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Fiscal Note

Drafting Number: LLS 21-0874
Prime Sponsors: Sen. Hansen; Winter Rep. Valdez A.; Bennett
Date: April 9, 2021
Bill Status: Senate Trans. & Energy
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Bill Topic: TRANSFER TO COLORADO ENERGY OFFICE ENERGY FUND

- Summary of Fiscal Impact:
- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill transfers \$40.0 million in the current FY 2020-21 from the General Fund to the Energy Fund administered by the Colorado Energy Office for renewable and clean energy programs. In addition to the one-time transfer, the bill increases state expenditures and may increase local government revenue and expenditures in FY 2021-22.

Appropriation Summary: In the current FY 2020-21, this bill includes an appropriation of \$40.0 million to the Colorado Energy Office.

Fiscal Note Status: This fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under SB 21-230

Table with 4 columns: Category, Sub-category, Current Year FY 2020-21, Budget Year FY 2021-22, Out Year FY 2022-23. Rows include Revenue, Expenditures (Cash Funds, Centrally Appropriated, Total Expenditures, Total FTE), Transfers (General Fund, Cash Funds, Net Transfer), and TABOR Refund.

Summary of Legislation

This bill makes a one-time transfer of \$40.0 million from the General Fund to the Energy Fund. The Colorado Energy Office is authorized to use the funds to advance energy efficiency and renewable energy throughout the state, and for the purposes of:

- making grants of up to \$30.0 million to the Colorado Clean Energy Fund;
- making grants of up to \$3.0 million to the Colorado New Energy Improvement District;
- expending up to \$3.0 million on the Residential Energy Upgrade Loan Program; and
- expending up to \$5.0 million on the Charge Ahead Colorado Program.

The Colorado Energy Office must report on January 15, 2022, and semiannually for two years after the first grant is awarded, the amount and purpose of all grants awarded. This information must also be incorporated into the office's SMART Act presentations.

State Transfers

The bill transfers \$40.0 million from the General Fund to the Energy Fund in the current FY 2020-21.

State Expenditures

The bill increases state expenditures by \$40.0 million in FY 2021-22 from the Energy Fund, as listed in Table 2 and discussed below.

Table 2
Expenditures Under SB21-230

	FY 2021-22	FY 2022-23
Colorado Energy Office		
Personal Services	\$31,537	-
Operating Expenses	\$2,700	-
Capital Outlay Costs	\$2,400	-
Grant and Loan Amount	\$39,963,363	-
Centrally Appropriated Costs ¹	\$7,854	-
Total Cost	\$40,007,854	-
Total FTE	0.5 FTE	-

¹ Centrally appropriated costs are not included in the bill's appropriation.

Colorado Energy Office. In FY 2021-22, the Colorado Energy Office will require 0.5 FTE to manage the application and award process, provide assistance to applicants and grant recipients, and oversee reporting requirements. The required FTE is divided between a project manager and an accountant. Standard operating and capital outlay costs are included for this FTE. The remainder of funding will be used for the grants and loans outlined in the bill.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$7,854 in FY 2021-22.

Local Government

In FY 2021-22, workload will increase for local governments and special districts that apply for funding, and for local governments and special districts that are awarded grant funding, revenue and expenditures will increase to implement the projects.

Effective Date

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

State Appropriations

The bill includes an appropriation of \$40.0 million from the Energy Fund to the Governor's Office for use by the Colorado Energy Office.

State and Local Government Contacts

Colorado Energy Office

Information Technology