

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

DRAFT
9/9/24

Bill 2

LLS NO. 25-0209.01 Brita Darling x2241

INTERIM COMMITTEE BILL

Representative Hugh McKean
Colorado Youth Advisory Council Review Committee

BILL TOPIC: Access to Lower-Cost Energy in Schools

A BILL FOR AN ACT

101 **CONCERNING ACCESS TO LOWER-COST ENERGY FOR PUBLIC SCHOOLS.**

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/>.)

Representative Hugh McKean Colorado Youth Advisory Council Review Committee. The bill creates the solar energy for public schools program (program) in the Colorado energy office (office). The program awards grants or low-rate loans (loans) to public schools to purchase and install solar energy devices on school buildings or on school grounds.

Public schools must apply to the office for a grant or a loan. The office shall administer the program and adopt rules for the

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

implementation of the program, including establishing criteria for the award of grants or loans to schools. In awarding grants or loans, the office shall prioritize schools that would not otherwise have the financial resources to purchase and install solar energy devices. Among other award criteria, the office shall also consider whether a school is located in a disproportionately impacted community.

The bill creates the solar energy for public schools program cash fund (fund) in the state treasury. The fund consists of money appropriated by the general assembly and gifts, grants, and donations made to the program.

The office shall require schools awarded grants or loans to report annually to the office, and the office shall submit an annual report to certain committees of the general assembly. The office shall also submit a report to the environmental action committee of the Representative Hugh McKean Colorado Youth Advisory Council Review Committee.

The program repeals in 2035.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-38.5-123 as
3 follows:

4 **24-38.5-123. Solar energy for public schools program -**
5 **creation - grants - loans - eligibility - fund created - gifts, grants, or**
6 **donations - reporting - rules - legislative declaration - definitions -**
7 **repeal. (1) Legislative declaration.** THE GENERAL ASSEMBLY FINDS AND
8 DECLARES THAT:

9 (a) THE COST OF ENERGY FOR HEATING AND COOLING IS RISING IN
10 COLORADO FOR RESIDENTS, BUSINESSES, AND SCHOOLS;

11 (b) ACCORDING TO THE MARCH 7, 2023, PRESENTATION BY THE
12 COLORADO PUBLIC UTILITIES COMMISSION TO THE LEGISLATIVE JOINT
13 SELECT COMMITTEE ON RISING UTILITY RATES, IN 2023, ELECTRIC PRICES
14 INCREASED ROUGHLY TWENTY-FIVE PERCENT AND GAS PRICES INCREASED
15 ROUGHLY SEVENTY-FIVE PERCENT FROM 2022 PRICES FOR THE AVERAGE
16 CONSUMER;

1 (c) UNLIKE PRIVATE HOMES AND BUSINESSES, WHICH CAN COMBAT
2 RISING COSTS BY INSTALLING MORE RELIABLE, LOWER-COST OPTIONS SUCH
3 AS SOLAR PANELS, PUBLIC SCHOOLS DO NOT HAVE THE RESOURCES TO
4 IMPLEMENT SUCH OPTIONS EVEN THOUGH SUCH OPTIONS HAVE BEEN
5 PROVEN TO LOWER UTILITY BILLS FOR SCHOOLS;

6 (d) BEYOND SAVING MONEY FOR PUBLIC SCHOOLS, THE
7 INSTALLATION OF SOLAR PANELS AND OTHER ENERGY EFFICIENT DEVICES
8 WILL HELP TO ACHIEVE COLORADO'S "GREENHOUSE GAS POLLUTION
9 REDUCTION ROADMAP" CREATED BY THE COLORADO ENERGY OFFICE,
10 WHICH INCLUDES THE GOAL OF REDUCING STATEWIDE GREENHOUSE GAS
11 EMISSIONS BY NINETY PERCENT BY 2050 RELATIVE TO THE 2005 EMISSION
12 LEVELS;

13 (e) BY AWARDING GRANTS OR LOW-RATE LOANS TO PUBLIC
14 SCHOOLS THAT NEED FINANCIAL ASSISTANCE TO INSTALL SOLAR PANELS
15 OR OTHER DEVICES, PUBLIC SCHOOLS WILL ULTIMATELY BE ABLE TO
16 LOWER THEIR FACILITY COSTS BY EXERCISING OWNERSHIP AND CONTROL
17 OVER THEIR ENERGY NEEDS AND DEMONSTRATE TO THEIR STUDENTS AND
18 THE COMMUNITY GOOD STEWARDSHIP OF THE ENVIRONMENT; AND

19 (f) FURTHER, BY ALLOWING A PUBLIC SCHOOL TO OWN SOLAR
20 ENERGY DEVICES, THE SCHOOL WILL BE IN A POSITION TO CLAIM ANY
21 RENEWABLE ENERGY CREDITS OR OTHER AVAILABLE CREDITS AND WILL
22 HAVE THE POTENTIAL TO STORE OR SELL EXCESS ENERGY PRODUCTION.

23 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
24 OTHERWISE REQUIRES:

25 (a) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
26 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

27 (b) "FUND" MEANS THE SOLAR ENERGY FOR PUBLIC SCHOOLS

1 PROGRAM CASH FUND CREATED IN THIS SECTION.

2 (c) "GRANT" MEANS A GRANT AWARDED UNDER THE PROGRAM.

3 (d) "LOW-RATE LOAN" MEANS A LOAN OFFERED UNDER THE
4 PROGRAM THAT CARRIES AN INTEREST RATE, AS DETERMINED BY THE
5 OFFICE, THAT IS BELOW THE CURRENT YIELD ON UNITED STATES
6 DEPARTMENT OF TREASURY SECURITIES WITH A COMPARABLE MATURITY.

7 (e) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
8 SECTION 24-38.5-101.

9 (f) "PROGRAM" MEANS THE SOLAR ENERGY FOR PUBLIC SCHOOLS
10 PROGRAM CREATED IN THIS SECTION.

11 (g) "PUBLIC SCHOOL" OR "SCHOOL" MEANS:

12 (I) A SCHOOL OF A SCHOOL DISTRICT, INCLUDING A DISTRICT
13 CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF ARTICLE 30.5 OF
14 TITLE 22;

15 (II) AN INSTITUTE CHARTER SCHOOL AUTHORIZED PURSUANT TO
16 PART 5 OF ARTICLE 30.5 OF TITLE 22;

17 (III) A SCHOOL OPERATED BY A BOARD OF COOPERATIVE SERVICES
18 PURSUANT TO PART 1 OF ARTICLE 5 OF TITLE 22; AND

19 (IV) THE COLORADO SCHOOL FOR THE DEAF AND THE BLIND
20 DESCRIBED IN SECTION 22-80-102.

21 (h) "SOLAR ENERGY DEVICES" MEANS DEVICES THAT CONVERT
22 SUNLIGHT INTO ELECTRICITY, INCLUDING SOLAR PANELS.

23 **(3) Creation of program - administration - application - award**

24 **- rules.** (a) THERE IS CREATED IN THE OFFICE THE SOLAR ENERGY FOR
25 PUBLIC SCHOOLS PROGRAM TO PROVIDE OPPORTUNITIES FOR PUBLIC
26 SCHOOLS, THROUGH GRANTS OR LOW-RATE LOANS, TO PURCHASE AND
27 INSTALL SOLAR ENERGY DEVICES ON SCHOOL FACILITIES OR SCHOOL

1 GROUND. THE GOAL OF THE PROGRAM IS TO AWARD GRANTS OR
2 LOW-RATE LOANS IN A MANNER THAT ENSURES THAT AS MANY SCHOOLS
3 AS POSSIBLE THAT WOULD OTHERWISE NOT HAVE ACCESS TO RENEWABLE
4 ENERGY RECEIVE MEANINGFUL SUPPORT IN PURCHASING AND INSTALLING
5 SOLAR ENERGY DEVICES. THE OFFICE SHALL ADMINISTER THE PROGRAM.

6 (b) NO LATER THAN APRIL 1, 2026, THE OFFICE SHALL COMMENCE
7 AWARDING GRANTS OR LOW-RATE LOANS UNDER THE PROGRAM.

8 (c) BY DECEMBER 1, 2025, THE OFFICE SHALL PROMULGATE
9 PROGRAM RULES CONCERNING:

10 (I) APPLICATION REQUIREMENTS AND DEADLINES;

11 (II) AUTHORIZED USES OF PROGRAM GRANTS OR LOW-RATE LOANS;

12 (III) THE INTEREST RATE FOR LOW-RATE LOANS AND THE
13 LOW-RATE LOAN REPAYMENT TERMS;

14 (IV) CRITERIA USED IN EVALUATING AND AWARDING GRANTS OR
15 LOW-RATE LOANS UNDER THE PROGRAM, INCLUDING THE CRITERIA SET
16 FORTH IN SUBSECTION (3)(e) OF THIS SECTION; AND

17 (V) REPORTING REQUIREMENTS FOR SCHOOLS PARTICIPATING IN
18 THE PROGRAM.

19 (d) TO RECEIVE A GRANT OR LOW-RATE LOAN, A PUBLIC SCHOOL
20 MUST SUBMIT AN APPLICATION TO THE OFFICE IN ACCORDANCE WITH
21 RULES PROMULGATED BY THE OFFICE.

22 (e) IN PRIORITIZING APPLICATIONS, THE OFFICE SHALL CONSIDER
23 THE FOLLOWING:

24 (I) WHETHER THE SCHOOL OR SCHOOL DISTRICT HAS EXISTING
25 SOLAR ENERGY DEVICES OR OTHER FORMS OF LOW-COST ENERGY;

26 (II) THE FINANCIAL RESOURCES OF THE SCHOOL OR SCHOOL
27 DISTRICT, INCLUDING WHETHER THE SCHOOL OR SCHOOL DISTRICT HAS

1 ACCESS TO OTHER STATE OR FEDERAL RENEWABLE ENERGY PROGRAMS OR
2 FINANCIAL RESOURCES THAT MAY BE USED TO PURCHASE AND INSTALL
3 SOLAR ENERGY DEVICES OR TO GENERATE OTHER TYPES OF SUSTAINABLE,
4 LOW-COST ENERGY;

5 (III) THE COST OF EFFECTIVE SOLAR ENERGY DEVICES FOR THE
6 APPLICANT AND WHETHER THE GRANT OR LOW-RATE LOAN OFFERED
7 WOULD BE SUFFICIENT TO COMPLETE THE PURCHASE AND INSTALLATION
8 OF ADEQUATE SOLAR ENERGY DEVICES;

9 (IV) WHETHER THE APPLICANT IS REQUESTING A GRANT OR A
10 LOW-RATE LOAN, OR BOTH;

11 (V) WHETHER AWARDING THE GRANT OR LOW-RATE LOAN
12 MAXIMIZES BENEFITS RECEIVED BY SCHOOLS THAT WOULD NOT
13 OTHERWISE HAVE MEANINGFUL ACCESS TO SOLAR ENERGY DEVICES; AND

14 (VI) WHETHER THE SCHOOL IS LOCATED IN A
15 DISPROPORTIONATELY IMPACTED COMMUNITY OR JUST TRANSITION
16 COMMUNITY.

17 (4) **Federal sources of funding.** THE OFFICE SHALL INVESTIGATE
18 THE AVAILABILITY OF FEDERAL GRANTS, LOANS, AND INCENTIVES THAT
19 COULD BE LEVERAGED TO INCREASE THE NUMBER OF SCHOOLS THAT
20 BENEFIT FROM THE PROGRAM.

21 (5) (a) (I) **Fund - appropriation.** THE SOLAR ENERGY FOR PUBLIC
22 SCHOOLS PROGRAM CASH FUND IS CREATED IN THE STATE TREASURY, AND
23 THE OFFICE SHALL ADMINISTER THE FUND FOR THE PURPOSES OF THIS
24 SECTION. THE FUND CONSISTS OF ANY MONEY THAT THE GENERAL
25 ASSEMBLY MAY TRANSFER OR APPROPRIATE TO THE FUND FOR
26 IMPLEMENTATION OF THE PROGRAM AND ANY FEDERAL MONEY OR GIFTS,
27 GRANTS, OR DONATIONS RECEIVED PURSUANT TO SUBSECTION (5)(a)(III)

1 OF THIS SECTION. INTEREST EARNED FROM THE LOW-RATE LOANS AND
2 MONEY REPAID ON LOW-RATE LOANS MAY BE USED FOR GRANTS OR
3 LOANED OUT TO OTHER APPLICANTS FOR THE PROGRAM.

4 (II) THE OFFICE MAY USE MONEY IN THE FUND TO ADVERTISE THE
5 PROGRAM AND TO CONDUCT OUTREACH AND PROVIDE TECHNICAL
6 ASSISTANCE TO SCHOOLS THAT MAY BENEFIT FROM THE PROGRAM.

7 (III) FOR PURPOSES OF THIS SECTION, THE OFFICE MAY SEEK,
8 ACCEPT, AND EXPEND:

9 (A) MONEY FROM FEDERAL SOURCES; AND

10 (B) GIFTS, GRANTS, OR DONATIONS FROM PUBLIC OR PRIVATE
11 SOURCES.

12 (IV) THE OFFICE SHALL TRANSMIT ANY MONEY RECEIVED
13 PURSUANT TO SUBSECTION (5)(a)(III) OF THIS SECTION TO THE STATE
14 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

15 (V) THE OFFICE MAY CHARGE AN ORIGATION FEE FOR A
16 LOW-RATE LOAN AND MAY USE MONEY FROM THE FUND FOR
17 ADMINISTRATIVE COSTS RELATED TO ISSUING THE LOAN.

18 (b) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED BY
19 THE GENERAL ASSEMBLY TO THE OFFICE FOR THE PURPOSES SET FORTH IN
20 THIS SECTION. THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
21 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
22 FUND TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY
23 REMAINING IN THE FUND AT THE END OF A STATE FISCAL YEAR REMAINS IN
24 THE FUND.

25 (6) **Reporting.** (a) ON OR BEFORE JULY 30, 2027, AND ON OR
26 BEFORE JULY 30 OF EACH YEAR THEREAFTER, SO LONG AS A GRANT OR
27 LOW-RATE LOAN WAS AWARDED IN THE PRIOR YEAR OR REMAINS ACTIVE

1 OR UNPAID, THE OFFICE SHALL PREPARE A REPORT SUMMARIZING AND
2 EVALUATING THE PROGRAM.

3 (b) AT A MINIMUM, THE REPORT MUST INCLUDE:

4 (I) THE SCHOOLS AWARDED GRANTS OR LOW-RATE LOANS, THE
5 AMOUNT OF THE GRANTS OR LOW-RATE LOANS, AND, FOR EACH LOW-RATE
6 LOAN AWARDED, THE INTEREST RATE CHARGED AND TERMS OF THE
7 LOW-RATE LOAN;

8 (II) THE SOLAR ENERGY DEVICES PURCHASED AND INSTALLED
9 WITH THE GRANTS OR LOW-RATE LOANS;

10 (III) ENERGY COST SAVINGS THAT THE SCHOOLS ATTRIBUTE TO
11 THE SOLAR ENERGY DEVICES;

12 (IV) AN EVALUATION OF THE PROGRAM AND WHETHER THE
13 PROGRAM IS MEETING THE PROGRAM GOALS; AND

14 (V) ANY OTHER INFORMATION THAT IS RELEVANT TO THE
15 ADMINISTRATION OR EFFECTIVENESS OF THE PROGRAM.

16 (c) THE OFFICE SHALL SUBMIT THE REPORT TO THE HOUSE OF
17 REPRESENTATIVES ENERGY AND ENVIRONMENT COMMITTEE, THE SENATE
18 TRANSPORTATION AND ENERGY COMMITTEE, AND THE MEMBERS OF THE
19 REPRESENTATIVE HUGH MCKEAN COLORADO YOUTH ADVISORY COUNCIL
20 REVIEW COMMITTEE, OR SUCCESSOR COMMITTEES. THE OFFICE SHALL POST
21 A COPY OF THE REPORT ON ITS WEBSITE.

22 (d) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE OFFICE'S
23 REPORTING REQUIREMENTS SET FORTH IN THIS SUBSECTION (6) CONTINUE
24 UNTIL THE PROGRAM REPEALS PURSUANT TO SUBSECTION (7) OF THIS
25 SECTION.

26 (7) (a) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1,
27 2035.

1 (b) PRIOR TO ITS REPEAL, THE STATE TREASURER SHALL TRANSFER
2 ALL UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND
3 TO THE GENERAL FUND.

4 **SECTION 2. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly; except
7 that, if a referendum petition is filed pursuant to section 1 (3) of article V
8 of the state constitution against this act or an item, section, or part of this
9 act within such period, then the act, item, section, or part will not take
10 effect unless approved by the people at the general election to be held in
11 November 2026 and, in such case, will take effect on the date of the
12 official declaration of the vote thereon by the governor.