

## CHAPTER 168

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**GOVERNMENT - STATE**


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**HOUSE BILL 07-1145**

BY REPRESENTATIVE(S) Merrifield, Fischer, McFadyen, Solano, Witwer, Borodkin, Frangas, Gibbs, Green, Jahn, Kefalas, Kerr A., Kerr J., Labuda, Levy, Madden, Massey, Rice, Riesberg, Romanoff, Todd, Weissmann, White, Carroll M., Looper, and McGihon;  
 also SENATOR(S) Gordon, Boyd, Brophy, Fitz-Gerald, Groff, Keller, Kester, Morse, Penry, Romer, Sandoval, Schwartz, Shaffer, Tapia, Tochtrop, Tupa, Williams, and Windels.

**AN ACT**

**CONCERNING RENEWABLE ENERGY RESOURCES DEVELOPMENT ON STATE LANDS MANAGED BY THE STATE BOARD OF LAND COMMISSIONERS.**

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

**SECTION 1.** 36-1-113 (1), Colorado Revised Statutes, is amended to read:

**36-1-113. Leases - rental - mineral resources lands.** (1) The state board of land commissioners may lease any portion of the land of the state at a rental to be determined by it, except as provided in sections 36-1-118, ~~and~~ 36-1-147, AND 36-1-147.5. The lessee shall pay the annual rental to the ~~state board, of land commissioners,~~ who shall receipt for the same in the lease. Upon receiving such annual rental, the board shall transmit the same to the state treasurer, as provided by law, and take his OR HER receipt therefor. If geothermal resources or mineral resources are found upon the state land, such land may be leased for the purpose of removing therefrom such resources for such length of time and conditioned upon the payment to the board of such royalty upon the product as the ~~state board of land commissioners~~ may determine.

**SECTION 2.** 36-1-147 (1), Colorado Revised Statutes, is amended to read:

**36-1-147. Geothermal leases.** (1) The state board of land commissioners may lease any portion of the land of the state, or any interest therein, for the purposes of exploring for, producing, and developing the geothermal resources thereunder at a rental to be determined by the board, except as provided in sections 36-1-113, ~~and~~ 36-1-118, AND 36-1-147.5.

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

**SECTION 3.** Article 1 of title 36, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**36-1-147.5. Leasing arrangements for renewable energy resources development - legislative declaration - definitions.** (1) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT SOME OF THE PUBLIC LANDS UNDER THE DIRECTION, CONTROL, AND DISPOSITION OF THE STATE BOARD OF LAND COMMISSIONERS ARE VIABLE FOR DEVELOPMENT OF RENEWABLE ENERGY RESOURCES AND THEREFORE ARE OF UNIQUE ECONOMIC VALUE TO THE STATE FOR THE FUNDING OF PUBLIC SCHOOLS.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "BIOMASS" MEANS:

(I) NONTOXIC PLANT MATTER CONSISTING OF AGRICULTURAL CROPS OR THEIR BYPRODUCTS, URBAN WOOD WASTE, MILL RESIDUE, SLASH, OR BRUSH;

(II) ANIMAL WASTES AND PRODUCTS OF ANIMAL WASTES; OR

(III) METHANE PRODUCED AT LANDFILLS OR AS A BY-PRODUCT OF THE TREATMENT OF WASTEWATER RESIDUALS.

(b) "RENEWABLE ENERGY RESOURCES" MEANS ENERGY DERIVED FROM SOLAR, WIND, GEOTHERMAL, BIOMASS, AND HYDROELECTRICITY. A FUEL CELL USING HYDROGEN DERIVED FROM THESE ELIGIBLE RESOURCES IS ALSO AN ELIGIBLE ELECTRIC GENERATION TECHNOLOGY. FOSSIL AND NUCLEAR FUELS AND THEIR DERIVATIVES ARE NOT ELIGIBLE RESOURCES.

(3) THE STATE BOARD OF LAND COMMISSIONERS SHALL EXAMINE PROPERTY CURRENTLY UNDER THE DIRECTION, CONTROL, AND DISPOSITION OF THE BOARD TO IDENTIFY LAND SUITABLE AND APPROPRIATE FOR DEVELOPMENT OF RENEWABLE ENERGY RESOURCES. IN IDENTIFYING SUCH PROPERTY THE BOARD SHALL COLLABORATE WITH THE NATIONAL RENEWABLE ENERGY LABORATORY, UNIVERSITY OF COLORADO, COLORADO STATE UNIVERSITY, AND COLORADO SCHOOL OF MINES. THE BOARD SHALL ALSO WORK WITH FEDERAL LAND MANAGEMENT AGENCIES TO PURSUE ANY STATE AND FEDERAL COLLABORATION FOR THE DEVELOPMENT OF RENEWABLE ENERGY RESOURCES.

(4) THE STATE BOARD OF LAND COMMISSIONERS SHALL COLLABORATE WITH THE OFFICE OF ENERGY MANAGEMENT AND CONSERVATION TO ENSURE THAT POTENTIAL RENEWABLE ENERGY RESOURCE DEVELOPERS ARE AWARE OF ANY LANDS IDENTIFIED BY THE BOARD AS BEING SUITABLE FOR DEVELOPMENT OF RENEWABLE ENERGY RESOURCES.

(5) THE STATE BOARD OF LAND COMMISSIONERS MAY LEASE ANY PORTION OF THE LAND OF THE STATE, OR ANY INTEREST THEREIN, FOR THE PURPOSES OF DEVELOPING RENEWABLE ENERGY RESOURCES AT A RENTAL TO BE DETERMINED BY THE BOARD, EXCEPT AS PROVIDED IN SECTIONS 36-1-113, 36-1-118, AND 36-1-147.

(6) THE LEASING ARRANGEMENTS FOR RENEWABLE ENERGY RESOURCES

DEVELOPMENT AUTHORIZED BY SUBSECTION (5) OF THIS SECTION SHALL INCLUDE PROVISIONS FOR:

(a) ROYALTIES ON THE ENERGY PRODUCED THROUGH THE RENEWABLE ENERGY RESOURCES; AND

(b) THE PROTECTION OF THE ENVIRONMENT, INCLUDING BUT NOT LIMITED TO WILDLIFE HABITAT, AIR QUALITY, GROUND AND SURFACE WATER QUALITY, AND LAND SURFACE.

(7) ALL EXISTING LEASES ON STATE LANDS FOR THE DEVELOPMENT OF RENEWABLE ENERGY RESOURCES ARE HEREBY VALIDATED AS THOUGH THEY HAD BEEN ISSUED PURSUANT TO THE AUTHORITY OF THIS SECTION.

**SECTION 4.** 36-1-147.5 (3), Colorado Revised Statutes, as enacted by section 3 of House Bill 07-1145, enacted at the First Regular Session of the Sixty-sixth General Assembly, is amended to read:

**36-1-147.5. Leasing arrangements for renewable energy resources development - legislative declaration - definitions - repeal.** (3) (a) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (3), the state board of land commissioners shall examine property currently under the direction, control, and disposition of the board to identify land suitable and appropriate for development of renewable energy resources. In identifying such property the board shall collaborate with the national renewable energy laboratory, university of Colorado, Colorado state university, and Colorado school of mines. The board shall also work with federal land management agencies to pursue any state and federal collaboration for the development of renewable energy resources.

(b) (I) IF A MAP IS GENERATED PURSUANT TO SECTION 40-4-116 (3) (a), C.R.S., THE STATE BOARD OF LAND COMMISSIONERS MAY USE THAT MAP TO IDENTIFY STATE LANDS, UNDER THE BOARD'S DIRECTION AND CONTROL, THAT MAY BE SUITABLE AND APPROPRIATE FOR DEVELOPMENT OF RENEWABLE ENERGY RESOURCES.

(II) THIS PARAGRAPH (b) IS REPEALED, EFFECTIVE DECEMBER 1, 2007.

**SECTION 5. Effective date.** (1) Except as specified in subsection (2) of this section, this act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 8, 2007, if adjournment sine die is on May 9, 2007); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

(2) Section 4 of this act shall only take effect if Senate Bill 07-091 is enacted at the First Regular Session of the Sixty-sixth General Assembly and becomes law.

Approved: April 26, 2007