric equipment;

(c) The purchase and installation of other innovative building heating technologies that the Colorado Energy Office determines will likely achieve equal or lower levels of greenhouse gas emissions than high efficiency heat pumps operated on the projected 2030 electric grid; and

(d) In the case of local governments, electric and gas utilities, nonprofit organizations, businesses and other entities as determined by the Colorado Energy Office, or housing developers that operate in low-income, disproportionately impacted communities, or just transition communities as those communities are identified by the Colorado Energy Office, to cover the administrative costs associated with the purchase and installation described in subsections (3)(a), (3)(b), and (3)(c) of this section.

(4) The Colorado Energy Office shall administer the high-efficiency electric heating and appliances grant program, award grants as provided in this section, and develop policies and procedures as necessary to implement the grant program.
(5) Grants shall be paid out of the Clean Air Buildings Investments Fund created in section 24-38.5-116.

(6) The Colorado Energy Office may develop policies and procedures prioritizing the grant applications of local governments, electric and gas utilities, nonprofit organizations, businesses and other entities as determined by the Colorado Energy Office, or housing developers that operate in low-income, disproportionately impacted communities, or just transition communities as those communities are identified by the Colorado Energy Office and the Colorado Energy Office shall award at least thirty percent of the total amount of money it awards through grants pursuant to the high-efficiency electric heating and appliances grant program to such local governments, electric and gas utilities, nonprofit organizations, businesses and other entities as determined by the Colorado Energy Office, or housing developers.

(7) (a) To receive a grant, a local government, electric or gas utility, nonprofit organization, business and other entity as determined by the Colorado Energy Office, or housing developer must submit an application to the Colorado Energy Office in accordance with the policies and procedures specified by the Colorado Energy Office.

(b) The Colorado Energy Office shall provide technical assistance in applying for grants through the high-efficiency electric heating and appliances grant program as needed to local governments, electric and gas utilities, nonprofit organizations, businesses and other entities as determined by...
THE COLORADO ENERGY OFFICE, OR HOUSING DEVELOPERS THAT OPERATE
IN LOW-INCOME, DISPROPORTIONATELY IMPACTED COMMUNITIES, OR JUST
TRANSITION COMMUNITIES AS THOSE COMMUNITIES ARE IDENTIFIED BY
THE COLORADO ENERGY OFFICE.

(8) (a) EACH GRANTEE THAT RECEIVES A GRANT THROUGH THE
HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM
SHALL SUBMIT A REPORT TO THE COLORADO ENERGY OFFICE THE FIRST
FIVE YEARS AFTER RECEIVING THE GRANT.

(b) (I) ON OR BEFORE FEBRUARY 1, 2024, AND ON EACH YEAR
THEREAFTER, THE COLORADO ENERGY OFFICE SHALL SUBMIT A
SUMMARIZED REPORT TO THE TRANSPORTATION AND ENERGY COMMITTEE
OF THE SENATE AND THE ENERGY AND ENVIRONMENT COMMITTEE OF THE
HOUSE OF REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, ON THE
HIGH-EFFICIENCY ELECTRIC HEATING AND APPLIANCES GRANT PROGRAM.
AT A MINIMUM, THIS SUMMARIZED REPORT MUST INCLUDE:

(A) A DESCRIPTION OF THE GRANTS AWARDED, INCLUDING A
DESCRIPTION OF THE PROJECTS FUNDED BY THE GRANTS AS DESCRIBED TO
THE COLORADO ENERGY OFFICE IN THE GRANT APPLICATIONS;

(B) THE PERCENTAGE OF GRANTS AWARDED TO LOW-INCOME,
DISPROPORTIONATELY IMPACTED, OR JUST TRANSITION COMMUNITIES, AND
TO INDIVIDUALS WITH A DISABILITY OR ENTITIES THAT USED THE GRANTS
TO PROVIDE A SERVICE FOR INDIVIDUALS WITH A DISABILITY; AND

(C) TO THE EXTENT AVAILABLE, THE IMPACTS OF THE GRANTS ON
GAS USE, ELECTRICITY USE, EMISSIONS, AND ENERGY COSTS.

(II) THIS SUBSECTION (8)(b) IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 4. In Colorado Revised Statutes, add 24-38.5-116 as
follows:
24-38.5-116. Clean air building investments fund - creation -
use of fund. (1) The clean air building investments fund, referred
to in this section as the "Fund", is created in the state treasury.
The principal of the fund consists of money transferred to the
fund from the general fund and gifts, grants, and donations.
Interest and income earned on the deposit and investment of
money in the fund are credited to the fund.

(2) All money in the fund is continuously appropriated to
the Colorado energy office. The Colorado energy office may
expend money from the fund for the creation, implementation,
and administration of:

(a) The building electrification for public buildings grant
program created in section 24-38.5-114; and

(b) The high-efficiency electric heating and appliances
grant program created in section 24-38.5-115.

(3) (a) On the effective date of this section, or as soon as
possible thereafter, the state treasurer shall transfer
twenty-one million dollars from the general fund to the fund.

(b) The Colorado energy office shall use ten million
dollars of the money transferred pursuant to this subsection (3)
for the creation, implementation, and administration of the
building electrification for public buildings grant program
created in section 24-38.5-114.

(c) The Colorado energy office shall use eleven million
dollars of the money transferred pursuant to this subsection (3)
for the creation, implementation, and administration of the
high-efficiency electric heating and appliances grant program
SECTION 5. In Colorado Revised Statutes, 12-115-107, amend (2)(a) as follows:


(2) In addition to all other powers and duties conferred or imposed upon the board by this article 115, the board is authorized to:

(a) (I) Adopt, and from time to time revise, rules pursuant to section 12-20-204. In adopting the rules, the board shall be governed when appropriate by the standards in the most current edition of the national electrical code or by any modifications to the standards made by the board after a hearing is held pursuant to the provisions of article 4 of title 24. These standards are adopted as the minimum standards governing the planning, laying out, and installing or the making of additions, alterations, and repairs in the installation of wiring apparatus and equipment for electric light, heat, and power in this state. A copy of the code shall be kept in the office of the board and open to public inspection. Nothing contained in this section prohibits any city, town, county, city and county, or qualified state institution of higher education from making and enforcing any such standards that are more stringent than the minimum standards adopted by the board, and any city, town, county, city and county, or qualified state institution of higher education that adopts more stringent standards shall furnish a copy thereof to the board. The standards adopted by the board shall be prima facie evidence of minimum approved methods of construction for safety to life and property. The affirmative vote of two-thirds of all appointed members of the board is required to set any standards that are different from those set forth in the national electrical code. If requested in writing, the board shall send a
copy of newly adopted standards and rules to any interested party at least thirty days before the implementation and enforcement of the standards or rules. The copies may be furnished for a fee established pursuant to section 12-20-105.

(II) IN THE EVENT OF A CONFLICT BETWEEN THE 2021 INTERNATIONAL ENERGY CONSERVATION CODE, THE 2024 INTERNATIONAL ENERGY CONSERVATION CODE, OR ANY ENERGY CODES ADOPTED BY EITHER A LOCAL GOVERNMENT OR DIVISIONS IN THE EXECUTIVE BRANCH OF STATE GOVERNMENT AND THE NATIONAL ELECTRIC CODE OR THE STANDARDS ADOPTED BY THE BOARD PURSUANT TO THIS SUBSECTION (2)(a), THE NATIONAL ELECTRIC CODE OR THE STANDARDS ADOPTED BY THE BOARD PURSUANT TO THIS SUBSECTION (2)(a) PREVAILS.

SECTION 6. In Colorado Revised Statutes, 12-155-106, add (4.5) as follows:


SECTION 7. In Colorado Revised Statutes, 24-30-1303, add (1)(ff) as follows:

24-30-1303. Office of the state architect - responsibilities. (1) The office of the state architect shall:

(ff)(I)(A) ON OR BEFORE JANUARY 1, 2025, ADOPT AND ENFORCE AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER ENERGY
PERFORMANCE THAN THE 2021 INTERNATIONAL ENERGY CONSERVATION
CODE AND THE MODEL ELECTRIC READY AND SOLAR READY CODE
LANGUAGE IDENTIFIED FOR ADOPTION BY THE ENERGY CODE ADVISORY
BOARD PURSUANT TO SECTION 24-38.5-113 (5)(b). THIS ENERGY CODE
MUST APPLY TO ALL CONSTRUCTION BY STATE AGENCIES ON
STATE-OWNED PROPERTIES OR FACILITIES, OR PROPERTIES OR FACILITIES
THAT ARE LEASED BY THE STATE UNDER A FINANCED PURCHASE OF AN
ASSET OR CERTIFICATE OF PARTICIPATION AGREEMENT.

(B) ON OR BEFORE JANUARY 1, 2030, ADOPT AND ENFORCE AN
ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER ENERGY AND
CARBON EMISSIONS PERFORMANCE THAN THE MODEL LOW ENERGY AND
CARBON CODE IDENTIFIED FOR ADOPTION BY THE ENERGY CODE ADVISORY
BOARD PURSUANT TO SECTION 24-38.5-113 (5)(c). THIS ENERGY CODE
MUST APPLY TO ALL CONSTRUCTION BY STATE AGENCIES ON
STATE-OWNED PROPERTIES OR FACILITIES, OR PROPERTIES OR FACILITIES
THAT ARE LEASED BY THE STATE UNDER A FINANCED PURCHASE OF AN
ASSET OR CERTIFICATE OF PARTICIPATION AGREEMENT.

(II) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
SUBSECTION (1)(ff), THE OFFICE OF THE STATE ARCHITECT MAY MAKE ANY
AMENDMENTS TO AN ENERGY CODE THAT THE OFFICE OF THE STATE
ARCHITECT DEEMS APPROPRIATE, SO LONG AS THE AMENDMENTS DO NOT
DECREASE THE EFFECTIVENESS OR ENERGY EFFICIENCY OF THE ENERGY
CODE.

(III) NOTHING IN THIS SUBSECTION (1)(ff) RESTRICTS THE ABILITY
OF AN INVESTOR-OWNED UTILITY WITH APPROVAL FROM THE PUBLIC
UTILITIES COMMISSION TO:

(A) PROVIDE INCENTIVES OR OTHER ENERGY EFFICIENCY PROGRAM
SERVICES TO HELP THE OFFICE OF THE STATE ARCHITECT OR BUILDERS
COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION (1)(ff); OR

(B) EARN SHAREHOLDER INCENTIVES AND CLAIM CREDITS TOWARD
ITS REGULATORY REQUIREMENTS FOR ENERGY OR GREENHOUSE GAS
EMISSION SAVINGS ACHIEVED AS A RESULT OF INCENTIVES PROVIDED BY
THE UTILITY TO HELP THE OFFICE OF THE STATE ARCHITECT OR BUILDERS
COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION (1)(ff).

(IV) A UTILITY NOT SUBJECT TO REGULATION BY THE PUBLIC
UTILITIES COMMISSION MAY PROVIDE INCENTIVES OR OTHER ENERGY
EFFICIENCY PROGRAM SERVICES AS THEY SO CHOOSE TO ASSIST THE OFFICE
OF THE STATE ARCHITECT OR ANY BUILDERS IN COMPLYING WITH THE
REQUIREMENTS OF THIS SUBSECTION (1)(ff).

(V) (A) A UTILITY SHALL BE ALLOWED TO COUNT MASS-BASED
EMISSIONS REDUCTIONS ASSOCIATED WITH THE REQUIREMENTS OF THIS
SUBSECTION (1)(ff) TOWARDS COMPLIANCE WITH ITS REQUIREMENTS
UNDER SECTION 25-7-105 (1)(e)(X.7) OR (1)(e)(X.8), SECTION 40-3.2-108
(3)(b), OR ANY SIMILAR GREENHOUSE GAS EMISSIONS REDUCTION
PROGRAM OR SET OF REQUIREMENTS.

(B) A UTILITY SUBJECT TO REGULATION BY THE PUBLIC UTILITIES
COMMISSION SHALL NOT BE ALLOWED TO COUNT ENERGY SAVINGS OR
GREENHOUSE GAS EMISSIONS REDUCTIONS ACHIEVED THROUGH THE
REQUIREMENTS OF THIS SUBSECTION (1)(ff) FOR THE PURPOSE OF
CALCULATING A SHAREHOLDER INCENTIVE ESTABLISHED PURSUANT TO
SECTIONS 40-3.2-103 (2)(d) AND 40-3.2-104 (5) IF THE UTILITY HAS NOT
PROVIDED A FINANCIAL INVESTMENT FOR CODE ADOPTION AS
DOCUMENTED IN A PLAN APPROVED BY THE COMMISSION.

SECTION 8. In Colorado Revised Statutes, 24-32-3305, amend
(3); and add (3.5) as follows:

24-32-3305. Rules - advisory committee - energy code - enforcement. (3) EXCEPT WHEN ADOPTING AN ENERGY CODE PURSUANT TO SUBSECTION (3.5) OF THIS SECTION, the board must consult with and obtain the advice of an advisory committee on residential and nonresidential structures in the drafting and promulgation of rules. The committee consists of twelve members appointed by the division from the following professional and technical disciplines: One from architecture, one from structural engineering, three from building code enforcement, one from mechanical engineering or contracting, one from electrical engineering or contracting, one from the plumbing industry, one from the construction design or producer industry, two from manufactured housing, and one from organized labor. Committee members shall be reimbursed for actual and necessary expenses incurred while engaged in official duties.

(3.5) (a) (I) ON OR BEFORE JANUARY 1, 2025, THE DIVISION SHALL ADOPT AND ENFORCE AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER ENERGY PERFORMANCE THAN THE 2021 INTERNATIONAL ENERGY CONSERVATION CODE AND THE MODEL ELECTRIC READY AND SOLAR READY CODE LANGUAGE IDENTIFIED FOR ADOPTION BY THE ENERGY CODE ADVISORY BOARD PURSUANT TO SECTION 24-38.5-113 (5)(b). THIS ENERGY CODE MUST APPLY TO FACTORY-BUILT STRUCTURES AND HOTELS, MOTELS, AND MULTI-FAMILY STRUCTURES IN AREAS OF THE STATE WHERE NO CONSTRUCTION STANDARDS FOR HOTELS, MOTELS, AND MULTI-FAMILY STRUCTURES EXIST.

(II) ON OR BEFORE JANUARY 1, 2030, THE DIVISION SHALL ADOPT AND ENFORCE AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER
ENERGY AND CARBON EMISSIONS PERFORMANCE THAN THE MODEL LOW
ENERGY AND CARBON CODE IDENTIFIED FOR ADOPTION BY THE ENERGY
CODE ADVISORY BOARD PURSUANT TO SECTION 24-38.5-113 (5)(c). THIS
ENERGY CODE MUST APPLY TO FACTORY-BUILT STRUCTURES AND HOTELS,
MOTELS, AND MULTI-FAMILY STRUCTURES IN AREAS OF THE STATE WHERE
NO CONSTRUCTION STANDARDS FOR HOTELS, MOTELS, AND MULTI-FAMILY
STRUCTURES EXIST:

(b) NOTHING IN THIS SUBSECTION (3.5) ESTABLISHES STANDARDS
APPLICABLE TO MANUFACTURED HOMES CONSTRUCTED PURSUANT TO THE
"NATIONAL MANUFACTURED HOUSING CONSTRUCTION AND SAFETY
STANDARDS ACT OF 1974", ESTABLISHED IN 42 U.S.C. SEC. 5401, ET SEQ.,
AND ANY CORRESPONDING REGULATIONS PROMULGATED BY THE UNITED
STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT IN 24 CFR
3280, ET SEQ.

(c) NOTWITHSTANDING ANY OTHER PROVISION OF THIS
SUBSECTION (3.5), THE DIVISION MAY MAKE ANY AMENDMENTS TO AN
ENERGY CODE THAT THE DIVISION DEEMS APPROPRIATE, SO LONG AS THE
AMENDMENTS DO NOT DECREASE THE EFFECTIVENESS OR ENERGY
EFFICIENCY OF THE ENERGY CODE.

(d) NOTHING IN THIS SUBSECTION (3.5) RESTRICTS THE ABILITY OF
AN INVESTOR-OWNED UTILITY WITH APPROVAL FROM THE PUBLIC UTILITIES
COMMISSION TO:

(I) PROVIDE INCENTIVES OR OTHER ENERGY EFFICIENCY PROGRAM
SERVICES TO HELP THE DIVISION OR BUILDERS COMPLY WITH THE
REQUIREMENTS OF THIS SUBSECTION (3.5); OR

(II) EARN SHAREHOLDER INCENTIVES AND CLAIM CREDITS TOWARD
ITS REGULATORY REQUIREMENTS FOR ENERGY OR GREENHOUSE GAS
EMISSION SAVINGS ACHIEVED AS A RESULT OF INCENTIVES PROVIDED BY THE UTILITY TO HELP THE DIVISION OR BUILDERS COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION (3.5).

(e) A UTILITY NOT SUBJECT TO REGULATION BY THE PUBLIC UTILITIES COMMISSION MAY PROVIDE INCENTIVES OR OTHER ENERGY EFFICIENCY PROGRAM SERVICES AS THEY SO CHOOSE TO ASSIST THE BOARD OR ANY BUILDERS IN COMPLYING WITH THE REQUIREMENTS OF THIS SUBSECTION (3.5).

(f)(I) A UTILITY MAY COUNT MASS-BASED EMISSIONS REDUCTIONS ASSOCIATED WITH THE REQUIREMENTS OF THIS SUBSECTION (3.5) TOWARDS COMPLIANCE WITH ITS REQUIREMENTS UNDER SECTION 25-7-105 (1)(e)(X.7) OR (1)(e)(X.8), SECTION 40-3.2-108 (3)(b), OR ANY SIMILAR GREENHOUSE GAS EMISSIONS REDUCTION PROGRAM OR SET OF REQUIREMENTS.

(II) A UTILITY SUBJECT TO REGULATION BY THE PUBLIC UTILITIES COMMISSION SHALL NOT COUNT ENERGY SAVINGS OR GREENHOUSE GAS EMISSIONS REDUCTIONS ACHIEVED THROUGH THE REQUIREMENTS OF THIS SUBSECTION (3.5) FOR THE PURPOSE OF CALCULATING A SHAREHOLDER INCENTIVE ESTABLISHED PURSUANT TO SECTIONS 40-3.2-103 (2)(d) AND 40-3.2-104 (5) IF THE UTILITY HAS NOT PROVIDED A FINANCIAL INVESTMENT FOR CODE ADOPTION AS DOCUMENTED IN A PLAN APPROVED BY THE COMMISSION.

SECTION 9. In Colorado Revised Statutes, 24-33.5-1203, add (1)(x) as follows:

24-33.5-1203. Duties of division. (1) The division shall perform the following duties:

(x) (I) (A) ON OR BEFORE JANUARY 1, 2025, THE DIVISION
SHALL ADOPT AND ENFORCE AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER ENERGY PERFORMANCE THAN THE 2021 INTERNATIONAL ENERGY CONSERVATION CODE AND THE MODEL ELECTRIC READY AND SOLAR READY CODE LANGUAGE IDENTIFIED FOR ADOPTION BY THE ENERGY CODE ADVISORY BOARD PURSUANT TO SECTION 24-38.5-113 (5)(b). THIS ENERGY CODE MUST APPLY TO THE BUILDINGS DESCRIBED IN SECTIONS 22-32-124 (2), 23-71-122 (1)(v), AND 24-33.5-1212.5.

(B) ON OR BEFORE JANUARY 1, 2030, THE DIVISION SHALL ADOPT AND ENFORCE AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER ENERGY AND CARBON EMISSIONS PERFORMANCE THAN THE MODEL LOW ENERGY AND CARBON CODE IDENTIFIED FOR ADOPTION BY THE ENERGY CODE ADVISORY BOARD PURSUANT TO SECTION 24-38.5-113 (5)(c). THIS ENERGY CODE MUST APPLY TO THE BUILDINGS DESCRIBED IN SECTIONS 22-32-124 (2), 23-71-122 (1)(v), 24-33.5-1212.5, 24-33.5-1213.3, AND 24-33.5-1213.5.

(II) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SUBSECTION (1)(x), THE DIVISION MAY MAKE ANY AMENDMENTS TO AN ENERGY CODE THAT THE DIVISION DEEMS APPROPRIATE, SO LONG AS THE AMENDMENTS DO NOT DECREASE THE EFFECTIVENESS OR ENERGY EFFICIENCY OF THE ENERGY CODE.

(III) NOTHING IN THIS SUBSECTION (1)(x) RESTRICTS THE ABILITY OF AN INVESTOR-OWNED UTILITY WITH APPROVAL FROM THE PUBLIC UTILITIES COMMISSION TO:

(A) PROVIDE INCENTIVES OR OTHER ENERGY EFFICIENCY PROGRAM SERVICES TO HELP THE DIVISION OR BUILDERS COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION (1)(x); OR

(B) EARN SHAREHOLDER INCENTIVES AND CLAIM CREDITS TOWARD
ITS REGULATORY REQUIREMENTS FOR ENERGY OR GREENHOUSE GAS EMISSIONS SAVINGS ACHIEVED AS A RESULT OF INCENTIVES PROVIDED BY THE UTILITY TO HELP THE DIVISION OR BUILDERS COMPLY WITH THE REQUIREMENTS OF THIS SUBSECTION (1)(x).

(IV) A UTILITY NOT SUBJECT TO REGULATION BY THE PUBLIC UTILITIES COMMISSION MAY PROVIDE INCENTIVES AS THEY SO CHOOSE TO ASSIST THE DIVISION OR ANY BUILDERS IN COMPLYING WITH THE REQUIREMENTS OF THIS SUBSECTION (1)(x).

(V) (A) A UTILITY MAY COUNT MASS-BASED EMISSIONS REDUCTIONS ASSOCIATED WITH THE REQUIREMENTS OF THIS SUBSECTION (1)(x) TOWARDS COMPLIANCE WITH ITS REQUIREMENTS UNDER SECTION 25-7-105 (1)(e)(X.7) OR (1)(e)(X.8), SECTION 40-3.2-108 (3)(b), OR ANY SIMILAR GREENHOUSE GAS EMISSIONS REDUCTION PROGRAM OR SET OF REQUIREMENTS.

(B) A UTILITY SUBJECT TO REGULATION BY THE PUBLIC UTILITIES COMMISSION SHALL NOT COUNT ENERGY SAVINGS OR GREENHOUSE GAS EMISSIONS REDUCTIONS ACHIEVED THROUGH THE REQUIREMENTS OF THIS SUBSECTION (1)(x) FOR THE PURPOSE OF CALCULATING A SHAREHOLDER INCENTIVE ESTABLISHED PURSUANT TO SECTIONS 40-3.2-103 (2)(d) AND 40-3.2-104 (5) IF THE UTILITY HAS NOT PROVIDED A FINANCIAL INVESTMENT FOR CODE ADOPTION AS DOCUMENTED IN A PLAN APPROVED BY THE COMMISSION.

SECTION 10. In Colorado Revised Statutes, 30-28-211, amend (2)(b), (3), and (5) introductory portion; repeal (4); and add (1)(i), (1)(j), (2)(b.5), (3.5), (8), (9), and (10) as follows:

30-28-211. Energy efficient building codes - legislative declaration - definitions. (1) The general assembly hereby finds and
declares that there is statewide interest in requiring an effective energy
efficient building code for the following reasons:

(i) HIGHLY ENERGY EFFICIENT HOMES AND BUILDINGS CAN REDUCE
ENERGY USE AND HELP CONSUMERS SAVE MONEY ON ENERGY BILLS.

(j) HIGHLY ENERGY EFFICIENT AND LOW-CARBON NEW HOMES AND
BUILDINGS ARE CRITICAL FOR MEETING THE GREENHOUSE GAS POLLUTION
REDUCTION TARGETS ESTABLISHED IN SECTION 25-7-102 (2)(g).

(2) As used in this section, unless the context otherwise requires:

(b) "Energy code" means at a minimum, one of the three most
recent versions of the international energy conservation code published
by the international code council A SUBSET OF BUILDING CODES RELATED
TO THE TOTAL ENERGY PERFORMANCE AND CARBON EMISSIONS OF
RESIDENTIAL AND COMMERCIAL BUILDINGS.

(b.5) "INTERNATIONAL ENERGY CONSERVATION CODE" MEANS THE
ENERGY CODE PUBLISHED BY THE INTERNATIONAL CODE COUNCIL OR A
SUCCESSOR ORGANIZATION.

(3) Every board of county commissioners when adopting or
updating a building code pursuant to section 30-28-201 THAT HAS
ADOPTED AND ENFORCED ONE OR MORE BUILDING CODES, OR THAT ADOPTS
AND ENFORCES ONE OR MORE BUILDING CODES AFTER JULY 1, 2022, shall
adopt and enforce an energy code that applies to the construction of, and
MAJOR renovations and additions to, all commercial and residential
buildings AS REQUIRED BY THE ENERGY CODE in the county to which the
building code applies.

(3.5) (a) A BOARD OF COUNTY COMMISSIONERS THAT HAS
ADOPTED AND ENFORCED ONE OR MORE BUILDING CODES, AND THAT
UPDATES ONE OR MORE BUILDING CODES ON OR AFTER JULY 1, 2023, AND
BEFORE JULY 1, 2026, SHALL ADOPT AND ENFORCE AN ENERGY CODE THAT
ACHIEVES EQUIVALENT OR BETTER ENERGY PERFORMANCE THAN THE 2021
INTERNATIONAL ENERGY CONSERVATION CODE AND THE MODEL ELECTRIC
READY AND SOLAR READY CODE LANGUAGE IDENTIFIED FOR ADOPTION BY
THE ENERGY CODE ADVISORY BOARD PURSUANT TO SECTION 24-38.5-113
(5)(b), AT THE SAME TIME OTHER BUILDING CODES ARE UPDATED.

(b) A BOARD OF COUNTY COMMISSIONERS THAT HAS ADOPTED AND
ENFORCED ONE OR MORE BUILDING CODES, AND THAT UPDATES ONE OR
MORE BUILDING CODES ON OR AFTER JULY 1, 2026, SHALL ADOPT AND
BEGIN ENFORCING AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR
BETTER ENERGY AND CARBON EMISSIONS PERFORMANCE THAN THE MODEL
LOW ENERGY AND CARBON CODE IDENTIFIED FOR ADOPTION BY THE
ENERGY CODE ADVISORY BOARD PURSUANT TO SECTION 24-38.5-113
(5)(c), AT THE SAME TIME OTHER BUILDING CODES ARE UPDATED.

(c) WHEN ADOPTING OR UPDATING A BUILDING CODE PRIOR TO
JULY 1, 2023, A BOARD OF COUNTY COMMISSIONERS SHALL ADOPT AND
ENFORCE AN ENERGY CODE THAT ACHIEVES EQUIVALENT OR BETTER
ENERGY PERFORMANCE THAN ONE OF THE THREE MOST RECENT EDITIONS
OF THE INTERNATIONAL ENERGY CONSERVATION CODE.

(4) The energy code shall apply to any commercial or residential
building in the county for which a building permit application is received
subsequent to the adoption of the energy code:

(5) The following buildings are exempt from subsections (3) and
(4) AND (3.5) of this section:

(8) NOTHING IN THIS SECTION Restricts THE ABILITY OF AN
INVESTOR-OWNED UTILITY WITH APPROVAL FROM THE PUBLIC UTILITIES
COMMISSION TO:
(a) Provide incentives or other energy efficiency program services to help the Board of County Commissioners of any county or builders comply with the requirements of this section; or

(b) Earn shareholder incentives and claim credits towards its regulatory requirements for energy or greenhouse gas emission savings achieved as a result of incentives provided by the utility to help the Board of County Commissioners of any county or builders comply with the requirements of this section.

(9) A utility not subject to regulation by the Public Utilities Commission may provide incentives or other energy efficiency program services as they so choose to assist the Board of County Commissioners of any county or any builders in complying with the requirements of this section.

(10) (a) A utility may count mass-based emissions reductions associated with the requirements of this section towards compliance with its requirements under Section 25-7-105(1)(e)(X.7) or (1)(e)(X.8), Section 40-3.2-108 (3)(b), or any similar greenhouse gas emissions reduction program or set of requirements.

(b) A utility subject to regulation by the Public Utilities Commission shall not count energy savings or greenhouse gas emissions reductions achieved through the requirements of this section for the purpose of calculating a shareholder incentive established pursuant to Sections 40-3.2-103 (2)(d) and 40-3.2-104 (5) if the utility has not provided a financial investment for code adoption as documented in a plan approved by the Commission.
SECTION 11. In Colorado Revised Statutes, 31-15-602, amend (2)(b), (3), and (5) introductory portion; repeal (4)(a); and add (1)(i), (1)(j), (2)(b.5), (3.5), (8), (9), and (10) as follows:

31-15-602. Energy efficient building codes - legislative declaration - definitions - repeal. (1) The general assembly hereby finds and declares that there is statewide interest in requiring an effective energy efficient building code for the following reasons:

(i) HIGHLY ENERGY EFFICIENT HOMES AND BUILDINGS CAN REDUCE ENERGY USE AND HELP CONSUMERS SAVE MONEY ON ENERGY BILLS.

(j) HIGHLY ENERGY EFFICIENT AND LOW CARBON NEW HOMES AND BUILDINGS ARE CRITICAL FOR MEETING THE GREENHOUSE GAS POLLUTION REDUCTION TARGETS ESTABLISHED IN SECTION 25-7-102 (2)(g).

(2) As used in this section, unless the context otherwise requires:

(b) "Energy code" means at a minimum, one of the three most recent versions of the international energy conservation code published by the international code council A SUBSET OF BUILDING CODES RELATED TO THE TOTAL ENERGY PERFORMANCE AND CARBON EMISSIONS OF RESIDENTIAL AND COMMERCIAL BUILDINGS.

(b.5) "INTERNATIONAL ENERGY CONSERVATION CODE" MEANS THE ENERGY CODE PUBLISHED BY THE INTERNATIONAL CODE COUNCIL OR A SUCCESSOR ORGANIZATION.

(3) The governing body of any municipality when adopting or updating any other building codes THAT HAS ADOPTED AND ENFORCED ONE OR MORE BUILDING CODES, OR ADOPTS AND ENFORCES ONE OR MORE BUILDING CODES AFTER JULY 1, 2022, shall adopt and enforce an energy code that applies to the construction of, and MAJOR renovations and additions to, all commercial and residential buildings AS REQUIRED BY
THE ENERGY CODE in the municipality to which the building code applies.

(3.5) (a) The governing body of a municipality that has adopted and enforced one or more building codes, and that updates one or more building codes on or after July 1, 2023, and before July 1, 2026, shall adopt and enforce an energy code that achieves equivalent or better energy performance than the 2021 International Energy Conservation Code and the Model Electric Ready and Solar Ready Code language identified for adoption by the Energy Code Advisory Board pursuant to Section 24-38.5-113 (5)(b), at the same time other building codes are updated.

(b) The governing body of a municipality that has adopted and enforced one or more building codes, and that updates one or more building codes on or after July 1, 2026, shall adopt and begin enforcing an energy code that achieves equivalent or better energy and carbon emissions performance than the model low energy and carbon code identified for adoption by the Energy Code Advisory Board pursuant to Section 24-38.5-113 (5)(c), at the same time other building codes are updated.

(c) When adopting or updating a building code prior to July 1, 2023, the governing body of a municipality shall adopt and enforce an energy code that achieves equivalent or better energy performance than one of the three most recent editions of the International Energy Conservation Code.

(4) (a) The energy code shall apply to any commercial or residential building in the municipality for which a building permit application is received subsequent to the adoption of the energy code.

(5) The following buildings are exempt from subsections (3),
and (4) of this section:

(8) NOTHING IN THIS SECTION RESTRICTS THE ABILITY OF AN INVESTOR-OWNED UTILITY WITH APPROVAL FROM THE PUBLIC UTILITIES COMMISSION TO:

(a) PROVIDE INCENTIVES OR OTHER ENERGY EFFICIENCY PROGRAM SERVICES TO HELP THE GOVERNING BODY OF ANY MUNICIPALITY OR BUILDERS COMPLY WITH THE REQUIREMENTS OF THIS SECTION; OR

(b) EARN SHAREHOLDER INCENTIVES AND CLAIM CREDITS TOWARDS ITS REGULATORY REQUIREMENTS FOR ENERGY OR GREENHOUSE GAS EMISSION SAVINGS ACHIEVED AS A RESULT OF INCENTIVES PROVIDED BY THE UTILITY TO HELP THE GOVERNING BODY OF ANY MUNICIPALITY OR BUILDERS COMPLY WITH THE REQUIREMENTS OF THIS SECTION.

(9) A UTILITY NOT SUBJECT TO REGULATION BY THE PUBLIC UTILITIES COMMISSION MAY PROVIDE INCENTIVES OR OTHER ENERGY EFFICIENCY PROGRAM SERVICES AS THEY SO CHOOSE TO ASSIST THE GOVERNING BODY OF ANY MUNICIPALITY OR ANY BUILDERS IN COMPLYING WITH THE REQUIREMENTS OF THIS SECTION.

(10) (a) A UTILITY MAY COUNT MASS-BASED EMISSIONS REDUCTIONS ASSOCIATED WITH THE REQUIREMENTS OF THIS SECTION TOWARDS COMPLIANCE WITH ITS REQUIREMENTS UNDER SECTION 25-7-105 (1)(e)(X.7) OR (1)(e)(X.8), SECTION 40-3.2-108 (3)(b), OR ANY SIMILAR GREENHOUSE GAS EMISSIONS REDUCTION PROGRAM OR SET OF REQUIREMENTS.

(b) A UTILITY SUBJECT TO REGULATION BY THE PUBLIC UTILITIES COMMISSION SHALL NOT COUNT ENERGY SAVINGS OR GREENHOUSE GAS EMISSIONS REDUCTIONS ACHIEVED THROUGH THE REQUIREMENTS OF THIS SECTION FOR THE PURPOSE OF CALCULATING A SHAREHOLDER INCENTIVE
ESTABLISHED PURSUANT TO SECTIONS 40-3.2-103 (2)(d) AND 40-3.2-104 (5) IF THE UTILITY HAS NOT PROVIDED A FINANCIAL INVESTMENT FOR CODE ADOPTION AS DOCUMENTED IN A PLAN APPROVED BY THE COMMISSION.

SECTION 12. In Colorado Revised Statutes, **repeal** article 7 of title 6.

SECTION 13. In Colorado Revised Statutes, 24-34-104, **add** (28)(a)(VII) as follows:

24-34-104. General assembly review of regulatory agencies and functions for repeal, continuation, or reestablishment - legislative declaration - repeal. (28) (a) The following agencies, functions, or both, are scheduled for repeal on September 1, 2027:

(VII) THE ENERGY CODE ADVISORY BOARD CREATED PURSUANT TO SECTION 24-38.5-113 (5);

SECTION 14. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.