

Second Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 12-0418.01 Esther van Mourik x4215

HOUSE BILL 12-1315

HOUSE SPONSORSHIP

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House Committees

Agriculture, Livestock, & Natural Resources

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A BILL FOR AN ACT

101 **CONCERNING THE REORGANIZATION OF THE GOVERNOR'S ENERGY**
102 **OFFICE.**

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://www.leg.state.co.us/billsummaries>.)

The bill changes the name of the governor's energy office to the Colorado office of energy development (office). As part of the reorganization of the office, the bill changes the mission of the office to:

- ! Promoting all Colorado energy;
- ! Promoting economic development in Colorado through

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

- ! energy-market advances that create jobs;
- ! Encouraging Colorado-based clean and innovative energy solutions that include traditional and renewable energy sources;
- ! Increasing energy security;
- ! Lowering long-term consumer costs; and
- ! Protecting the environment.

The bill aligns the duties of the office with the new mission of the office.

The bill requires the office to obtain legislative approval prior to changing office policies related to its strategic plan, the definition of "renewable energy", energy transmission, or any policy that could negatively impact the use of traditional energy sources.

The bill creates the renewable energy fund and specifies that the fund be used by the office to work with communities, utilities, private and public organizations, and individuals to promote:

- ! The renewable energy standard;
- ! Renewable energy such as wind, solar, biomass, hydroelectricity, thermal gasification, and geothermal;
- ! Energy efficiency technologies;
- ! Cleaner technologies by utilizing traditional Colorado-sourced energy; and
- ! New energy technologies.

The bill changes the name of the clean energy fund to the innovative energy fund, aligns the purposes of that fund with the new mission of the office, limits the expenditures from the fund for those projects related to the severance of minerals subject to taxation under state law, and transfers moneys to the innovative energy fund from the perpetual base account of the severance tax trust fund.

The bill repeals:

- ! The wind for schools grant program;
- ! The Colorado clean energy development authority; and
- ! The green truck grant program.

The bill ends the office's role as a consultant to the reenergize Colorado program and the geothermal resource leasing fund.

The bill changes the name of the clean energy improvement debt reserve fund to the energy improvement debt reserve fund and includes improvements to the efficiency of traditional energy fixtures as part of the definition of "renewable energy improvement" for purposes of local improvement districts.

The bill ends the authority of the office to use up to 5% of the moneys in the Colorado office of energy development low-income energy assistance fund for planning, overseeing, and evaluating the program to improve the energy efficiency of low-income households.

Finally, the bill terminates the office on July 1, 2018, unless extended through the sunset review process.

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

2 **SECTION 1.** In Colorado Revised Statutes, 11-59.7-103, **repeal**
3 (13); and **add** (8.5) as follows:

4 **11-59.7-103. Definitions.** As used in this article, unless the
5 context otherwise requires:

6 (8.5) "COLORADO OFFICE OF ENERGY DEVELOPMENT" MEANS THE
7 COLORADO OFFICE OF ENERGY DEVELOPMENT CREATED IN SECTION
8 24-38.5-101 (1), C.R.S.

9 (13) "~~Governor's energy office~~" means the ~~governor's energy~~
10 ~~office created in section 24-38.5-101 (1), C.R.S.~~

11 **SECTION 2.** In Colorado Revised Statutes, **amend** 11-59.7-107
12 as follows:

13 **11-59.7-107. Qualified energy conservation bond volume cap.**

14 (1) The qualified energy conservation bond volume cap shall be
15 administered by the ~~governor's energy office~~ COLORADO OFFICE OF
16 ENERGY DEVELOPMENT pursuant to this section. The ~~governor's energy~~
17 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT shall allocate the
18 qualified energy conservation bond volume cap to the state and large local
19 governments in accordance with federal law for the purpose of financing
20 or refinancing projects approved by the ~~governor's energy office~~
21 COLORADO OFFICE OF ENERGY DEVELOPMENT. The qualified energy
22 conservation bond volume cap for calendar year 2009 shall be allocated
23 by the thirtieth day following June 2, 2009. The qualified energy
24 conservation bond volume cap for each subsequent calendar year shall be
25 allocated on or before February 15 of the calendar year.

26 (2) The state may reallocate any portion of the qualified energy

1 conservation bond volume cap allocated or reallocated to the state
2 pursuant to this section to any public entity for the purpose of financing
3 or refinancing projects approved by the ~~governor's energy office~~
4 COLORADO OFFICE OF ENERGY DEVELOPMENT.

5 (3) Any portion of the qualified energy conservation bond volume
6 cap for a calendar year that is allocated to a large local government
7 pursuant to subsection (1) of this section that has not been used on bonds
8 issued or a lease-purchase agreement entered into or for which a contract
9 to purchase bonds or instruments evidencing interests in a lease-purchase
10 agreement has not been entered into on or before November 10 of the
11 calendar year shall, on November 11 of the calendar year, automatically
12 revert to the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
13 DEVELOPMENT. If a contract to purchase has been entered into on or
14 before November 10 of the calendar year but the related bonds or
15 lease-purchase agreement are not issued or entered into on or before
16 November 30 of the calendar year, the volume cap shall automatically
17 revert to the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
18 DEVELOPMENT on December 1 of the calendar year. The ~~governor's~~
19 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT may
20 reallocate to any public entity for the purpose of financing or refinancing
21 a project approved by the office, or carry forward pursuant to subsection
22 (4) of this section, any volume cap that reverts to the office pursuant to
23 this subsection (3). Any volume cap that is reallocated to a public entity
24 pursuant to this subsection (3) that has not been used on bonds issued or
25 a lease-purchase agreement entered into by noon, prevailing Denver time,
26 on December 31 of a calendar year shall, at 12:01 p.m., prevailing Denver
27 time, on December 31 of the calendar year, automatically revert to the

1 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT.

2 (4) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
3 DEVELOPMENT shall carry forward to the next calendar year any portion
4 of the qualified energy conservation bond volume cap that has not been
5 used on bonds issued or a lease-purchase agreement entered into by the
6 end of a calendar year. In selecting projects for the purpose of allocating
7 qualified energy conservation bond volume cap, the ~~governor's energy~~
8 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT shall prioritize
9 projects that are ready to be financed or refinanced and that are most
10 consistent with the purpose of this article described in section
11 11-59.7-102 (1) (b). The ~~governor's energy office~~ COLORADO OFFICE OF
12 ENERGY DEVELOPMENT shall allocate qualified energy conservation bond
13 volume cap in a manner consistent with federal law and the purpose of
14 this article described in section 11-59.7-102 (1) (b) and to minimize the
15 qualified energy conservation bond volume cap that has not been used on
16 bonds issued or a lease-purchase agreement entered into on or before the
17 expiration of the qualified energy conservation bond program. The
18 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
19 may allocate qualified energy conservation bond volume cap to the state
20 pursuant to this section in anticipation of the enactment by the general
21 assembly of legislation authorizing a lease-purchase agreement. The state,
22 any large local government, or any other public entity to which qualified
23 energy conservation bond volume cap has been allocated pursuant to this
24 section may, at any time, relinquish the volume cap to the ~~governor's~~
25 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT. Any volume
26 cap relinquished may be reallocated by the ~~governor's energy office~~
27 COLORADO OFFICE OF ENERGY DEVELOPMENT to any public entity to

1 finance or refinance a project approved by the office or may be carried
2 forward to the next calendar year. The department of local affairs, in
3 consultation with the ~~governor's energy office~~ COLORADO OFFICE OF
4 ENERGY DEVELOPMENT, may promulgate rules in accordance with article
5 4 of title 24, C.R.S., regarding the manner in which the qualified energy
6 conservation bond volume cap will be allocated.

7 **SECTION 3.** In Colorado Revised Statutes, 11-59.7-111, **amend**

8 (1) introductory portion as follows:

9 **11-59.7-111. Reporting requirements.** (1) A public entity that
10 issues or enters into a stimulus obligation authorized by the allocation or
11 reallocation of volume cap to the public entity pursuant to section
12 11-59.7-106, 11-59.7-107, 11-59.7-108, or 11-59.7-109, by the public
13 school capital construction assistance board, the ~~governor's energy office~~
14 COLORADO OFFICE OF ENERGY DEVELOPMENT, the commission on higher
15 education, or the department of local affairs, as applicable, shall deliver
16 a report to the entity that allocated or reallocated the volume cap within
17 thirty days after the stimulus obligation is issued or entered into. The
18 report shall include the following information and any other information
19 requested by the entity that allocated or reallocated the volume cap:

20 **SECTION 4.** In Colorado Revised Statutes, 22-43.7-107, **amend**

21 (2) (d) as follows:

22 **22-43.7-107. Public school facility construction guidelines -**
23 **establishment by board - use.** (2) The public school facility
24 construction guidelines shall identify and describe the capital
25 construction, renovation, and equipment needs in public school facilities
26 and means of addressing those needs that will provide educational and
27 safety benefits at a reasonable cost. In preparing the guidelines, the board

1 shall address the following considerations:

2 (d) Building performance standards and guidelines, including but
3 not limited to green building and energy efficiency criteria as specified in
4 executive order D0012 07, "Greening of State Government: Detailed
5 Implementation", issued by the governor on April 16, 2007, or any
6 subsequent executive orders or other policy directives concerning green
7 building and energy efficiency criteria issued by the governor or the
8 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT;

9 **SECTION 5.** In Colorado Revised Statutes, 22-92-103, **repeal**
10 (3); and **add** (1.5) as follows:

11 **22-92-103. Definitions.** As used in this article, unless the context
12 otherwise requires:

13 (1.5) "COLORADO OFFICE OF ENERGY DEVELOPMENT" OR "OFFICE"
14 MEANS THE COLORADO OFFICE OF ENERGY DEVELOPMENT CREATED IN
15 SECTION 24-38.5-101, C.R.S., OR ANY SUCCESSOR OFFICE.

16 (3) ~~"Governor's energy office" or "office"~~ means the ~~governor's~~
17 ~~energy office created in section 24-38.5-101, C.R.S., or any successor~~
18 ~~office~~.

19 **SECTION 6.** In Colorado Revised Statutes, 22-92-104, **amend**
20 (1) as follows:

21 **22-92-104. Renewable energy and energy efficiency for schools**
22 **loan program - created - applications - permissible uses of loans.**

23 (1) There is hereby created the renewable energy and energy efficiency
24 for schools loan program to fund renewable energy projects and
25 energy-efficient bus projects at qualified school districts. A qualified
26 school district may, with the written authorization of the school district
27 board of education, apply to the ~~governor's energy office~~ COLORADO

1 OFFICE OF ENERGY DEVELOPMENT, in accordance with procedures and
2 deadlines established by rules promulgated by the state board of education
3 pursuant to section 22-92-105, to receive moneys through the loan
4 program. The office shall administer the loan program as provided in this
5 article and pursuant to the policies adopted by the office.

6 **SECTION 7.** In Colorado Revised Statutes, 22-92-105, **amend**
7 (1) introductory portion, (2), (3), and (4) as follows:

8 **22-92-105. Renewable energy and energy efficiency for schools**
9 **loan program - rules - awarding loans.** (1) On or before October 15,
10 2009, the state board of education, in consultation with the ~~governor's~~
11 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT, shall
12 promulgate rules establishing policies and procedures for the
13 administration of the renewable energy and energy efficiency for schools
14 loan program. At a minimum, the rules shall include:

15 (2) (a) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
16 DEVELOPMENT shall review each loan application received from a
17 qualified school district pursuant to section 22-92-104 (1), evaluate the
18 renewable energy project or energy-efficient bus project described
19 therein, and make a recommendation to the state treasurer as to whether
20 to award the loan and the amount of the loan. If the office determines an
21 application is missing any information required by the office's policy to
22 be included with the application, the office may contact the applicant to
23 obtain the missing information.

24 (b) In reviewing loan applications for renewable energy projects
25 and energy-efficient bus projects pursuant to paragraph (a) of this
26 subsection (2), the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
27 DEVELOPMENT shall consider, at a minimum, whether a qualified school

1 district would reduce its energy costs by the implementation of the
2 renewable energy project or energy-efficient bus project that is the subject
3 of each loan application.

4 (3) The state treasurer is authorized to require each qualified
5 school district that receives a loan from the loan program to pay to the
6 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT a
7 fee that reflects the direct and indirect costs incurred by the state treasurer
8 in administering loans pursuant to section 22-92-107. If the state treasurer
9 elects to impose a fee pursuant to this subsection (3), he or she shall
10 notify the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
11 DEVELOPMENT and the state board of education of the decision to impose
12 the fee. A fee imposed pursuant to this subsection (3) may be imposed on
13 a regularly scheduled basis to be determined by the state treasurer. A
14 qualified school district that receives a loan from the loan program shall
15 be required to pay the fee until the loan is repaid in full.

16 (4) If the state treasurer elects to impose a fee as part of the loan
17 application process pursuant to subsection (3) of this section, the
18 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
19 shall forward all moneys received as fees to the state treasurer.

20 **SECTION 8.** In Colorado Revised Statutes, 22-92-107, **amend**
21 (1) (a) and (1) (b) as follows:

22 **22-92-107. Loans from public school fund authorized.** (1) As
23 authorized under the provisions of section 3 of article IX of the state
24 constitution, the state treasurer may make loans to school districts to
25 assist them in providing necessary buildings, land, and equipment,
26 including renewable energy projects and energy-efficient bus projects as
27 described in this article. Loans made pursuant to this article shall not be

1 subject to the provisions of section 24-36-113, C.R.S., that require the
2 state treasurer to secure the maximum rate of interest on investments of
3 state moneys. The procedures for the making of loans shall be determined
4 by the state treasurer subject to the following:

5 (a) No loan shall be authorized for any renewable energy project
6 or energy-efficient bus project that has not been evaluated by the
7 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
8 pursuant to section 22-92-105 (2) (a).

9 (b) No loan shall be authorized in an amount exceeding the
10 amount recommended by the ~~governor's energy office~~ COLORADO OFFICE
11 OF ENERGY DEVELOPMENT pursuant to section 22-92-105 (2) (a) unless
12 the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
13 approves the change in the loan amount.

14 **SECTION 9.** In Colorado Revised Statutes, 23-31-313, **amend**
15 (7) (b) as follows:

16 **23-31-313. Healthy forests - vibrant communities - funds**
17 **created.** (7) **Enhanced economic opportunities.** In order to support
18 local business development and job creation through the implementation
19 of forest treatments, the forest service shall:

20 (b) Work with the ~~governor's energy office~~ COLORADO OFFICE OF
21 ENERGY DEVELOPMENT created in section 24-38.5-101, C.R.S., and the air
22 quality control commission created in section 25-7-104, C.R.S., to
23 support the appropriately increased use of woody biomass in bio-heating.

24 **SECTION 10.** In Colorado Revised Statutes, 23-31-314, **amend**
25 (1) (e), (2) (b) (I) introductory portion, and (4) as follows:

26 **23-31-314. Colorado forest biomass use work group - repeal.**
27 (1) There is hereby created the Colorado forest biomass use work group.

1 The work group shall invite an employee of the United States forest
2 service to participate in the work group's proceedings. The work group
3 consists of:

4 (e) The director of the ~~governor's energy office~~ COLORADO OFFICE
5 OF ENERGY DEVELOPMENT created in section 24-38.5-101, C.R.S., or the
6 director's designee, whose participation is limited to identifying
7 mechanisms that are cost-neutral to consumers;

8 (2) The work group shall prioritize its efforts to protect critical
9 forested areas of the state, including the wildland-urban interface, electric
10 utility infrastructure, transportation corridors, water supply and quality,
11 and watersheds. The purpose of the work group is to:

12 (b) Recommend ways to maximize the Colorado state forest
13 service's effectiveness with regard to the following issues:

14 (I) The service acting as an information resource, in coordination
15 with the department of natural resources and the ~~governor's energy office~~
16 COLORADO OFFICE OF ENERGY DEVELOPMENT, for persons seeking to
17 utilize woody biomass for energy development, including by maintaining
18 and updating existing data regarding:

19 (4) (a) The Colorado state forest service, the department of natural
20 resources, and the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
21 DEVELOPMENT may accept private gifts, grants, and donations for the
22 purpose of providing support to the work group to perform its
23 responsibilities specified in this section and shall transmit such revenues
24 to the state treasurer, who shall deposit them in a separate account within
25 the healthy forests and vibrant communities fund created in section
26 23-31-313 (10), which account is hereby created. Revenues in the account
27 are available to the Colorado state forest service and the work group only

1 for the purpose of carrying out the work group's duties under this section.
2 The account also consists of moneys appropriated and transferred to the
3 account. Any unencumbered moneys remaining in the account as of July
4 1, 2012, revert to the healthy forests and vibrant communities fund to be
5 used pursuant to section 23-31-313 (10).

6 (b) It is the intent of the general assembly that the Colorado state
7 forest service not be required to solicit gifts, grants, or donations from any
8 source for the purposes of this section and that no general fund moneys
9 be used to pay for grants awarded pursuant to this section or for any
10 expenses of the work group. The work group may also access existing
11 resources of the Colorado state forest service, the department of natural
12 resources, and the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
13 DEVELOPMENT, to the extent that such resources are legally available and
14 otherwise unencumbered.

15 **SECTION 11.** In Colorado Revised Statutes, 23-41-114, amend
16 (4) (b) (VI) (A) as follows:

17 **23-41-114. Colorado energy research institute - creation.**

18 (4) The institute shall conduct:

19 (b) The following specific research and educational programs
20 designed to meet the information needs of the department of natural
21 resources, other agencies of the state's executive branch, the legislature,
22 and the public:

23 (VI) (A) To provide grants through the ~~governor's energy office~~
24 COLORADO OFFICE OF ENERGY DEVELOPMENT created in section
25 24-38.5-101, C.R.S., for the development of a central resource for
26 building trade professionals, including contractors, engineers, architects,
27 and designers, for the purpose of increasing available tools and education

1 to advance energy-efficient design and construction.

2 **SECTION 12.** In Colorado Revised Statutes, 24-33-115, **amend**

3 (1) introductory portion as follows:

4 **24-33-115. Reenergize Colorado program - powers and duties**

5 **of executive director - repeal.** (1) In addition to all other powers and
6 duties conferred upon the executive director by law, the executive
7 director is hereby authorized and directed to work with the ~~governor's~~
8 ~~energy office~~, the state board of land commissioners, public utilities, and
9 other state and federal agencies as necessary to initiate the reenergize
10 Colorado program. The purposes of the program are:

11 **SECTION 13.** In Colorado Revised Statutes, 24-34-104, **add** (49)

12 (i) as follows:

13 **24-34-104. General assembly review of regulatory agencies**
14 **and functions for termination, continuation, or reestablishment.**

15 (49) The following agencies, functions, or both, shall terminate on July
16 1, 2018:

17 (i) THE COLORADO OFFICE OF ENERGY DEVELOPMENT CREATED IN
18 PART 1 OF ARTICLE 38.5 OF THIS TITLE.

19 **SECTION 14.** In Colorado Revised Statutes, **amend** 24-38.5-101

20 as follows:

21 **24-38.5-101. Colorado office of energy development - creation.**

22 (1) There is hereby created within the office of the governor the
23 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT,
24 the head of which shall be the director of the ~~governor's energy office~~
25 COLORADO OFFICE OF ENERGY DEVELOPMENT. The director of the office
26 shall be assisted by a deputy director and a staff to fulfill the office's
27 mission to: ~~lead Colorado to a new energy economy by advancing energy~~

1 efficiency and renewable, clean energy resources.

2 (a) PROMOTE ALL COLORADO ENERGY;

3 (b) PROMOTE ECONOMIC DEVELOPMENT IN COLORADO THROUGH
4 ENERGY-MARKET ADVANCES THAT CREATE JOBS;

5 (c) ENCOURAGE COLORADO-BASED CLEAN AND INNOVATIVE
6 ENERGY SOLUTIONS THAT INCLUDE TRADITIONAL, CLEAN, AND
7 RENEWABLE ENERGY SOURCES IN ORDER TO ENCOURAGE A BALANCED
8 ENERGY PORTFOLIO;

9 (d) INCREASE ENERGY SECURITY;

10 (e) LOWER LONG-TERM CONSUMER COSTS; AND

11 (f) PROTECT THE ENVIRONMENT.

12 (2) ~~Staff of the governor's energy office shall include but not be~~
13 ~~limited to regional representatives to help engage municipalities,~~
14 ~~consumers, businesses, and others with the energy programs of the office.~~
15 The regional representatives shall expedite programs and serve as a local
16 resource to communities throughout Colorado.

17 **SECTION 15.** In Colorado Revised Statutes, 24-38.5-102,
18 **amend** (1) introductory portion, (1) (a), (1) (e), and (1) (o); **repeal** (1) (f),
19 (1) (s), (1) (t), and (2); and **add** (3) as follows:

20 **24-38.5-102. Colorado office of energy development - duties**
21 **and powers.** (1) The ~~governor's energy office~~ COLORADO OFFICE OF
22 ENERGY DEVELOPMENT shall:

23 (a) Work with communities, utilities, private and public
24 organizations, and individuals to promote:

25 (I) THE RENEWABLE ENERGY STANDARD ESTABLISHED IN SECTION
26 40-2-124, C.R.S.;

27 (II) Renewable AND CLEAN energy, such as wind, solar, BIOMASS,

1 HYDROELECTRICITY, THERMAL GASIFICATION, and geothermal; and

2 (III) TRADITIONAL ENERGY SOURCES SUCH AS COAL AND NATURAL
3 GAS;

4 (IV) Energy efficiency technologies;

5 (V) CLEANER TECHNOLOGIES BY UTILIZING TRADITIONAL,
6 COLORADO-SOURCED ENERGY; AND

7 (VI) NEW ENERGY TECHNOLOGIES AS DESCRIBED IN SECTION
8 40-2-123, C.R.S.

9 (e) Advance INNOVATIVE energy efficiency and renewable energy
10 throughout the state as specified in section ~~24-75-1201~~ SECTION
11 24-38.5-102.5;

12 (f) Implement and administer a wind for schools project pursuant
13 to article ~~89~~ of title 22, C.R.S.;

14 (o) Collaborate with the department of higher education to
15 develop ~~renewable~~ energy curricula that will serve the work force needs
16 of ~~renewable~~ ALL energy industries. Such collaboration may include
17 research institutions, state colleges, community colleges, and trade
18 organizations in an effort to develop a means by which the state may
19 address all facets of work force demands in ~~the new energy economy~~
20 DEVELOPING A BALANCED ENERGY PORTFOLIO. Institutions may also
21 partner in the development of curricula with organizations that have
22 existing ENERGY curricula and training programs. ~~on renewable energy~~
23 For the purposes of this paragraph (o), "~~renewable energy~~" shall have the
24 same meaning as set forth in section 40-1-102 (11), C.R.S.

25 (s) Administer the green truck grant program pursuant to part 3 of
26 article 1 of title 42, C.R.S.;

27 (t) Assist the executive director of the department of local affairs

1 in allocating revenues from the geothermal resource leasing fund to
2 eligible entities pursuant to section 34-63-105, C.R.S.

3 (2) The director of the governor's energy office shall serve as
4 chairperson of the board of directors of the Colorado clean energy
5 development authority as specified in article 9.7 of title 40, C.R.S.

6 (3) THE COLORADO OFFICE OF ENERGY DEVELOPMENT SHALL
7 OBTAIN PRIOR APPROVAL FROM THE HOUSE OF REPRESENTATIVES AND
8 SENATE COMMITTEES OF REFERENCE TO WHICH THE OFFICE IS ASSIGNED
9 PURSUANT TO SECTION 2-7-203 (1), C.R.S., BEFORE IT MAKES ANY
10 CHANGES TO:

11 (a) ANY PRINCIPLES, POLICIES, OR PERFORMANCE-BASED GOALS
12 THAT THE OFFICE HAS OUTLINED IN ITS STRATEGIC PLAN REQUIRED
13 PURSUANT TO SECTION 2-7-204 (1) (a), C.R.S.;

14 (b) OFFICE POLICIES RELATED TO THE DEFINITION OF "RENEWABLE
15 ENERGY";

16 (c) OFFICE POLICIES RELATED TO ENERGY TRANSMISSION; AND

17 (d) ANY OFFICE POLICY THAT COULD NEGATIVELY IMPACT THE USE
18 OF TRADITIONAL ENERGY SOURCES.

19 **SECTION 16.** In Colorado Revised Statutes, **add** 24-38.5-102.4
20 as follows:

21 **24-38.5-102.4. Renewable energy fund - created.** (1) THERE IS
22 HEREBY CREATED IN THE STATE TREASURY THE RENEWABLE ENERGY
23 FUND, REFERRED TO IN THIS SECTION AS THE "FUND". THE FUND CONSISTS
24 OF:

25 (a) MONEYS APPROPRIATED TO THE FUND BY THE GENERAL
26 ASSEMBLY; AND

27 (b) ANY GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC

1 SOURCES THAT THE COLORADO OFFICE OF ENERGY DEVELOPMENT IS
2 HEREBY AUTHORIZED TO SEEK AND ACCEPT.

3 (2) THE GENERAL ASSEMBLY SHALL ANNUALLY APPROPRIATE
4 MONEYS IN THE FUND TO THE COLORADO OFFICE OF ENERGY
5 DEVELOPMENT FOR THE OFFICE TO PERFORM THE DUTIES SPECIFIED IN
6 SECTION 24-38.5-102 (1) (a) AND FOR THE COLORADO CLEAN ENERGY
7 FINANCE PROGRAM ESTABLISHED PURSUANT TO ARTICLE 38.7 OF THIS
8 TITLE.

9 (3) ALL MONEYS NOT EXPENDED OR ENCUMBERED, AND ALL
10 INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEYS IN THE
11 FUND, REMAIN IN THE FUND AND DO NOT REVERT TO THE GENERAL FUND
12 OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. MONEYS IN THE
13 FUND SHALL NOT BE TRANSFERRED TO THE INNOVATIVE ENERGY FUND
14 CREATED IN SECTION 24-38.5-102.5.

15 **SECTION 17.** In Colorado Revised Statutes, **add with amended**
16 **and relocated provisions** 24-38.5-102.5 as follows:

17 **24-38.5-102.5. [Formerly 24-75-1201] Innovative energy fund**
18 **- creation - use of fund - definitions.** (1) (a) The ~~clean~~ INNOVATIVE
19 energy fund is hereby created in the state treasury. The principal of the
20 fund shall consist of moneys transferred to the fund at the end of the
21 2006-07 state fiscal year and at the end of each succeeding state fiscal
22 year from moneys received by the ~~governor's energy office~~ pursuant to
23 section ~~39-29-109.3(2)(f), C.R.S., in accordance with section 40-8.7-112~~
24 ~~(3)(g), C.R.S.~~ COLORADO OFFICE OF ENERGY DEVELOPMENT, moneys
25 received pursuant to the federal "American Recovery and Reinvestment
26 Act of 2009", Pub.L. 111-5, or any amendments thereto, MONEYS
27 RECEIVED PURSUANT TO SECTION 39-29-109 (2) (a), C.R.S., or from

1 revenue contracts, court settlement funds, supplemental environmental
2 program funds, repayment or return of funds from eligible public
3 depositories, and gifts, grants, and donations, and any other moneys
4 received by the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
5 DEVELOPMENT. Interest and income earned on the deposit and investment
6 of moneys in the ~~clean~~ INNOVATIVE energy fund shall be credited to the
7 fund. Moneys in the fund at the end of any state fiscal year shall remain
8 in the fund and shall not be credited to the state general fund or any other
9 fund. MONEY IN THE FUND SHALL NOT BE TRANSFERRED TO THE
10 RENEWABLE ENERGY FUND CREATED IN SECTION 24-38.5-102.4.

11 (b) For purposes of this section:

12 (I) "~~governor's energy office~~" "COLORADO OFFICE OF ENERGY
13 DEVELOPMENT" means the ~~governor's energy office~~ COLORADO OFFICE OF
14 ENERGY DEVELOPMENT created in section 24-38.5-101.

15 (II) "INNOVATIVE ENERGY" MEANS AN EXISTING, NEW, OR
16 EMERGING TECHNOLOGY THAT:

17 (A) ENABLES THE USE OF A LOCAL FUEL SOURCE;

18 (B) ESTABLISHES A MORE EFFICIENT OR ENVIRONMENTALLY
19 BENEFICIAL USE OF ENERGY; OR

20 (C) HELPS TO CREATE ENERGY INDEPENDENCE OR ENERGY
21 SECURITY FOR THE STATE.

22 (2) (a) All moneys in the ~~clean~~ INNOVATIVE energy fund are
23 continuously ANNUALLY appropriated to the ~~governor's energy office~~
24 COLORADO OFFICE OF ENERGY DEVELOPMENT for the purposes of
25 advancing INNOVATIVE energy ~~efficiency and renewable energy~~
26 throughout the state; EXCEPT THAT THE MONEY ARE LIMITED TO PROJECTS
27 RELATED TO THE SEVERANCE OF MINERALS SUBJECT TO TAXATION UNDER

1 ARTICLE 29 OF TITLE 39, C.R.S.

2 (b) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
3 DEVELOPMENT may expend moneys from the ~~clean~~ INNOVATIVE energy
4 fund:

5 (I) TO OVERCOME MARKET BARRIERS FACING EMERGING AND
6 COST-EFFECTIVE ENERGY TECHNOLOGIES;

7 (II) TO PROMOTE ROBUST RESEARCH, DEVELOPMENT,
8 COMMERCIALIZATION, AND FINANCING OF INNOVATIVE ENERGY
9 TECHNOLOGIES;

10 (III) TO EDUCATE THE GENERAL PUBLIC ON ENERGY ISSUES AND
11 OPPORTUNITIES;

12 ~~(IV)~~ (IV) To attract ~~renewable~~ INNOVATIVE energy industry
13 investment in the state;

14 ~~(V)~~ (V) To assist in technology transfer into the marketplace for
15 newly developed INNOVATIVE energy ~~efficiency and renewable energy~~
16 technologies;

17 ~~(VI)~~ (VI) To provide market incentives for the purchase and
18 distribution of INNOVATIVE energy ~~efficient and renewable energy~~
19 products;

20 ~~(VII)~~ (VII) To assist in the implementation of INNOVATIVE energy
21 ~~efficiency~~ projects throughout the state;

22 ~~(V)~~ (VIII) To aid governmental agencies in INNOVATIVE energy
23 ~~efficiency~~ government initiatives;

24 ~~(VI)~~ (IX) To facilitate widespread implementation of ~~renewable~~
25 INNOVATIVE energy technologies; and

26 ~~(VII)~~ (X) In any other manner that serves the purposes of
27 advancing INNOVATIVE energy ~~efficiency and renewable energy~~

1 throughout the state.

2 (c) (I) Subject to the provisions of subparagraph (II) of this
3 paragraph (c), the moneys in the ~~clean~~ INNOVATIVE energy fund may also
4 be used by the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
5 DEVELOPMENT to make grants or loans to persons, as defined in section
6 2-4-401 (8), C.R.S., for use in carrying out the purposes of this ~~part~~ 12
7 SECTION. The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
8 DEVELOPMENT shall consider the following information in determining
9 whether to make a grant or loan:

10 (A) The amount of the grant or loan;

11 (B) The quantified impact on energy demand or amount of ~~clean~~
12 INNOVATIVE energy production generated as a result of the grant or loan;

13 (C) The potential economic impact of the grant or loan; and

14 (D) The public benefits expected to result from the grant or loan.

15 (II) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
16 DEVELOPMENT may establish terms and conditions for making grants or
17 loans pursuant to this section and in accordance with the objectives of the
18 office as set forth in section 24-38.5-102.

19 **SECTION 18.** In Colorado Revised Statutes, 24-38.5-103,
20 **amend** (2) as follows:

21 **24-38.5-103. Electric vehicle grant fund - creation -**
22 **administration.** (2) The ~~governor's energy office~~ COLORADO OFFICE OF
23 ENERGY DEVELOPMENT is authorized to seek and accept gifts, grants, or
24 donations from private or public sources for the purposes of this section.
25 All private and public funds received through gifts, grants, or donations
26 shall be transmitted to the state treasurer, who shall credit the same to the
27 fund. The moneys in the fund shall be subject to annual appropriation by

1 the general assembly. Any moneys in the fund not expended for the
2 purposes of this section may be invested by the state treasurer as provided
3 by law. All interest and income derived from the investment and deposit
4 of moneys in the fund shall be credited to the fund. Any unexpended and
5 unencumbered moneys remaining in the fund at the end of a fiscal year
6 shall remain in the fund and shall not be credited or transferred to the
7 general fund or another fund.

8 **SECTION 19.** In Colorado Revised Statutes, 24-38.5-104,
9 **amend** (2) as follows:

10 **24-38.5-104. Photovoltaic installer qualifications - cooperation**
11 **with department of regulatory agencies.** (2) If the governor, by
12 executive order, appoints a committee to study the desirability of
13 credentialing of solar installers, the committee, or the ~~governor's energy~~
14 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT on the committee's
15 behalf, is specifically authorized to submit a proposal for such
16 credentialing to the department of regulatory agencies pursuant to section
17 24-34-104.1 (2). In addition, the committee may study and make
18 recommendations concerning the scope-of-work provisions of section
19 40-2-128, C.R.S., specifically including enforcement of the supervision
20 and worker ratio requirements of section 40-2-128 (1) (c) and (1) (d),
21 C.R.S.

22 **SECTION 20.** In Colorado Revised Statutes, **amend** 24-38.5-105
23 as follows:

24 **24-38.5-105. Energy improvement debt reserve fund -**
25 **authorization - use.** (1) (a) The ~~clean~~ energy improvement debt reserve
26 fund is hereby created in the state treasury. The principal of the fund shall
27 consist of up to ten million dollars of legally available moneys from

1 nonstate sources under the control of the ~~governor's energy office~~
2 COLORADO OFFICE OF ENERGY DEVELOPMENT, which the state treasurer
3 shall promptly credit to the fund if instructed in writing to do so by the
4 director of the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
5 DEVELOPMENT, and any fees paid to the state treasurer in accordance with
6 subparagraph (II) of paragraph (b) of this subsection (1). All interest and
7 income derived from the deposit and investment of moneys in the fund
8 shall be credited to the fund, and all unexpended and unencumbered
9 moneys in the fund at the end of any fiscal year shall remain in the fund.
10 The fund is hereby continuously appropriated to the state treasurer, who
11 may expend moneys from the fund solely for the purposes of paying
12 principal and interest on bonds issued by a local improvement district or
13 other special district as specified in paragraph (c) of this subsection (1)
14 and defraying any direct and indirect costs incurred by the state treasurer
15 in executing duties required by this section.

16 (b) (I) If the ~~governor's energy office~~ COLORADO OFFICE OF
17 ENERGY DEVELOPMENT instructs the state treasurer to credit moneys from
18 nonstate sources to the ~~clean~~ energy improvement debt reserve fund, with
19 prior written authorization from the director of the ~~governor's energy~~
20 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT and the state
21 treasurer and after agreeing to pay fees to be credited to the fund to the
22 state treasurer as specified in subparagraph (II) of this paragraph (b), a
23 local improvement district or other special district that imposes special
24 assessments on real property and issues bonds payable from the revenues
25 generated by the special assessments to generate the moneys needed to
26 pay the up-front costs of making renewable energy improvements or ~~clean~~
27 energy improvements as authorized by part 6 of article 20 of title 30,

1 C.R.S., or any other provision of law may rely on the ~~clean~~ energy
2 improvement debt reserve fund as a backup source of moneys that may
3 be used, after the depletion of any district debt service reserve fund, for
4 the payment of principal and interest owed to holders of the district's
5 bonds.

6 (II) A local improvement district or other district that issues bonds
7 and that wishes to rely on the ~~clean~~ energy improvement debt reserve
8 fund as a backup source of moneys for the payment of principal and
9 interest owed to holders of the bonds shall enter into a written agreement
10 with the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
11 DEVELOPMENT to pay to the state treasurer for crediting to the fund such
12 fees for the privilege of relying on the fund as the ~~governor's energy~~
13 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT may require. Fees to
14 be paid by a district as required by the ~~governor's energy office~~
15 COLORADO OFFICE OF ENERGY DEVELOPMENT shall be deemed to be a
16 portion of the amount of the interest rate savings resulting from more
17 favorable financing terms attributable to the reliance upon the fund. The
18 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
19 may, in its discretion, require that fees be paid on an annual basis,
20 commencing and calculated on the date of issuance of the bonds and on
21 each one-year anniversary of the issuance of the bonds thereafter while
22 the bonds remain outstanding, in an amount equal to a number of basis
23 points of the principal amount of the bonds outstanding as of each
24 calculation date agreed upon by the office and the district.

25 (c) Whenever the paying agent responsible for making payments
26 to the holders of any bonds issued by a district that has relied upon the
27 ~~clean~~ energy improvement debt reserve fund as a backup source of

1 repayment for the district's bonds has not received payment of principal
2 or interest on the bonds on the tenth business day immediately prior to the
3 date on which such payment is due and any debt service reserve fund for
4 the local improvement district or other special district that issued the
5 bonds has been depleted, the paying agent shall so notify the state
6 treasurer and the district by telephone, facsimile, or other similar
7 communication, followed by written verification, of such payment status.
8 The state treasurer shall immediately contact the district and determine
9 whether the district will make the payment by the date on which it is due
10 and, if the state treasurer confirms that the district will not make the
11 payment, the state treasurer shall expend moneys from the ~~clean~~ energy
12 improvement debt reserve fund to make the payment in a timely manner.
13 If the amount of moneys in the ~~clean~~ energy improvement debt reserve
14 fund is not sufficient to cover the entire amount of the payment, the state
15 treasurer shall pay only so much of the payment as can be paid from
16 available moneys in the fund. If payments on more than one series of
17 bonds issued in reliance upon the ~~clean~~ energy improvement debt reserve
18 fund as a backup source of moneys for repayment are required to be made
19 from the fund at the same time and the amount of moneys in the fund is
20 not sufficient to cover the entire amount of the payments, the state
21 treasurer shall pay from available moneys in the fund only an equal
22 percentage of the amount of each payment due.

23 (2) This section shall not be construed to create any state debt, to
24 require the state to make any bond payments on behalf of any local
25 improvement district or other special district from any source of moneys
26 other than the ~~clean~~ energy improvement debt reserve fund, or to require
27 the state to fully pay off any outstanding bonds of a district that cannot

1 make scheduled bond payments.

2 (3) In accordance with section 11 of article II of the state
3 constitution, the state hereby covenants with the purchasers of any
4 outstanding bonds issued in reliance upon the existence of the ~~clean~~
5 energy improvement debt reserve fund that the state will not repeal,
6 revoke, or rescind the provisions of this section concerning the fund or
7 modify or rescind the same so as to limit or impair the rights and remedies
8 granted by this section to the purchasers of such bonds and that any
9 moneys in the fund shall not revert to the general fund.

10 **SECTION 21.** In Colorado Revised Statutes, 24-38.5-106,
11 **amend** (2) as follows:

12 **24-38.5-106. Financing of capital projects to make state**
13 **government more energy efficient - lease-purchase agreements -**
14 **legislative declaration - definition.** (2) (a) In order to make state
15 government more energy efficient in accordance with section
16 24-38.5-102, the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
17 DEVELOPMENT may propose a prioritized list of projects associated with
18 current utility cost-savings contracts that will improve the energy
19 efficiency of state buildings or facilities and that are proposed to be
20 constructed or improved using financing provided in accordance with
21 subsection (3) of this section. If the ~~governor's energy office~~ COLORADO
22 OFFICE OF ENERGY DEVELOPMENT creates a prioritized list, the prioritized
23 list shall include an estimate of the total amount of annual utility cost
24 savings expected if all of the projects on the prioritized list are completed;
25 descriptions of the projects, the affected buildings, and the impact of the
26 projects on tenants; a timeline for implementation; a detailed budget for
27 each project; a list of properties recommended for use as collateral, which

1 shall include only properties operated and maintained by agencies that are
2 responsible for the operation and maintenance of at least one state
3 building or facility for which a project is being financed in accordance
4 with subsection (3) of this section; estimates of the amount of annual
5 utility cost savings expected for each of the projects; and expected annual
6 payments for each project, including the expected funding sources for
7 such payments. The ~~governor's energy office~~ COLORADO OFFICE OF
8 ENERGY DEVELOPMENT shall submit the prioritized list and referenced
9 supporting documents to the office of state planning and budgeting for
10 review and approval or disapproval. Except as otherwise provided in
11 paragraph (b) of this subsection (2), the office of state planning and
12 budgeting shall submit any projects on the prioritized list that it approves
13 to the capital development committee of the general assembly for review
14 and approval or disapproval. Subject to the limitations specified in
15 subsection (3) of this section, if the capital development committee
16 determines after reviewing the projects submitted to it for its review and
17 approval or disapproval that it is appropriate to authorize the state
18 treasurer to pursue financing provided in accordance with subsection (3)
19 of this section to fund some or all of the projects or if the office of state
20 planning and budgeting has approved projects for buildings or facilities
21 operated and maintained by the department of transportation and
22 submitted such projects to the committee for informational purposes only
23 pursuant to paragraph (b) of this subsection (2), the committee shall
24 provide a letter to the ~~governor's energy office~~ COLORADO OFFICE OF
25 ENERGY DEVELOPMENT, the office of state planning and budgeting, the
26 joint budget committee of the general assembly, and the state treasurer
27 that specifies the final approved priority of the projects.

9 **SECTION 22.** In Colorado Revised Statutes, **add** 24-38.5-107 as
10 follows:

11 **24-38.5-107. Colorado office of energy development - subject**
12 **to termination - repeal of part.** (1) THE PROVISIONS OF SECTION
13 24-34-104, CONCERNING THE TERMINATION OF REGULATORY AGENCIES OF
14 THE STATE UNLESS EXTENDED AS PROVIDED IN SAID SECTION, ARE
15 APPLICABLE TO THE COLORADO OFFICE OF ENERGY DEVELOPMENT
16 CREATED IN THIS PART 1. IN THE EVENT THE OFFICE IS EXTENDED AS
17 PROVIDED IN SECTION 24-34-104, THE GENERAL ASSEMBLY HEREBY FINDS,
18 DETERMINES, AND DECLARES THAT THE OFFICE SHOULD BE SUBJECT TO
19 REVIEW PURSUANT TO SAID SECTION AT LEAST EVERY FIVE YEARS.

24 **SECTION 23.** In Colorado Revised Statutes, 24-38.5-203,
25 **amend** (1), (2), (3), (4) introductory portion, (6), (7), (8), and (9) as
26 follows:

24-38.5-203. Green building incentive pilot program.

1 (1) Except as provided in paragraph (b) of subsection (9) of this section,
2 the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
3 shall establish and administer a green building incentive pilot program in
4 accordance with the requirements established in this part 2.

5 (2) (a) A qualified homebuyer may submit an application,
6 provided by the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
7 DEVELOPMENT, to the ~~governor's energy office~~ COLORADO OFFICE OF
8 ENERGY DEVELOPMENT for a grant to make energy efficiency
9 improvements to the homebuyer's existing residence that the homebuyer
10 is selling in preparation for purchasing a highly efficient new residential
11 construction.

12 (b) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
13 DEVELOPMENT shall award a larger grant to a qualified homebuyer with
14 an existing residence that has a home energy rating or home energy audit
15 showing greater inefficiency.

16 (3) The energy efficiency improvements shall be performed by
17 contractors approved by the ~~governor's energy office~~ COLORADO OFFICE
18 OF ENERGY DEVELOPMENT as specified in subsection (6) of this section.

19 (4) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
20 DEVELOPMENT shall require the qualified homebuyer to submit
21 documentation:

22 (6) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
23 DEVELOPMENT shall create a list of contractors eligible to perform energy
24 efficiency improvements to a qualified homebuyer's existing residence.

25 (7) In order to confirm that the qualified homebuyer met the
26 requirements of the pilot program, the qualified homebuyer shall submit
27 to the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY

1 DEVELOPMENT copies of closing documentation for the highly efficient
2 new residential construction no later than thirty days after the
3 construction is complete. If construction is delayed and not completed by
4 the estimated completion date, the ~~governor's energy office~~ COLORADO
5 OFFICE OF ENERGY DEVELOPMENT may grant a waiver or extension for
6 submission of this documentation.

7 (8) If the purchase of the highly efficient new residential
8 construction is not finalized for any reason, including but not limited to
9 the cancellation of the sale by the qualified homebuyer or the failure of
10 the qualified homebuyer to secure financing, the qualified homebuyer
11 shall reimburse the total amount of the grant to the ~~governor's energy~~
12 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT within thirty days
13 after such cancellation or failure.

14 (9) (a) Funding for the pilot program shall be provided from
15 federal funds transferred to the ~~governor's energy office~~ COLORADO
16 OFFICE OF ENERGY DEVELOPMENT that the ~~governor's energy office~~
17 COLORADO OFFICE OF ENERGY DEVELOPMENT has already received prior
18 to August 10, 2011, or may receive after August 10, 2011. The ~~governor's~~
19 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT may require
20 additional documentation or information from the qualified homebuyer
21 as required to secure any additional federal funds.

22 (b) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
23 DEVELOPMENT shall not establish the pilot program set forth in this part
24 if federal funds are not available.

25 **SECTION 24.** In Colorado Revised Statutes, 24-38.7-102,
26 **amend** (6) as follows:

27 **24-38.7-102. Definitions.** As used in this part 1, unless the

1 context otherwise requires:

2 (6) "Office" means the ~~governor's energy office~~ COLORADO
3 OFFICE OF ENERGY DEVELOPMENT.

4 **SECTION 25.** In Colorado Revised Statutes, 24-38.7-103,
5 **amend** (2) (b) as follows:

6 **24-38.7-103. Colorado office of energy development - powers
and duties - program - fund created.** (2) (b) The program fund and the
7 accounts of the program fund shall consist of such moneys as the general
8 assembly may appropriate thereto from the ~~clean~~ INNOVATIVE energy fund
9 created in ~~section 24-75-1201 (1), C.R.S.~~ SECTION 24-38.5-102.5, THE
10 RENEWABLE ENERGY FUND CREATED IN SECTION 24-38.5-102.4, and any
11 gifts, grants, or donations that may be made to the program fund. In
12 accordance with section 24-36-113 (1) (a), which requires the state
13 treasurer, in making investments, to use prudence and care to preserve the
14 principal and to secure the maximum rate of interest consistent with
15 safety and liquidity, if the general assembly chooses not to appropriate
16 moneys to the program fund or to the accounts of the program fund,
17 nothing in this article shall be deemed to require the state treasurer to
18 credit any moneys to the program fund or the accounts of the program
19 fund. All interest and income earned on the deposit and investment of
20 moneys in the program fund and the accounts of the program fund shall
21 be used for the loan buy-down account and the loan loss reserve account.
22 Moneys in the loan buy-down account and loan loss reserve account of
23 the program fund shall remain in the accounts and shall not be transferred
24 to the general fund or any other fund at the end of any fiscal year.

25
26 **SECTION 26.** In Colorado Revised Statutes, 24-38.7-202,
27 **amend** (3) as follows:

1 **24-38.7-202. Definitions.** As used in this part 2, unless the
2 context otherwise requires:

3 (3) "Office" means the ~~governor's energy office~~ COLORADO
4 OFFICE OF ENERGY DEVELOPMENT.

5 **SECTION 27.** In Colorado Revised Statutes, 24-38.9-103,
6 **amend** (2) as follows:

7 **24-38.9-103. Green jobs Colorado advisory council - creation**
8 **- appointments.** (2) The council shall consist of seventeen members,
9 seven of whom shall be appointed by the executive director of the
10 department of labor and employment, who shall appoint at least one
11 member from each of the following: A nonprofit organization, a
12 community or junior college, a clean technology industry association, a
13 business organization, an investor-owned utility, a rural electric
14 association, and a labor organization. The members appointed by the
15 executive director shall possess relevant experience related to green jobs
16 or green job training. Four legislative members of the council shall be
17 appointed as follows: One member shall be appointed by the speaker of
18 the house of representatives, one member shall be appointed by the
19 president of the senate, one member shall be appointed by the minority
20 leader of the house of representatives, and one member shall be appointed
21 by the minority leader of the senate. The remaining six members shall be
22 the director of the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
23 DEVELOPMENT, the director of the Colorado office of economic
24 development, the executive director of the department of human services,
25 the executive director of the department of local affairs, the chair of the
26 Colorado workforce development council or its successor, and the
27 executive director of the department of labor and employment, or their

1 respective designees.

2 **SECTION 28.** In Colorado Revised Statutes, **amend** 24-38.9-106
3 as follows:

4 **24-38.9-106. Funding.** The pilot program may be funded by the
5 use of federal moneys received by the department of labor and
6 employment for the purposes of the pilot program and by the use of
7 moneys from the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
8 DEVELOPMENT.

9 **SECTION 29.** In Colorado Revised Statutes, 24-47.5-103,
10 **amend** (1) as follows:

11 **24-47.5-103. Funding - appropriations contingent on receipt
12 of federal grant moneys - repeal.** (1) For the state fiscal year
13 commencing on July 1, 2006, and in each of the state fiscal years
14 commencing on July 1, 2007, and July 1, 2008, the general assembly shall
15 appropriate two million dollars from the operational account of the
16 severance tax trust fund as specified in section 39-29-109.3 (2) (g),
17 C.R.S., AS SAID PARAGRAPH (g) EXISTED PRIOR TO ITS REPEAL IN 2010, to
18 the governor's energy office created in section 24-38.5-101, AS SAID
19 OFFICE EXISTED PRIOR TO JULY 1, 2012, for distribution to the authority for
20 the purposes specified in section 24-47.5-102; except that, if grants of
21 federal moneys equal to or exceeding the amount of state moneys
22 appropriated pursuant to this article have not been received by June 30,
23 2012, the unexpended and unencumbered balance of said appropriation
24 shall revert to the operational account of the severance tax trust fund.

25 **SECTION 30.** In Colorado Revised Statutes, 24-77-102, **repeal**
26 (15) (b) (XVI) as follows:

27 **24-77-102. Definitions.** As used in this article, unless the context

1 otherwise requires:

2 (15) (b) "Special purpose authority" includes, but is not limited to:

3 (XVI) The Colorado clean energy development authority created
4 pursuant to section 40-9.7-104, C.R.S.;

5 **SECTION 31.** In Colorado Revised Statutes, 25-16.5-105,
6 **amend** (1) (m) (I) as follows:

7 **25-16.5-105. Powers and duties of advisory board.** (1) The
8 advisory board shall have the following powers and duties:

9 (m) (I) In accordance with the provisions of subparagraph (II) of
10 this paragraph (m), to submit an annual report to the department of local
11 affairs, the department, the ~~governor's energy office~~ COLORADO OFFICE
12 OF ENERGY DEVELOPMENT created in section 24-38.5-101, C.R.S., and the
13 standing committee of reference in each house of the general assembly
14 exercising jurisdiction over matters concerning public health and the
15 environment.

16 **SECTION 32.** In Colorado Revised Statutes, 25-16.5-105.5,
17 **amend** (2) (c) (III) as follows:

18 **25-16.5-105.5. Pollution prevention advisory board assistance
committee - appointments - membership - definitions.** (2) (c) The
19 members appointed to the committee shall include representatives of
20 industry, nonprofit and community organizations, state agencies, and
21 local governments in accordance with the following:

22 (III) One member of the committee shall be a representative of the
23 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
24 created in section 24-38.5-101, C.R.S.

25 **SECTION 33.** In Colorado Revised Statutes, 30-28-211, **amend**
26 (2) (b) and (2) (c) as follows:

1 **30-28-211. Energy efficient building codes - legislative**
2 **declaration - definitions.** (2) As used in this section, unless the context
3 otherwise requires:

4 (b) "Energy code" means, at a minimum, the 2003 international
5 energy conservation code, or any successor edition, published by the
6 international code council or any other code determined by the ~~governor's~~
7 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT created in
8 section 24-38.5-101, C.R.S., to be more appropriate for local conditions.

9 (c) "Office" means the ~~governor's energy office~~ COLORADO
10 OFFICE OF ENERGY DEVELOPMENT created in section 24-38.5-101, C.R.S.

11 **SECTION 34.** In Colorado Revised Statutes, 30-20-602, **add**
12 (4.7) (c) as follows:

13 **30-20-602. Definitions.** As used in this part 6, unless the context
14 otherwise requires:

15 (4.7) (c) "RENEWABLE ENERGY IMPROVEMENT" INCLUDES AN
16 IMPROVEMENT TO THE EFFICIENCY OF A TRADITIONAL ENERGY FIXTURE.

17 **SECTION 35.** In Colorado Revised Statutes, 31-15-602, **amend**
18 (2) (b) and (2) (c) as follows:

19 **31-15-602. Energy efficient building codes - legislative**
20 **declaration - definitions - repeal.** (2) As used in this section, unless the
21 context otherwise requires:

22 (b) "Energy code" means, at a minimum, the 2003 international
23 energy conservation code, or any successor edition, published by the
24 international code council or any other code determined by the ~~governor's~~
25 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT created in
26 section 24-38.5-101, C.R.S., to be more appropriate for local conditions.

27 (c) "Office" means the ~~governor's energy office~~ COLORADO

1 OFFICE OF ENERGY DEVELOPMENT created in section 24-38.5-101, C.R.S.

2 **SECTION 36.** In Colorado Revised Statutes, 32-20-104, **amend**

3 (2) (a) (I) (A) as follows:

4 **32-20-104. Colorado new energy improvement district -**
5 **creation - board - meetings - quorum - expenses - records.** (2) (a) The
6 district shall be governed by a board of directors, which shall exercise the
7 powers of the district, shall, by a majority vote of a quorum of its
8 members, select from its membership a chair and a vice-chair, and shall
9 be composed of nine members, including:

10 (I) The following two ex officio members or their designees:

11 (A) The director of the ~~governor's energy office~~ COLORADO
12 OFFICE OF ENERGY DEVELOPMENT created in section 24-38.5-101 (1),
13 C.R.S.; and

14 **SECTION 37.** In Colorado Revised Statutes, 34-63-105, **amend**

15 (2) as follows:

16 **34-63-105. Geothermal resource leasing fund.** (2) After the
17 executive director of the department of local affairs has allocated
18 sufficient revenues from the fund to adequately address the needs
19 specified in paragraph (a) of subsection (1) of this section, the executive
20 director shall ~~in consultation with the governor's energy office created in~~
21 ~~section 24-38.5-101, C.R.S.,~~ allocate revenues from the fund by
22 competitive grants for the promotion of the development of geothermal
23 energy resources.

24 **SECTION 38.** In Colorado Revised Statutes, 36-1-147.5, **amend**

25 (4) as follows:

26 **36-1-147.5. Leasing arrangements for renewable energy**
27 **resources development - legislative declaration - definitions.** (4) The

1 state board of land commissioners shall collaborate with the ~~governor's~~
2 ~~energy office as COLORADO OFFICE OF ENERGY DEVELOPMENT~~ created in
3 section 24-38.5-101, C.R.S., to ensure that potential renewable energy
4 resource developers are aware of any lands identified by the board as
5 being suitable for development of renewable energy resources.

6 **SECTION 39.** In Colorado Revised Statutes, 37-95-112.5,
7 **amend** (2) and (3) (a) as follows:

8 **37-95-112.5. Watershed protection and forest health projects**
9 **- repeal.** (2) The authority may make and contract to make loans with the
10 proceeds of the bonds authorized by this section to governmental agencies
11 pursuant to this section to finance the cost of watershed protection
12 projects and forest health projects if the authority or the governmental
13 agency has entered into an agreement with the Colorado clean energy
14 development authority, AS IT EXISTED PRIOR TO JULY 1, 2012, or the
15 Colorado state forest service with respect to the application of proceeds
16 of such bonds. The authority may make the loans subject to terms and
17 conditions that are determined by the authority to be consistent with the
18 purposes of the loans. The loans shall be evidenced by notes, bonds, or
19 other obligations of the governmental agency that are issued to the
20 authority, and the governmental agencies are authorized to issue such
21 notes, bonds, or other obligations for such purposes. All notes, bonds, or
22 other obligations evidencing a loan from the authority may be sold at a
23 private sale to the authority at any price, whether or not less than par
24 value. The denominations, times for payment of principal and interest,
25 and provisions for redemption prior to maturity of such bonds, notes, or
26 other obligations shall be as the authority and the governmental agency
27 agree. Each loan to a governmental agency and the notes, bonds, or other

1 obligations issued to evidence the same shall bear interest at the rate or
2 rates and have the maturities as the authority and the governmental
3 agency agree. The authority may charge and collect from governmental
4 agencies fees and charges in connection with the loans or other services
5 from the authority, including, but not limited to, fees and charges
6 sufficient to reimburse the authority for all reasonable costs that it
7 necessarily incurred in providing such loans. All watershed protection
8 projects and forest health projects funded with moneys made available
9 pursuant to this section shall comply with all applicable federal and state
10 laws, such as best management practices for water quality established by
11 the Colorado state forest service pursuant to section 24-33-201, C.R.S.

12 (3) Governmental agencies participating in watershed protection
13 projects and forest health projects shall specify how the moneys made
14 available pursuant to financing by the authority are to be allocated in a
15 memorandum of understanding with the authority, subject to the
16 following limitations:

17 (a) Up to twenty percent of the proceeds of bonds issued by the
18 authority may be distributed ~~to the Colorado clean energy development~~
19 ~~authority, created pursuant to section 40-9.7-104, C.R.S.,~~ for watershed
20 protection projects and forest health projects, including the establishment
21 of incentives for use of beetle-infested lumber.

22 **SECTION 40.** In Colorado Revised Statutes, 38-35.7-106,
23 **amend** (2), (3), (4), and (5) as follows:

24 **38-35.7-106. Solar prewire option - solar consultation.**

25 (2) Every person that builds a new single-family detached residence for
26 sale, whether or not the residence has been prewired for a photovoltaic
27 solar generation system, shall provide to every buyer under contract a list

1 of businesses in the area that offer residential solar installation services
2 so that the buyer, if he or she so desires, can obtain expert help in
3 assessing whether the residence is a good candidate for solar installation
4 and how much of a cost savings a residential photovoltaic solar
5 generation system could provide. The list of businesses shall be derived
6 from a master list of Colorado solar installers maintained by the
7 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT.

8 (3) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
9 DEVELOPMENT shall maintain and update, as appropriate, a master list of
10 Colorado solar installers and shall make the master list available, upon
11 request, to any person that requests a copy. The ~~governor's energy office~~
12 COLORADO OFFICE OF ENERGY DEVELOPMENT may specify qualifications
13 for businesses to be included in the master list and shall make the master
14 list available on its official web site.

15 (4) Providing the master list of solar installers prepared by the
16 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT to
17 a buyer under contract shall not constitute an endorsement of any installer
18 or contractor listed. A person that builds a new single-family detached
19 residence shall not be liable for any advice, labor, or materials provided
20 to the buyer by a third-party solar installer.

21 (5) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
22 DEVELOPMENT or its designees shall offer periodic training sessions on
23 residential photovoltaic solar generation systems or solar thermal systems
24 to persons that build new single-family detached residences. The
25 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
26 may assess and collect from participants a registration fee, not to exceed
27 the actual costs of providing such training.

1 **SECTION 41.** In Colorado Revised Statutes, **amend** 39-27-109.7
2 as follows:

3 **39-27-109.7. Data collection services.** In order to track the
4 movement of gasoline or special fuel within this state and thereby
5 facilitate and expedite the collection of excise taxes imposed pursuant to
6 this part 1, the executive director of the department of revenue may enter
7 into a contract with one or more private entities for the provision of a
8 computer-based program to monitor and track the data that licensees are
9 required to report to the department pursuant to this part 1. Such
10 computer-based program shall be funded solely with moneys from the
11 highway users tax fund; except that, for the state fiscal year 2009-10, up
12 to thirty-seven thousand six hundred thirty dollars for the computer-based
13 program to monitor and track exempt dyed diesel fuel that is blended with
14 biodiesel fuel after withdrawal at a terminal rack or refinery rack pursuant
15 to section 39-27-102.5 (2) (a) may be funded by moneys received by the
16 governor's energy office created in section 24-38.5-101, C.R.S., AS SAID
17 OFFICE EXISTED PRIOR TO JULY 1, 2012, from the United States department
18 of energy.

19 **SECTION 42.** In Colorado Revised Statutes, 39-29-109, **add** (2)
20 (a) (X) as follows:

21 **39-29-109. Severance tax trust fund - created - administration**
22 - **distribution of moneys - repeal.** (2) State severance tax receipts shall
23 be credited to the severance tax trust fund as provided in section
24 39-29-108. Except as otherwise set forth in section 39-29-109.5, all
25 income derived from the deposit and investment of the moneys in the
26 fund shall be credited to the fund. At the end of any fiscal year, all
27 unexpended and unencumbered moneys in the fund shall remain therein

1 and shall not be credited or transferred to the general fund or any other
2 fund. All moneys in the fund shall be subject to appropriation by the
3 general assembly for the following purposes:

11 **SECTION 43.** In Colorado Revised Statutes, 39-29-109.3,
12 **amend** (2) (f) (V) (A) and (4) (c) (I) (A) as follows:

13 **39-29-109.3. Operational account of the severance tax trust**
14 **fund - repeal.** (2) Subject to the requirements of subsections (3) and (4)
15 of this section, if the general assembly chooses not to spend up to one
16 hundred percent of the moneys in the operational account as specified in
17 subsection (1) of this section, the state treasurer shall transfer the
18 following:

19 (f) For providing energy-related assistance to low-income
20 households as specified in section 40-8.7-112, C.R.S.:

21 (V) (A) For the state fiscal year commencing July 1, 2012, thirteen
22 million dollars as follows: Twenty-five percent to the department of
23 human services low-income energy assistance fund created in section
24 40-8.7-112 (1), C.R.S.; twenty-five percent to the energy outreach
25 Colorado low-income energy assistance fund created in section
26 40-8.7-112 (2) (a), C.R.S.; and fifty percent to the ~~governor's energy~~
27 office COLORADO OFFICE OF ENERGY DEVELOPMENT low-income energy

1 assistance fund created in section 40-8.7-112 (3) (a), C.R.S.

2 (4) (c) (I) Except as provided in paragraph (b) of this subsection
3 (4), the state treasurer shall make the transfers specified in paragraph (f)
4 of subsection (2) of this section as follows:

5 (A) The transfers to the ~~governor's energy office~~ COLORADO
6 OFFICE OF ENERGY DEVELOPMENT low-income energy assistance fund
7 shall be made on July 1;

8 **SECTION 44.** In Colorado Revised Statutes, 39-29-109.5,
9 **amend** (1) (a), (1) (a.5), (2), and (3) introductory portion as follows:

10 **39-29-109.5. Interest differential - public school energy**
11 **efficiency fund - creation - uses - definitions - repeal.** (1) As used in
12 this section, unless the context otherwise requires:

13 (a) ~~"Fund"~~ means the public school energy efficiency fund created
14 ~~in subsection (2) of this section~~ "COLORADO OFFICE OF ENERGY
15 DEVELOPMENT" MEANS THE COLORADO OFFICE OF ENERGY DEVELOPMENT
16 CREATED IN SECTION 24-38.5-101, C.R.S.

17 (a.5) ~~"Governor's energy office"~~ means the ~~governor's energy~~
18 ~~office as created in section 24-38.5-101, C.R.S.~~ "FUND" MEANS THE
19 PUBLIC SCHOOL ENERGY EFFICIENCY FUND CREATED IN SUBSECTION (2) OF
20 THIS SECTION.

21 (2) On December 1, 2007, and the first day of every third month
22 thereafter up to and including September 1, 2015, the legislative council
23 staff shall calculate the interest differential earned during the prior
24 calendar quarter and notify the state treasurer of such amount. Upon
25 receiving notice, the treasurer shall transfer an amount equal to the
26 interest differential from the severance tax funds to the public school
27 energy efficiency fund, which is hereby created in the state treasury;

1 except that the total transfer to the fund for any state fiscal year shall not
2 exceed one million five hundred thousand dollars. Moneys in the fund are
3 hereby ~~continuously~~ ANNUALLY appropriated to the ~~governor's energy~~
4 ~~office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT for the purposes set
5 forth in subsection (3) of this section. All income and interest derived
6 from the deposit and investment of the moneys in the fund shall be
7 credited to the fund.

8 (3) The ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
9 DEVELOPMENT shall use moneys appropriated from the fund to establish
10 and manage a program to improve energy efficiency in public schools. In
11 administering the program, the office shall give consideration to whether
12 a public school or school district is located in an area socially or
13 economically impacted by the development, processing, or energy
14 conversion of minerals and mineral fuels subject to taxation under this
15 article. The program shall include the following features:

16 **SECTION 45.** In Colorado Revised Statutes, 40-2-123, **amend**
17 (2) (j) as follows:

18 **40-2-123. New energy technologies - consideration by**
19 **commission - incentives - demonstration projects - definitions -**
20 **legislative declaration - repeal.** (2) (j) In order to reduce the cost to
21 Colorado consumers of an IGCC project, the department of public health
22 and environment, the governor's office of economic development, and the
23 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
24 may provide public utilities with reasonable assistance in seeking and
25 obtaining financial and other support and sponsorship for a project from
26 the United States congress, the United States department of energy, and
27 other appropriate federal and state agencies and institutions. To obtain

1 this assistance, the utility may provide to these state agencies copies of its
2 IGCC project proposal. The ~~governor's energy office~~ COLORADO OFFICE
3 OF ENERGY DEVELOPMENT shall manage and distribute to the utility some
4 or all of any funds provided by the state of Colorado or by the United
5 States government to the state of Colorado for purposes of study or
6 development of an IGCC project.

7 **SECTION 46.** In Colorado Revised Statutes, 40-4-118, **amend**
8 (2) (a) (I) and (5) as follows:

9 **40-4-118. Colorado smart grid task force - fund - definition -**
10 **reports - repeal.** (2) **Membership.** (a) The task force consists of eleven
11 members as follows:

12 (I) The director of the ~~governor's energy office~~ COLORADO OFFICE
13 OF ENERGY DEVELOPMENT, created in section 24-38.5-101, C.R.S., or his
14 or her designee, who shall convene the task force and who is authorized
15 to contract with a mediator or other third party to facilitate
16 accomplishment of the task force's duties;

17 (5) **Funding.** (a) The ~~governor's energy office~~ COLORADO OFFICE
18 OF ENERGY DEVELOPMENT may accept private gifts, grants, and donations
19 for the purpose of providing support to the task force to perform its
20 responsibilities specified in this section. Any such gifts, grants, and
21 donations shall be held in a separate account within the ~~clean~~ INNOVATIVE
22 energy fund created in ~~section 24-75-1201~~ SECTION 24-38.5-102.5,
23 C.R.S., and shall be available to the office and the task force only for the
24 purpose of carrying out the task force's duties under this section. The
25 account shall also consist of moneys appropriated and transferred to the
26 account. Any unexpended or unencumbered moneys remaining in the
27 account as of January 1, 2015, shall revert to the ~~clean~~ INNOVATIVE

1 energy fund to be used by the ~~governor's energy office~~ COLORADO OFFICE
2 OF ENERGY DEVELOPMENT.

3 (b) It is the intent of the general assembly that the ~~governor's~~
4 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT not be
5 required to solicit gifts, grants, or donations from any source for the
6 purposes of this section and that no general fund moneys be used to pay
7 for grants awarded pursuant to this section or for any expenses of the task
8 force.

9 (c) If, by June 1, 2010, moneys in the ~~fund~~ ACCOUNT created
10 pursuant to paragraph (a) of this subsection (5) have not reached an
11 amount sufficient to pay the expenses of the task force, the task force
12 shall not meet nor undertake any other duties pursuant to this section, and
13 the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
14 shall return to each grantor or donor an amount equal to such grantor's or
15 donor's contribution. The interest, if any, earned from the investment of
16 moneys in the account shall be transferred to the general fund.

17 **SECTION 47.** In Colorado Revised Statutes, 40-6-108, amend
18 (2) (b) as follows:

19 **40-6-108. Complaints - service - notice of hearing.** (2) (b) Any
20 public utility giving notice of a proposed gas or electric tariff shall serve
21 such notice upon the ~~governor's energy office~~ COLORADO OFFICE OF
22 ENERGY DEVELOPMENT or its successor agency. The office shall be
23 granted leave to intervene as a matter of right, upon a timely filing of a
24 petition or other pleading in accordance with this section, in adjudicatory
25 matters affecting gas or electric utilities; except that the office shall not
26 be a party to any individual complaint between a utility and an individual.

27 **SECTION 48.** In Colorado Revised Statutes, 40-8.5-103.5,

1 **amend** (4) (b) as follows:

2 **40-8.5-103.5. Commission created - duties.** (4) (b) The
3 commission may seek and receive public and private funding to assist in
4 the conduct of the assessment and review required by paragraph (a) of
5 this subsection (4), including but not limited to assistance from the
6 existing resources of the department of human services created in section
7 24-1-120, C.R.S., the ~~governor's energy office~~ COLORADO OFFICE OF
8 ENERGY DEVELOPMENT created in section 24-38.5-101, C.R.S., and
9 energy outreach Colorado, a Colorado nonprofit corporation, as described
10 in section 40-8.7-103 (4).

11 **SECTION 49.** In Colorado Revised Statutes, 40-8.7-110, **amend**
12 (1.5) as follows:

13 **40-8.7-110. Reports.** (1.5) To the extent applicable, the
14 organization shall include in the report the information required by
15 paragraphs (b) and (c) of subsection (1) of this section for moneys
16 received from the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
17 DEVELOPMENT pursuant to section 40-8.7-112 (2) (a).

18 **SECTION 50.** In Colorado Revised Statutes, 40-8.7-112, **amend**
19 (1) (a), (2), (3) (a), (3) (b) introductory portion, (3) (d) introductory
20 portion, (3) (e), (3) (f) introductory portion, and (3) (g); **repeal** (4) (d);
21 and **add** (4) (a.5) as follows:

22 **40-8.7-112. Department of human services low-income energy**
23 **assistance fund - creation - energy outreach Colorado low-income**
24 **energy assistance fund - creation - Colorado office of energy**
25 **development low-income energy assistance fund - creation -**
26 **definitions.** (1) (a) There is hereby created in the state treasury the
27 department of human services low-income energy assistance fund, which

1 shall be administered by the department of human services and shall
2 consist of all moneys transferred by the treasurer as specified in section
3 39-29-109.3 (2) (f), C.R.S. All moneys in the fund are ~~continuously~~
4 ANNUALLY appropriated to the department of human services for the
5 purpose of increasing available funds under the low-income energy
6 assistance program specified in section 26-1-109, C.R.S. All moneys in
7 the fund at the end of each fiscal year shall be retained in the fund and
8 shall not revert to the general fund or any other fund.

9 (2) (a) There is hereby created in the state treasury the energy
10 outreach Colorado low-income energy assistance fund, which shall be
11 administered by the ~~governor's energy office~~ COLORADO OFFICE OF
12 ENERGY DEVELOPMENT and shall consist of all moneys transferred by the
13 STATE treasurer as specified in section 39-29-109.3 (2) (f), C.R.S. All
14 moneys in the fund are ~~continuously~~ ANNUALLY appropriated to the
15 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT for
16 distribution to the organization to be used for the purposes set forth in this
17 subsection (2). All moneys in the fund at the end of each fiscal year shall
18 be retained in the fund and shall not revert to the general fund or any
19 other fund.

20 (b) The organization shall use moneys it receives from the
21 ~~governor's energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT
22 pursuant to paragraph (a) of this subsection (2) to provide direct bill
23 payment assistance to low-income households when the department of
24 human services is not accepting client applications for the program
25 specified in section 26-1-109, C.R.S. Bill payments shall be paid to each
26 utility as vendor payments. The organization may use up to five percent
27 of the moneys for administration of the direct bill payment assistance in

1 accordance with generally accepted accounting principles.

2 (c) The organization shall hold and administer all moneys it
3 receives from the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
4 DEVELOPMENT pursuant to paragraph (a) of this subsection (2) in a
5 separately identifiable account, the use of which shall be restricted to the
6 purposes set forth in paragraph (b) of this subsection (2). The
7 organization shall maintain its books and records pertaining to any
8 moneys received from the ~~governor's energy office~~ COLORADO OFFICE OF
9 ENERGY DEVELOPMENT in accordance with generally accepted accounting
10 principles. If the organization commingles the moneys with other assets
11 of the organization for investment purposes, the organization shall
12 maintain accurate accounts of the investment moneys and shall credit or
13 charge a pro rata portion of all investment earnings, gains, or losses to the
14 account that holds the moneys received from the ~~governor's energy office~~
15 COLORADO OFFICE OF ENERGY DEVELOPMENT pursuant to paragraph (a)
16 of this subsection (2).

17 (d) The organization shall develop an annual budget for the direct
18 bill payment assistance program to determine the allocation of the moneys
19 received from the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
20 DEVELOPMENT pursuant to paragraph (a) of this subsection (2).

21 (e) The organization shall include information related to any
22 moneys received from the ~~governor's energy office~~ COLORADO OFFICE OF
23 ENERGY DEVELOPMENT pursuant to paragraph (a) of this subsection (2) in
24 the report it prepares pursuant to section 40-8.7-110.

25 (3) (a) There is hereby created in the state treasury the ~~governor's~~
26 ~~energy office~~ COLORADO OFFICE OF ENERGY DEVELOPMENT low-income
27 energy assistance fund, which shall be administered by the ~~governor's~~

1 energy office COLORADO OFFICE OF ENERGY DEVELOPMENT and shall
2 consist of all moneys transferred by the treasurer as specified in section
3 39-29-109.3 (2) (f), C.R.S. All moneys in the fund are continuously
4 ANNUALLY appropriated to the governor's energy office COLORADO
5 OFFICE OF ENERGY DEVELOPMENT to be used for the purposes set forth in
6 this subsection (3). All moneys in the fund at the end of each fiscal year
7 shall be retained in the fund and shall not revert to the general fund or any
8 other fund.

9 (b) The governor's energy office COLORADO OFFICE OF ENERGY
10 DEVELOPMENT shall use moneys it receives pursuant to paragraph (a) of
11 this subsection (3) for a program to provide home energy efficiency
12 improvements for low-income households, which shall include any of the
13 following services:

14 (d) In carrying out the program to improve the home energy
15 efficiency of low-income households, the governor's energy office
16 COLORADO OFFICE OF ENERGY DEVELOPMENT shall:

17 (e) The governor's energy office may use up to five percent of the
18 moneys transferred pursuant to paragraph (a) of this subsection (3) for
19 planning, overseeing, and evaluating the program to improve the home
20 energy efficiency of low-income households. The governor's energy
21 office COLORADO OFFICE OF ENERGY DEVELOPMENT shall not hire
22 additional state employees using these moneys TRANSFERRED PURSUANT
23 TO PARAGRAPH (a) OF THIS SUBSECTION (3) to implement the program but
24 may contract with nonprofit organizations, for-profit organizations, and
25 governmental entities as is necessary to carry out the program.

26 (f) For any fiscal year in which moneys are expended as part of
27 the program to improve the home energy efficiency of low-income

1 households, the ~~governor's energy office~~ COLORADO OFFICE OF ENERGY
2 DEVELOPMENT shall prepare and submit to the general assembly an annual
3 report that specifies:

4 (g) If the governor's energy office, AS IT EXISTED PRIOR TO JULY
5 1, 2012, cannot use all of the moneys it receives for the state fiscal year
6 commencing July 1, 2008, pursuant to paragraph (a) of this subsection (3)
7 for the program described in paragraph (b) of this subsection (3), at the
8 end of the fiscal year the state treasurer shall transfer the moneys that the
9 governor's energy office cannot use to the clean energy fund created in
10 section 24-75-1201 (1), C.R.S., AS SAID FUND EXISTED PRIOR TO JULY 1,
11 2012.

12 (4) For purposes of this section, unless the context otherwise
13 requires:

14 (a.5) "COLORADO OFFICE OF ENERGY DEVELOPMENT" MEANS THE
15 COLORADO OFFICE OF ENERGY DEVELOPMENT CREATED IN SECTION
16 24-38.5-101, C.R.S.

17 (d) "~~Governor's energy office~~" means the ~~governor's energy office~~
18 created in section ~~24-38.5-101, C.R.S.~~

19 **SECTION 51.** In Colorado Revised Statutes, 42-3-228, **amend**
20 (2) and (3) as follows:

21 **42-3-228. Special plates - Colorado carbon fund.** (2) The
22 Colorado carbon fund, established by the ~~governor's energy office~~
23 COLORADO OFFICE OF ENERGY DEVELOPMENT, may design the Colorado
24 carbon fund special license plates. The design for the special license
25 plates shall conform with standards established by the department and
26 shall be subject to the department's approval.

27 (3) A person may apply for the Colorado carbon fund special

1 license plates if the person pays the taxes and fees required under this
2 section and provides to the department or an authorized agent a
3 certificate, issued by the ~~governor's energy office~~ COLORADO OFFICE OF
4 ENERGY DEVELOPMENT, or a successor office, confirming that such person
5 has made to the Colorado carbon fund, or its successor, the donation
6 required to qualify for the special license plates.

7 **SECTION 52.** In Colorado Revised Statutes, **repeal** article 89 of
8 title 22, article 9.7 of title 40, and part 3 of article 1 of title 42.

9 **SECTION 53. Repeal of provisions being relocated in this act.**

10 In Colorado Revised Statutes, **repeal** part 12 of article 75 of title 24.

11 **SECTION 54. Effective date.** This act takes effect July 1, 2012.

12 **SECTION 55. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety.