



Legislative
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SB 18-003

**REVISED
FISCAL NOTE**

(replaces fiscal note dated January 22, 2018)

Drafting Number:	LLS 18-0697	Date:	March 5, 2018
Prime Sponsors:	Sen. Scott Rep. Hansen; Becker J.	Bill Status:	House Transportation
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Bill Topic: COLORADO ENERGY OFFICE

Summary of Fiscal Impact:	<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
	<input checked="" type="checkbox"/> State Expenditure (<i>minimal</i>)	<input type="checkbox"/> Local Government
	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill concerns the mission of the Colorado Energy Office (CEO). It will create an ongoing minimal workload increase.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the reengrossed bill.

Summary of Legislation

This bill repeals several mostly inactive programs in and creates certain new requirements for the Colorado Energy Office (CEO).

Funds. The bill makes changes to the two funds that support the work of the CEO: the Clean and Renewable Energy Fund and the Innovative Energy Fund.

Energy Fund. The bill renames the Clean and Renewable Energy Fund as the Energy Fund and adds educating the general public on energy issues and opportunities to the list of authorized uses of the fund.

Innovative Energy Fund. The bill removes the requirement that expenditures are limited only to innovative energy efficiency projects and policy development grants and loans.

Program repeals. The bill repeals several statutory programs and requirements in the CEO that are primarily defunct, including:

- the Wind for Schools Grant Program;
- the Renewable Energy and Energy Efficiency for Schools Loan Program;
- the Green Building Incentive Pilot Program;
- the Clean Energy Finance Program;
- its involvement with the Forest Service and the Air Quality Control Commission to support the increased use of woody biomass;

- its involvement in grants with the Colorado Energy Research Institute for the development of a central resource for building trade professionals;
- its participation in the Pollution Prevention Advisory Board Assistance Committee;
- its responsibility to maintain a list of solar installers, the requirement for a builder to offer that list to customers, and the requirement for the office to offer training on solar installations;
- a provision funding a computer system for tracking the movement of gasoline or special fuel in the state in FY 2009-10; and
- its administration of the Colorado Carbon Fund Special License Plate, which is transferred to a nonprofit organization.

New requirements. The bill creates the following new requirements for the CEO:

- adds nuclear power, hydroelectric power, propane, and energy storage systems to the list of energy sources and systems that the CEO must promote; and
- requires it to collaborate with energy industries and executive departments when developing and encouraging increased utilization of energy curricula.

Background

Colorado Energy Office funding. The General Assembly did not reauthorize the transfer of \$3.1 million to the Clean and Renewable Energy Fund and the Innovative Energy Fund during the 2017 legislative session. The CEO filled the state funding gap by securing temporarily repurposed U.S. Department of Energy funds, which allowed CEO staff to remain in place to work on federally approved programs. The Joint Budget Committee has recommended an appropriation of \$3.1 million and 16.5 for the CEO in FY 2018-19.

Background on programs that repeal under SB 18-003. The programs repealed by SB 18-003 are primarily defunct, as described below.

- *Wind for School Grant Program.* The Wind for Schools program was created in 2007 and dispersed 12 grants to schools totaling \$60,000 over several years. Previously, the grant program was funded primarily by federal American Recovery and Reinvestment Act money. This program is statutorily contingent on federal participation, which ended in 2013.
- *Renewable Energy and Energy Efficiency for Schools Loan Program.* The Renewable Energy and Energy Efficiency for Schools program was created in 2009 as a partnership between the CEO and the State Treasurer's Office to provide schools with loans for energy improvements to buildings. No applications have been received since the program's inception.
- *Green Building Incentive Pilot Program.* The Green Building Incentive program was a federally funded pilot program completed in 2012.
- *Clean Energy Finance Program.* The Clean Energy Finance Program never launched. Intended to be a partnership between the CEO and the State Treasurer's Office, the program would have allowed the investment of state funds in bonds for a clean energy program.

- *Carbon Fund special license plate.* The license plate was originally issued in 2008. In 2012, the CEO transferred the sponsorship of this plate to a nonprofit.

State Expenditures

If the office is appropriated state funds in FY 2018-19 through the Long Bill, the bill will have a minimal workload increase on the Colorado Energy Office to implement new program requirements under the bill.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Colorado Energy Office	Education	Governor
Information Technology	Local Affairs	Natural Resources
Public Health and Environment	Regulatory Agencies	Revenue