CHAPTER 259

HEALTH AND ENVIRONMENT

HOUSE BILL 24-1338

BY REPRESENTATIVE(S) Rutinel and Velasco, Amabile, Bacon, Boesenecker, Brown, deGruy Kennedy, Epps, Froelich, Garcia, Hamrick, Hernandez, Herod, Joseph, Kipp, Lindsay, Lindstedt, Marvin, McCormick, Ortiz, Parenti, Ricks, Sirota, Story, Valdez, Vigil, Willford, Woodrow;

also SENATOR(S) Michaelson Jenet, Cutter, Danielson, Exum, Fields, Gonzales, Jaquez Lewis, Kolker, Marchman, Priola, Rodriguez, Winter F.

AN ACT

CONCERNING MEASURES TO ADVANCE ENVIRONMENTAL JUSTICE BY REDUCING CUMULATIVE IMPACTS OF AIR POLLUTION, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, repeal and reenact, with amendments, 25-1-133 as follows:

25-1-133. Environmental equity and cumulative impact analyses - selection of contractor - required components of analyses - selection of locations - requirements for contractors - definitions - report. (1) As used in this section, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "Colorado EnviroScreen tool" has the meaning set forth in section 24-4-109 (5)(a)(II).

(b) "Contractor" means an academic institution or other party with which the department contracts to develop an EECIA.

(c) "Disproportionately impacted community" has the meaning set forth in section 24-4-109 (2)(b)(II).

(d) "Environmental equity and cumulative impact analysis" or "EECIA" means a cumulative impact analysis for a specific geographic area of the state developed in accordance with this section.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(e) "EPA'S CUMULATIVE IMPACT ANALYSIS RECOMMENDATIONS" MEANS THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY'S "CUMULATIVE IMPACTS RESEARCH: RECOMMENDATIONS FOR EPA'S OFFICE OF RESEARCH AND DEVELOPMENT", PUBLISHED ON SEPTEMBER 30, 2022.

(f) "Final report of the task force" means the "Final Report of Recommendations" published by the task force on November 14, 2022.

(g) "LOCAL GOVERNMENT" MEANS A HOME RULE OR STATUTORY CITY, TOWN, CITY AND COUNTY, OR COUNTY.

(h) "Office of environmental justice" or "office" means the office of environmental justice created in Section 25-1-133.5(1)(a).

(i) "Task force" means the environmental justice action task force created by the general assembly in 2021 through the enactment of House Bill 21-1266.

(2) The department shall select one or more contractors to develop two or more environmental equity and cumulative impact analyses for the state. Each EECIA:

(a) MUST COVER A GEOGRAPHIC AREA OF THE STATE THAT INCLUDES A GROUP OF MOSTLY CONTIGUOUS CENSUS BLOCK GROUPS AND OTHER SURROUNDING AREAS THAT MEET THE DEFINITION OF DISPROPORTIONATELY IMPACTED COMMUNITIES;

(b) MAY BE CONDUCTED FOR A COMMUNITY LOCATED ON THE UTE MOUNTAIN UTE OR SOUTHERN UTE INDIAN RESERVATION ONLY IF REQUESTED BY THE GOVERNING BODY OF THE AFFECTED TRIBE AND FOLLOWING CONSULTATION WITH AND APPROVAL BY THE GOVERNING BODY;

(c) ONCE DEVELOPED, MAY BE USED BY ANY STATE AGENCY FOR THE PURPOSE OF ANALYZING CUMULATIVE IMPACTS;

(d) MUST PERFORM A SCIENTIFICALLY RIGOROUS ANALYSIS THAT INCLUDES MOST OF THE COMPONENTS RECOMMENDED IN THE FINAL REPORT OF THE TASK FORCE, AS REFLECTED ON PAGES THIRTEEN THROUGH FIFTEEN OF THE FINAL REPORT OF THE TASK FORCE;

(e) Should identify key problems and indicators of cumulative impacts and how those problems and indicators can be avoided, minimized, and mitigated, but should not recommend solutions to individual agencies; and

(f) Should empower agencies and local governments to score, evaluate, or compare alternative mitigation options proposed for future projects to ensure that the future projects are effective while considering potential unintended consequences.

(3) (a) The office of environmental justice shall select locations for the environmental equity and cumulative impact analyses and oversee

The department's selection of a contractor pursuant to subsection (2) of this section.

(b) By a deadline determined by the office and posted conspicuously on the department's website, a local government, a group of local governments, an elected official, the governing body of an affected tribe for any request within the boundaries of the Ute Mountain Ute or Southern Ute Indian reservation, a nonprofit organization, or any other interested person may submit a formal written request to the office to select a location for an EECIA. In selecting the locations for the EECIAs, the office shall:

(I) Prioritize locations that:

(A) Are most impacted by environmental contaminants;

(B) Have the potential for widespread human exposure to the environmental contaminants; and

(C) Include a greater proportion of individuals with heightened vulnerability to the environmental contaminants;

(II) Use the Colorado EnviroScreen tool to help prioritize locations with disproportionate environmental health burdens; and

 $(\mathrm{III})~\mathrm{Seek}$ input from various groups of interested stakeholders in the selection process.

(c) In selecting the contractor for an EECIA location selected pursuant to subsection (3)(b) of this section, the office shall:

(I) Be transparent with regard to any selection criteria used in the selection process;

(II) ENGAGE STAKEHOLDERS FOR FEEDBACK ON HOW TO DESIGN THE SELECTION PROCESS; AND

(III) FOR AN EECIA STUDYING ANY LANDS WITHIN THE BOUNDARIES OF THE UTE MOUNTAIN UTE OR SOUTHERN UTE INDIAN RESERVATION, CONSULT WITH THE GOVERNING BODY OF THE AFFECTED TRIBE AND SELECT A CONTRACTOR ONLY WITH THE GOVERNING BODY'S CONSENT.

(4) (a) In developing the environmental equity and cumulative impact analyses, a contractor selected pursuant to subsection (2) of this section shall, with input from interested stakeholders, set timelines and milestones for completion of an EECIA and submit the proposed timelines and milestones to the office for review and approval.

(b) The office shall post in a conspicuous location on the department's public-facing website the approved timelines and milestones for each

CONTRACTOR TO COMPLETE AN EECIA AND PERIODICALLY POST UPDATES ON WHETHER EACH CONTRACTOR HAS MET THE TIMELINES AND MILESTONES.

(5) A CONTRACTOR SELECTED PURSUANT TO SUBSECTION (3)(c) OF THIS SECTION SHALL:

(a) WITH OVERSIGHT FROM THE OFFICE, REVIEW EXISTING CUMULATIVE IMPACT ANALYSIS FRAMEWORKS SUCH AS THE EPA'S CUMULATIVE IMPACT ANALYSIS RECOMMENDATIONS OR FRAMEWORKS FROM OTHER STATES OR JURISDICTIONS;

(b) ESTABLISH A PROCESS FOR INTERESTED STAKEHOLDERS TO SUBMIT INPUT REGARDING AN EECIA AND FOR THE CONTRACTOR TO REVIEW ANY INPUT SUBMITTED;

(c) EXTENSIVELY ENGAGE INTERESTED STAKEHOLDERS AND THE OFFICE THROUGHOUT THE EECIA DEVELOPMENT PROCESS; AND

(d) Ensure that an EECIA is crafted to be comprehensible, easy to utilize, and accessible. As used in this subsection (5)(d), "accessible" includes ensuring that the data supporting an EECIA is transparent, translated from English into the two most prevalent other languages spoken in the relevant community, and made readily available to communities.

(6) (a) EXCEPT AS PROVIDED IN SUBSECTION (6)(b) OF THIS SECTION, THE DEPARTMENT MAY SOLICIT, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES TO HELP FINANCE THE DEVELOPMENT OF ENVIRONMENTAL EQUITY AND CUMULATIVE IMPACT ANALYSES PURSUANT TO THIS SECTION.

(b) The department shall not accept gifts, grants, or donations from industry interests. As used in this subsection (6)(b), "industry interest" means an entity that currently holds or that applied to receive a permit or license from the division of administration or the hazardous materials and waste management division.

(7) (a) WITHIN NINE MONTHS AFTER COMPLETING THE FIRST EECIA, THE DEPARTMENT SHALL PREPARE A REPORT REGARDING THE EECIA AND SUBMIT THE REPORT TO THE HOUSE OF REPRESENTATIVES ENERGY AND ENVIRONMENT COMMITTEE AND THE SENATE TRANSPORTATION AND ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

(b) The report must include:

(I) Recommendations for implementing the findings of the EECIA; and

(II) Identification of any resources or steps necessary for the department or other agencies to implement the findings of the \mbox{EECIA} once the \mbox{EECIA} is developed.

(c) In preparing the report, the department shall consult with:

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(I) The Colorado energy office created in Section 24-38.5-101(1);

(II) The department of natural resources created in Section 24-1-124 (1);

(III) The department of agriculture created in Section 35-1-103;

(IV) The public utilities commission created in Section 40-2-101 (1)(a);

(V) The department of transportation created in section 24-1-128.7 (1); and

 $(VI) \ Representatives of disproportionately impacted communities.$

SECTION 2. In Colorado Revised Statutes, add 25-1-133.5 as follows:

25-1-133.5. Office of environmental justice - created - powers and duties - definitions. (1) (a) There is created in the department the office of environmental justice, the head of which is the director of the office, who shall be appointed by the executive director of the department and MAY EMPLOY STAFF AS NECESSARY TO CARRY OUT THE POWERS AND DUTIES OF THE OFFICE. The office is a **type 2** ENTITY, as defined in section 24-1-105, and exercises its powers and performs its duties and functions under the department.

(b) In carrying out its powers and duties, the office may collaborate with the environmental justice ombudsperson appointed pursuant to section 25-1-134(1)(b), the environmental justice advisory board created in section 25-1-134(2)(a), disproportionately impacted communities, local governments, other state agencies, the federal government, and other interested parties.

(2) THE OFFICE SHALL:

(a) INCREASE STATE GOVERNMENT ENGAGEMENT WITH AND RESPONSIVENESS TO DISPROPORTIONATELY IMPACTED COMMUNITIES;

(b) Develop and manage the department's environmental justice goals, metrics, and objectives;

(c) Work with the environmental divisions within the department, the environmental justice ombudsperson, and the environmental justice advisory board to implement statutory environmental justice mandates, including benchmarks and targets set forth in the "Environmental Justice Act", as enacted in 2021 by House Bill 21-1266;

(d) Work with the division of administration to implement part 10 of article 8 of this title 25 concerning mobile home water quality by leading community engagement efforts with mobile home park residents;

 $(e) \ \ Coordinate environmental justice work within the department and$

WITH OTHER STATE AGENCIES AS WELL AS FEDERAL, LOCAL, AND TRIBAL GOVERNMENT PARTNERS;

(f) Advance the department's language justice goals by providing translation and interpretation services for the department's environmental divisions; and

(g) Identify disproportionately impacted communities based on the best-available data and spatial analysis technology, including the Colorado EnviroScreen tool.

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

(a) "COLORADO ENVIROSCREEN TOOL" HAS THE MEANING SET FORTH IN SECTION 24-4-109(5)(a)(II).

(b) "Disproportionately impacted community" has the meaning set forth in section 24-4-109 (2)(b)(II).

(c) "Office" means the office of environmental justice created in subsection (1)(a) of this section.

SECTION 3. In Colorado Revised Statutes, 25-7-123.1, **amend** (1)(b) as follows:

25-7-123.1. Statute of limitations - penalty assessment - criteria. (1) (b) Without expanding the statute of limitations contained in subsection (1)(a) of this section, any action commenced including FOR the assessment of civil penalties, pursuant to this article 7, except those commenced pursuant to section 25-7-122(1)(d) or 25-7-122.1(1)(c), that is not commenced within eighteen months after the date upon which the division discovers the alleged violation is time barred. For purposes of this section, the division discovers the alleged violation when it learns of the alleged violation or should have learned of the alleged violation by the exercise of reasonable diligence, including by receipt of actual or constructive notice.

SECTION 4. In Colorado Revised Statutes, **add** 25-7-146 and 25-7-147 as follows:

25-7-146. Petroleum refinery pollution - assessment - monitoring data - rules - definitions. (1) (a) ON OR BEFORE JANUARY 1, 2025, THE DIVISION SHALL HIRE AN EXPERT REGARDING AIR POLLUTION CONTROL REGULATIONS FOR PETROLEUM REFINERIES. THE PETROLEUM REFINERY REGULATION EXPERT SHALL:

(I) Assess the feasibility, costs, and benefits for the division to propose to the commission a rule establishing a petroleum refinery control regulation; and

 $(\mathrm{II})~\mathrm{Assess}$ other regulatory and nonregulatory measures.

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(b) As part of the assessments required pursuant to subsection (1)(a) of this section, the petroleum refinery regulation expert shall:

(I) EVALUATE THE IMPACT THAT PETROLEUM REFINERIES HAVE ON AIR QUALITY IN THE STATE, INCLUDING AN EVALUATION OF CRITERIA AIR POLLUTANTS LISTED PURSUANT TO THE FEDERAL ACT AND HAZARDOUS AIR POLLUTANTS;

(II) INVESTIGATE THE REGULATORY FRAMEWORK GOVERNING PETROLEUM REFINERIES IN OTHER STATES AND AT THE FEDERAL LEVEL;

(III) IDENTIFY BEST PRACTICES AND TECHNOLOGIES FOR MINIMIZING EMISSIONS FROM PETROLEUM REFINERIES; AND

(IV) DETERMINE ACTIONS NEEDED TO REDUCE EMISSIONS, INCLUDING THE POTENTIAL FOR DEVELOPING A SPECIFIC PETROLEUM REFINERY RULE. IF THE DIVISION DEEMS IT APPROPRIATE, THE DIVISION SHALL PROPOSE A RULE SPECIFICALLY BASED ON THE EXPERT'S ASSESSMENT ON OR BEFORE JULY 1, 2026.

(c) Notwithstanding the timeline set forth in subsection (1)(b)(IV) of this section and notwithstanding any existing authority that the commission has under the LAW, the commission may adopt, and the division may propose, a rule establishing a petroleum refinery control regulation at any time.

(2) (a) On and after January 1, 2025, a petroleum refinery in the state shall disseminate to the division, in real time through an application programming interface, push data gathered through:

(I) CONTINUOUS EMISSION MONITORING SYSTEMS AND CONTINUOUS MONITORING SYSTEMS REQUIRED UNDER STATE OR FEDERAL LAW;

(II) FENCELINE MONITORING SYSTEMS AS REQUIRED UNDER SECTION 25-7-141(5);

(III) Community-based monitoring required under section 25-7-141 (6); and

(IV) COMPLIANCE WITH A STATE-ISSUED COMPLIANCE ORDER.

(b) The data disseminated to the division pursuant to subsection (2)(a) of this section must be provided through the push in a one-minute averaged resolution.

(c) The division shall determine the format by which a petroleum refinery must transmit the data to the division.

(3) (a) ON OR BEFORE DECEMBER 31, 2024, A PETROLEUM REFINERY SHALL INSTALL AND OPERATE AT LEAST SIX COMMUNITY-BASED MONITORING SYSTEMS TO MONITOR, AT A MINIMUM, FOR:

(I) BENZENE;

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(II) TOLUENE;

(III) ETHYLBENZENE;

(IV) XYLENE;

(V) CARBON MONOXIDE;

(VI) NITROGEN DIOXIDE;

(VII) PM_{2.5};

(VIII) HYDROGEN SULFIDE;

(IX) SULFUR DIOXIDE;

(X) TOTAL VOLATILE ORGANIC COMPOUNDS;

(XI) TEMPERATURE;

(XII) RELATIVE HUMIDITY;

(XIII) WIND SPEED; AND

(XIV) WIND DIRECTION.

(b) The community-based monitoring systems installed and operated pursuant to this subsection (3) must be installed, certified, and operated in accordance with a plan developed by the division.

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

(a) "Application programming interface" means a set of rules, protocols, and tools that:

(I) Enable the interaction and communication between software applications;

(II) SERVE AS AN INTERMEDIARY THAT FACILITATES THE EXCHANGE OF DATA, REQUESTS, AND COMMANDS BETWEEN DISTINCT SOFTWARE SYSTEMS, ALLOWING THE DISTINCT SOFTWARE SYSTEMS TO WORK TOGETHER SEAMLESSLY; AND

(III) ENABLE THE DEVELOPMENT OF INTERCONNECTED AND INTEROPERABLE APPLICATIONS.

(b) "Community-based monitoring" has the meaning set forth in section 25-7-141(2)(a).

(c) "Continuous emissions monitoring system" means the equipment:

(I) Required to meet the data acquisition and availability requirements

SET FORTH IN A CONSTRUCTION PERMIT OR A RENEWABLE OPERATING PERMIT OR AS SET FORTH IN FEDERAL LAW; AND

(II) THAT IS USED TO SAMPLE; CONDITION, IF APPLICABLE; ANALYZE; AND PROVIDE A RECORD OF EMISSIONS ON A CONTINUOUS BASIS.

(d) "Continuous monitoring system" means a set of instruments and equipment that is designed to continuously measure and record various parameters that may affect emissions of air pollutants in real time and is required under a construction permit, a renewable operating permit, or federal law.

(e) "FENCELINE MONITORING" HAS THE MEANING SET FORTH IN SECTION 25-7-141 (2)(e).

(f) "Petroleum refinery" means a stationary source covered by the North American industry classification system code 324110, as established by the federal office of management and budget.

(g) $"PM_{\rm 2.5}"$ means particulate matter with a diameter of less than two and one-half micrometers.

(h) "PUSH" MEANS, IN THE CONTEXT OF AN APPLICATION PROGRAMMING INTERFACE, A MECHANISM BY WHICH A SERVER OR DATA SOURCE PROACTIVELY SENDS INFORMATION OR UPDATES TO THE DIVISION WITHOUT THE DIVISION EXPLICITLY REQUESTING THE INFORMATION.

(i) "Real time" means the instantaneous or near-instantaneous provision of data, without a delay of more than fifteen minutes, to ensure that data is conveyed promptly and without undue latency.

25-7-147. Rapid response inspection team. (1) The division shall establish a rapid response inspection team to respond quickly to air quality complaints filed with the division. The division shall hire and develop a team to serve as the rapid response inspection team.

(2) THE RAPID RESPONSE INSPECTION TEAM SHALL DEVELOP PROCESSES AND BEST PRACTICES FOR QUICKLY RESPONDING TO AIR QUALITY COMPLAINTS FILED AND FOR GIVING PRIORITY TO AIR QUALITY COMPLAINTS RELATED TO ADVERSE EFFECTS IN DISPROPORTIONATELY IMPACTED COMMUNITIES OF THE STATE. THE RAPID RESPONSE TEAM SHALL ALSO DEVELOP AND IMPLEMENT OUTREACH EFFORTS TO EDUCATE AND ENGAGE WITH COMMUNITIES ABOUT EVENTS AND CONDITIONS THAT LEAD TO EXCESS EMISSIONS WITHIN THE COMMUNITIES. THE RAPID RESPONSE TEAM SHALL TRACK AND REPORT ON THE DIVISION'S WEBSITE THE NUMBER OF COMPLAINTS FILED AND POST WHAT, IF ANY, FORMAL ENFORCEMENT ACTION WAS TAKEN AS A RESULT OF THE COMPLAINT.

(3) The rapid response inspection team shall not respond to any issue arising within the boundaries of the Southern Ute Indian or Ute Mountain Ute reservation absent the express consent of the governing body of the affected tribe. The rapid response inspection team shall refer

ANY COMPLAINT WITHIN THE JURISDICTION OF THE SOUTHERN UTE INDIAN OR UTE MOUNTAIN UTE TRIBE TO THE ENVIRONMENTAL PROGRAMS DEPARTMENT OF THE RELEVANT TRIBE AND MAY RESPOND TO THE COMPLAINT ONLY WITH THE EXPRESS CONSENT OF THE GOVERNING BODY OF THE AFFECTED TRIBE.

SECTION 5. In Colorado Revised Statutes, 24-4-109, **amend** (2)(b) introductory portion and (2)(b)(I) as follows:

24-4-109. State engagement of disproportionately impacted communities - definitions. (2) Definitions. (b) As used in this section and sections $\frac{25-1-133}{25-1-134}$ and $\frac{25-7-105}{1}(e)$, unless the context otherwise requires:

(I) "Agency" means the air quality control commission created in section 25-7-104 and, as used in this section and sections 25-1-133 and 25-1-134 SECTION 25-1-134, the water quality control commission created in section 25-8-201 (1)(a). The portions of this subsection (2)(b)(I) that apply to the water quality control commission are effective on July 1, 2023, except for the portions requiring the water quality control commission to effectuate the requirements of subsections (3)(b)(I), (3)(b)(II), (3)(b)(IV), and (3)(b)(V) of this section, which apply to any rule-making proceedings of the commission concerning the classifications and numeric standards for the South Platte river basin, Laramie river basin, Republican river basin, and Smoky Hill river basin that occur after June 8, 2022.

SECTION 6. Appropriation. (1) For the 2024-25 state fiscal year, \$1,829,087 is appropriated to the department of public health and environment. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:

(a) \$1,180,087 for use by the administration and support division for environmental justice program costs, which amount is based on an assumption that the division will require an additional 2.0 FTE;

(b) \$332,791 for use by the air pollution control division for personal service related to stationary sources, which amount is based on an assumption that the division will require an additional 2.5 FTE;

(c) \$5,760 for use by the air pollution control division for operating expenses related to stationary sources; and

(d) \$310,449 for the purchase of legal services.

(2) For the 2024-25 state fiscal year, \$310,449 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of public health and environment under subsection (1)(d) of this section and is based on an assumption that the department of law will require an additional 1.3 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of public health and environment.

(3) Of the amount appropriated in subsection (1)(a) of this section, any amount up to \$959,310 not expended prior to July 1, 2025, is further appropriated to the division through the 2028-29 state fiscal year for the same purpose.

SECTION 7. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: May 28, 2024