

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 10-0760.01 Esther van Mourik

HOUSE BILL 10-1331

HOUSE SPONSORSHIP

Gerou,

SENATE SPONSORSHIP

(None),

House Committees

Transportation & Energy

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ESTABLISHMENT OF A GREEN BUILDING INCENTIVE**
102 **PILOT PROGRAM ADMINISTERED BY THE GOVERNOR'S ENERGY**
103 **OFFICE TO INCENTIVIZE THE MAKING OF ENERGY EFFICIENCY**
104 **IMPROVEMENTS TO EXISTING RESIDENCES WITH CURRENT HOME**
105 **ENERGY RATINGS BELOW MINIMUM STANDARDS FOR PEOPLE**
106 **WHO PURCHASE HIGHLY EFFICIENT NEW RESIDENTIAL**
107 **CONSTRUCTION.**

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

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.

http://www.leg.state.co.us/bills/summaries.)

The bill requires the governor's energy office to create a green building incentive pilot program whereby the governor's energy office awards grants to qualified homebuyers who are selling current primary residences with home energy ratings below minimum standards and purchasing highly efficient new residential construction. The purpose of the grant is to allow the qualified homebuyer to make improvements to his or her current primary residence for purposes of increasing the home's energy efficiency. The bill specifies that the governor's energy office is to award these grants from federal funds transferred to the governor's energy office, including but not limited to those provided by the federal "American Recovery and Reinvestment Act of 2009" that the governor's energy office has already received, or may receive in the future.

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

2 **SECTION 1.** Article 38.5 of title 24, Colorado Revised Statutes,
3 is amended BY THE ADDITION OF A NEW PART to read:

4 **PART 2**

5 **GREEN BUILDING INCENTIVE PILOT PROGRAM**

6 **24-38.5-201. Legislative declaration.** (1) THE GENERAL
7 ASSEMBLY FINDS AND DECLARES THAT:

8 (a) AN INCENTIVE-BASED GREEN BUILDING PILOT PROGRAM WILL
9 STRIVE TO REDUCE ELECTRIC, GAS, AND WATER USE IN OLDER HOMES,
10 WHILE PROVIDING AN INCENTIVE FOR HOMEBUYERS TO PURCHASE NEW
11 CONSTRUCTION THAT MEETS STRINGENT ENERGY EFFICIENCY STANDARDS;

12 (b) PROVIDING INCENTIVES FOR NEW RESIDENTIAL CONSTRUCTION
13 THAT MEETS STRINGENT ENERGY EFFICIENCY STANDARDS AND IMPROVING
14 ENERGY EFFICIENCY IN EXISTING RESIDENCES CAN STIMULATE LOCAL AND
15 STATE ECONOMIES AND PROVIDE OPPORTUNITIES FOR JOB GROWTH IN
16 GREEN JOBS AND INDUSTRIES THAT ARE FOCUSED ON IMPROVING ENERGY
17 EFFICIENCY OF BOTH NEW AND EXISTING RESIDENCES;

1 (c) AN INCENTIVE-BASED GREEN BUILDING PILOT PROGRAM WILL
2 BENEFIT HOMEBUYERS WHO ARE ATTEMPTING TO PURCHASE HIGHLY
3 ENERGY EFFICIENT NEW RESIDENTIAL CONSTRUCTION AND RETROFIT
4 EXISTING HOMES IN AN ATTEMPT TO REDUCE ENERGY AND WATER
5 CONSUMPTION.

6 **24-38.5-202. Definitions.** AS USED IN THIS PART 2, UNLESS THE
7 CONTEXT OTHERWISE REQUIRES:

8 (1) "ENERGY CODE" MEANS THE 2006 INTERNATIONAL ENERGY
9 CONSERVATION CODE, OR ANY SUCCESSOR EDITION, PUBLISHED BY THE
10 INTERNATIONAL CODE COUNCIL OR ANY STATE OR LOCAL ENERGY CODE
11 THAT HAS MORE RECENT OR MORE STRINGENT REQUIREMENTS.

12 (2) "ENERGY EFFICIENCY IMPROVEMENT" MEANS:

13 (a) AN UPGRADE TO A STRUCTURE, APPLIANCE, FIXTURE,
14 PLUMBING, HEATING OR COOLING SYSTEM, OR WATER HEATER IN ANY
15 EXISTING RESIDENCE THAT IS INTENDED TO REDUCE THE CONSUMPTION OF
16 ELECTRICITY, NATURAL GAS, WATER, OR ANY OTHER FUEL OR ENERGY
17 SOURCE;

18 (b) THE INSTALLATION OR UPGRADE OF BUILDING INSULATION, AIR
19 SEALING MEASURES, AND DUCT SEALING, IN ANY EXISTING RESIDENCE;
20 AND

21 (c) IMPROVEMENTS TO AN OUTDOOR WATER IRRIGATION SYSTEM
22 OF ANY EXISTING RESIDENCE.

23 (3) "EXISTING RESIDENCE" MEANS A RESIDENCE, EITHER
24 SINGLE-FAMILY DETACHED OR MULTI-FAMILY, THAT:

25 (a) IS LOCATED IN COLORADO;

26 (b) IS USED AS THE QUALIFIED HOMEBUYER'S PRIMARY RESIDENCE;

27 AND

1 (c) HAS A CURRENT HOME ENERGY RATING, AS DETERMINED BY A
2 RECOGNIZED GREEN BUILDING RATING SYSTEM, THAT IS BELOW MINIMUM
3 STANDARDS, AS DETERMINED BY THE ENERGY CODE.

4 (4) "GREEN BUILDING INCENTIVE PILOT PROGRAM" OR "PILOT
5 PROGRAM" MEANS THE GREEN BUILDING INCENTIVE PILOT PROGRAM
6 DESCRIBED IN SECTION 24-38.5-203.

7 (5) "HIGHLY EFFICIENT NEW RESIDENTIAL CONSTRUCTION" MEANS
8 A NEW SINGLE-FAMILY DETACHED RESIDENCE OR NEW MULTI-FAMILY
9 RESIDENCE LOCATED IN COLORADO THAT IS DESIGNED AND CONSTRUCTED
10 TO BE AT LEAST TWENTY-FIVE PERCENT MORE EFFICIENT THAN THE
11 ENERGY CODE, AS DOCUMENTED BY A RECOGNIZED GREEN BUILDING
12 RATING SYSTEM.

13 (6) "HOME ENERGY AUDIT" MEANS AN INSPECTION, SURVEY, AND
14 ANALYSIS OF A HOME'S STRUCTURE AND SYSTEMS IN ORDER TO QUANTIFY
15 THE BUILDING'S PROJECTED ENERGY CONSUMPTION.

16 (7) "HOME ENERGY RATING" MEANS AN OBJECTIVE AND STANDARD
17 MEASUREMENT OF A HOME'S ENERGY EFFICIENCY, RELATIVE TO
18 STANDARDS SET BY AN ENERGY CODE, SUCH AS THOSE DEVELOPED BY THE
19 RESIDENTIAL ENERGY SERVICES NETWORK, OR ANY SUCCESSOR
20 ORGANIZATION.

21 (8) "QUALIFIED HOMEBUYER" MEANS A PERSON THAT HAS SIGNED
22 A SALES CONTRACT TO PURCHASE HIGHLY EFFICIENT NEW RESIDENTIAL
23 CONSTRUCTION AND WILL BE SELLING HIS OR HER EXISTING RESIDENCE IN
24 ORDER TO PURCHASE THE HIGHLY ENERGY EFFICIENT NEW RESIDENTIAL
25 CONSTRUCTION AS HIS OR HER PRIMARY RESIDENCE.

26 (9) "RECOGNIZED GREEN BUILDING RATING SYSTEM" MEANS A
27 SYSTEM OF RULES FOR COMPARING THE PERFORMANCE OF A WHOLE

1 BUILDING OR BUILDING SYSTEM TO THE ENERGY CODE, TO A PROBLEM, OR
2 TO A TEST CASE THAT SERVES AS A BASIS FOR EVALUATION OR
3 COMPARISON. "RECOGNIZED GREEN BUILDING RATING SYSTEM" INCLUDES,
4 BUT IS NOT LIMITED TO:

5 (a) THE FEDERAL ENERGY STAR PROGRAM, JOINTLY OPERATED BY
6 THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND THE
7 UNITED STATES DEPARTMENT OF ENERGY, OR ITS SUCCESSOR PROGRAM;

8 (b) THE JANUARY 2008 VERSION, OR ANY SUCCESSOR STANDARD,
9 OF THE LEED FOR HOMES RATING SYSTEM ADMINISTERED BY THE UNITED
10 STATES GREEN BUILDING COUNCIL OR ITS SUCCESSOR ORGANIZATION;

11 (c) THE NATIONAL GREEN BUILDING STANDARD, COMMONLY CITED
12 AS ANSI/ICC 700-2008, ESTABLISHED BY THE NATIONAL ASSOCIATION OF
13 HOME BUILDERS AND THE INTERNATIONAL COUNCIL CODE, OR ANY
14 SUCCESSOR STANDARD; AND

15 (d) ENERGY AUDITS THAT ARE PERFORMED BY THE ELECTRIC
16 UTILITY, OR ITS DESIGNEE, PROVIDING SERVICE TO THE RESIDENCE.

17 **24-38.5-203. Green building incentive pilot program.** (1) ON
18 AND AFTER THE EFFECTIVE DATE OF THIS SECTION, THE GOVERNOR'S
19 ENERGY OFFICE SHALL ESTABLISH AND ADMINISTER A GREEN BUILDING
20 INCENTIVE PILOT PROGRAM IN ACCORDANCE WITH THE REQUIREMENTS
21 ESTABLISHED IN THIS PART 2.

22 (2) (a) A QUALIFIED HOMEBUYER MAY SUBMIT AN APPLICATION,
23 PROVIDED BY THE GOVERNOR'S ENERGY OFFICE, TO THE GOVERNOR'S
24 ENERGY OFFICE FOR A GRANT TO MAKE ENERGY EFFICIENCY
25 IMPROVEMENTS TO HIS OR HER EXISTING RESIDENCE THAT HE OR SHE IS
26 SELLING IN PREPARATION FOR PURCHASING A HIGHLY EFFICIENT NEW
27 RESIDENTIAL CONSTRUCTION.

1 (b) THE GOVERNOR'S ENERGY OFFICE SHALL AWARD GREATER
2 GRANTS TO QUALIFIED HOMEBUYERS WITH RESIDENCES THAT HAVE HOME
3 ENERGY RATINGS OR HOME ENERGY AUDITS SHOWING GREATER
4 INEFFICIENCY.

5 (3) THE ENERGY EFFICIENCY IMPROVEMENTS SHALL BE
6 PERFORMED BY CONTRACTORS APPROVED BY THE GOVERNOR'S ENERGY
7 OFFICE AS SPECIFIED IN SUBSECTION (6) OF THIS SECTION.

8 (4) THE GOVERNOR'S ENERGY OFFICE SHALL REQUIRE THE
9 QUALIFIED HOMEBUYER TO SUBMIT DOCUMENTATION:

10 (a) THAT THE ENERGY RATING OF THE QUALIFIED HOMEBUYER'S
11 EXISTING RESIDENCE IS BELOW THE ENERGY CODE;

12 (b) THAT THE QUALIFIED HOMEBUYER HAS ENTERED INTO A
13 CONTRACT TO PURCHASE A HIGHLY EFFICIENT NEW RESIDENTIAL
14 CONSTRUCTION;

15 (c) OF THE ESTIMATED COMPLETION DATE OF THE QUALIFIED
16 HOMEBUYER'S HIGHLY EFFICIENT NEW RESIDENTIAL CONSTRUCTION;

17 (d) OF THE NAME OR NAMES OF THE CONTRACTORS THAT WILL
18 PERFORM THE ENERGY EFFICIENCY IMPROVEMENTS; AND

19 (e) THAT THE HIGHLY EFFICIENT NEW RESIDENTIAL CONSTRUCTION
20 MEETS THE DEFINITION SPECIFIED IN SECTION 24-38.5-202 (5). THE
21 HOMEBUYER MAY SEEK SUCH DOCUMENTATION FROM THE HOMEBUILDER,
22 WHO MAY THEN SUBMIT THE DOCUMENTATION ON BEHALF OF THE
23 QUALIFIED HOMEBUYER.

24 (5) ENERGY EFFICIENCY IMPROVEMENTS MADE TO AN EXISTING
25 RESIDENCE SHALL BE COMPLETED IN A MANNER THAT IS CONSISTENT WITH
26 A HOME ENERGY RATING OR A HOME ENERGY AUDIT. RETROFITS AND
27 UPGRADES TO IMPROVE THE ENERGY EFFICIENCY OF A QUALIFIED

1 HOMEBUYER'S EXISTING RESIDENCE SHALL BE COMPLETED BEFORE THE
2 CLOSING OF THE SALE OF SAID RESIDENCE.

3 (6) THE GOVERNOR'S ENERGY OFFICE SHALL CREATE A LIST OF
4 CONTRACTORS ELIGIBLE TO PERFORM THE ENERGY EFFICIENCY
5 IMPROVEMENTS TO THE QUALIFIED HOMEBUYER'S EXISTING RESIDENCE.

6 (7) IN ORDER TO CONFIRM THAT THE QUALIFIED HOMEBUYER MET
7 THE REQUIREMENTS OF THE PILOT PROGRAM, THE QUALIFIED HOMEBUYER
8 SHALL SUBMIT TO THE GOVERNOR'S ENERGY OFFICE COPIES OF CLOSING
9 DOCUMENTATION FOR THE HIGHLY EFFICIENT NEW RESIDENTIAL
10 CONSTRUCTION NO LATER THAN THIRTY DAYS AFTER THE CONSTRUCTION
11 IS COMPLETE. IF CONSTRUCTION IS DELAYED AND NOT COMPLETED BY THE
12 ESTIMATED COMPLETION DATE, THE GOVERNOR'S ENERGY OFFICE MAY
13 GRANT A WAIVER OR EXTENSION FOR THE PRODUCTION OF THIS
14 DOCUMENTATION.

15 (8) IF THE PURCHASE OF THE HIGHLY EFFICIENT NEW RESIDENTIAL
16 CONSTRUCTION IS NOT FINALIZED, INCLUDING BUT NOT LIMITED TO THE
17 CANCELLATION OF THE SALE BY THE QUALIFIED HOMEBUYER OR THE
18 FAILURE OF THE QUALIFIED HOMEBUYER TO SECURE FINANCING, THE
19 QUALIFIED HOMEBUYER SHALL REIMBURSE THE TOTAL AMOUNT OF THE
20 GRANT TO THE GOVERNOR'S ENERGY OFFICE WITHIN THIRTY DAYS AFTER
21 SUCH CANCELLATION OR FAILURE.

22 (9) FUNDING FOR THE PILOT PROGRAM SHALL BE PROVIDED FROM
23 FEDERAL FUNDS TRANSFERRED TO THE GOVERNOR'S ENERGY OFFICE,
24 INCLUDING, BUT NOT LIMITED TO, THOSE PROVIDED BY THE FEDERAL
25 "AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009", PUB.L. 111-5,
26 THAT THE GOVERNOR'S ENERGY OFFICE HAS ALREADY RECEIVED PRIOR TO
27 THE EFFECTIVE DATE OF THIS SECTION OR WILL RECEIVE AFTER THE

1 EFFECTIVE DATE OF THIS SECTION. THE GOVERNOR'S ENERGY OFFICE MAY
2 REQUIRE ADDITIONAL DOCUMENTATION OR INFORMATION FROM THE
3 QUALIFIED HOMEBUYER AS REQUIRED TO SECURE ANY ADDITIONAL
4 FEDERAL FUNDS.

5 **SECTION 2. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety.