

Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0383.02 Jennifer Berman x3286

SENATE BILL 22-193

SENATE SPONSORSHIP

Fenberg and Gonzales, Buckner, Danielson, Donovan, Fields, Ginal, Hansen, Jaquez
Lewis, Kolker, Lee, Pettersen, Story, Winter, Zenzinger

HOUSE SPONSORSHIP

Valdez A. and Froelich,

Senate Committees

Transportation & Energy
Appropriations

House Committees

Energy & Environment
Appropriations

A BILL FOR AN ACT

101 **CONCERNING MEASURES TO IMPROVE AIR QUALITY IN THE STATE, AND,**
102 **IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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://leg.colorado.gov>.)

Industrial and manufacturing operations clean air grant program. Section 1 of the bill creates the industrial and manufacturing operations clean air grant program (clean air grant program) through which the Colorado energy office (office) awards grant money to private entities, local governments, and public-private partnerships for voluntary projects to reduce air pollutants from industrial and manufacturing

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
3rd Reading Unamended
April 18, 2022

SENATE
Amended 2nd Reading
April 14, 2022

operations.

Voluntary projects eligible for grant money include:

- Energy efficiency projects;
- Renewable energy projects;
- Beneficial electrification projects;
- Transportation electrification projects;
- Projects producing or utilizing clean hydrogen;
- Projects involving carbon capture at industrial facilities;
- Methane capture projects;
- Projects producing or utilizing sustainable aviation fuel;
- and
- Industrial process changes that reduce emissions.

Starting in 2025, the office is required to report annually on the progress of the clean air grant program, submit the report to the legislative committees with jurisdiction over energy matters, and post the reports on the office's website.

On June 30, 2022, the state treasurer shall transfer \$25 million from the general fund to the industrial and manufacturing operations clean air grant program cash fund, which fund is created in the bill. The fund may also consist of money from federal sources and from gifts, grants, and donations. The money in the fund is continuously appropriated to the office for its administration of the clean air grant program.

The clean air grant program is repealed on September 1, 2029.

Community access to electric bicycles. Section 2 creates the community access to electric bicycles grant program (electric bicycles grant program) through which the office awards grant money to local governments and nonprofit organizations that administer or plan to administer a bike share program or an ownership program for the provision of electric bicycles in a community. **Section 2** also creates the community access to electric bicycles rebate program (rebate program) through which the office provides individuals in low- and moderate-income households, or bicycle shops that sell electric bicycles to program participants at discounted prices, rebates for purchases of electric bicycles used for commuting purposes.

Starting in 2025, the office is required to report annually on the progress of the electric bicycles grant program and the rebate program, submit copies of the report to the legislative committees with jurisdiction over transportation matters, and post the report on the office's website.

On June 30, 2022, the state treasurer shall transfer \$12 million from the general fund to the community access to electric bicycles cash fund, which fund is created in the bill. The fund may also consist of money from federal sources and from gifts, grants, and donations. The money in the fund is subject to annual appropriation by the general assembly to the office for its administration of the electric bicycles grant program and the rebate program.

The electric bicycles grant program and the rebate program are repealed on September 1, 2028.

Diesel truck emissions reduction grant program. Section 3 creates the diesel truck emissions reduction grant program (diesel trucks grant program) through which the division of administration (division) in the department of public health and environment (department) awards grant money to certain private and public entities for decommissioning diesel trucks and replacing the trucks with newer model trucks. The division is required to determine eligibility for the grant money and the eligible fuel types for qualifying as a replacement vehicle under the diesel trucks grant program.

Starting in 2023, the department is required to report annually on the progress of the diesel trucks grant program and submit a copy of the report to the legislative committees with jurisdiction over energy matters.

On June 30, 2022, the state treasurer shall transfer \$15 million from the general fund to the diesel truck emissions reduction grant program cash fund, which fund is created in the bill. The fund may also consist of money from federal sources and from gifts, grants, and donations. The money in the fund is subject to annual appropriation by the general assembly to the department for use by the division for its administration of the diesel trucks grant program.

The diesel trucks grant program is repealed on July 1, 2032.

Electrifying school buses grant program. Section 3 also creates the electrifying school buses grant program (school buses grant program) through which the department, with technical assistance from the office, awards grant money to school districts and charter schools to help finance the purchase and maintenance of electric-powered school buses, the conversion of fossil-fuel-powered school buses to electric-powered school buses, charging infrastructure, and upgrades for electric charging infrastructure and the retirement of fossil-fuel-powered school buses.

Starting in 2025, and every odd-numbered year thereafter, the department is required to report on the progress of the school buses grant program, submit copies of the report to the legislative committees with jurisdiction over education and transportation matters, and post copies of the report on its website.

On June 30, 2022, the state treasurer shall transfer \$65 million from the general fund to the electrifying school buses grant program cash fund, which fund is created in the bill. The fund may also consist of money from federal sources and from gifts, grants, and donations. The money in the fund is subject to annual appropriation by the general assembly to the department for its administration of the school buses grant program.

The school buses grant program is repealed on September 1, 2034.

Section 4 updates the definition of "federal act" regarding the reference to the federal "Clean Air Act". **Section 4** also updates the

definition of "issue" with respect to an order, permit, determination, or notice issued by the division, to remove certified mail and add electronic mail as options to issue such order, permit, determination, or notice.

Section 5 clarifies that the statutory fee caps for fees collected by the air quality enterprise apply only to the annual stationary source emission fees. The statutory fee caps are \$1 million for state fiscal year 2021-22, \$3 million for state fiscal year 2022-23, \$4 million for state fiscal year 2023-24, and \$5 million on and after July 1, 2024.

Section 6 removes the requirement that the division make the forms on which a person provides details necessary for filing an air pollution emission notice available at all of the air pollution control authority offices.

Section 7 extends the time within which the commission must grant or deny a request for a hearing from within 15 days after the request was made to within 30 days after the request was made.

Existing law authorizes the commission to submit any additions or changes to the state implementation plan (SIP) to the administrator of the federal environmental protection agency (administrator) for conditional or temporary approval pending legislative council review of the additions or changes. **Section 8** authorizes the commission to submit the changes or additions to the administrator as a provisional submission, pending possible introduction and enactment of a bill to modify or delete all or a portion of the commission's additions or changes to the SIP.

Section 9 makes a conforming amendment.

Section 10 appropriates the money transferred from the general fund to the cash funds created in **sections 1, 2, and 3** to the office, the division, and the department for their administration of the programs described in **sections 1, 2, and 3**. Additionally, **section 10** appropriates from the general fund:

- \$750,000 to the department of personnel for the costs of issuing free annual eco passes to state employees; and
- \$7,000,000 to the department of public health and environment to finance the aerial surveying of pollutants.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add 24-38.5-113 and**
3 **24-38.5-114** as follows:

4 **24-38.5-113. Industrial and manufacturing operations clean**
5 **air grant program - creation - eligibility - fund created - gifts, grants,**
6 **or donations - transfer - legislative declaration - definitions -**

1 **reporting - repeal. (1) Legislative declaration.** THE GENERAL
2 ASSEMBLY HEREBY FIND AND DECLARES THAT:

3 (a) THE INDUSTRIAL AND MANUFACTURING SECTOR IS ONE OF THE
4 FIVE LARGEST SOURCES OF GREENHOUSE GAS POLLUTION IN THE STATE;

5 (b) INDUSTRIAL EMISSIONS OFTEN:

6 (I) DISPROPORTIONATELY IMPACT LOW-INCOME, MINORITY, OR
7 HOUSING COST-BURDENED COMMUNITIES IN THE STATE; AND

8 (II) CONTAIN HAZARDOUS AIR POLLUTANTS THAT CAUSE OR
9 EXACERBATE EXISTING HEALTH CONDITIONS, WHICH, IN TURN,
10 CONTRIBUTE FURTHER TO THE EXISTING ECONOMIC DISPARITY BETWEEN
11 THE DISPROPORTIONATELY IMPACTED COMMUNITIES AND OTHER
12 COMMUNITIES OF THE STATE; AND

13 (c) WHILE STATE AND FEDERAL REGULATION OF INDUSTRIAL AIR
14 POLLUTION, INCLUDING POLLUTION FROM GREENHOUSE GASES, IS
15 ESSENTIAL FOR PUBLIC HEALTH AND FOR ACHIEVING STATE CLIMATE
16 GOALS AND ADDRESSING OZONE NONATTAINMENT, VOLUNTARY ACTIONS
17 ARE NEEDED TO ACHIEVE FURTHER REDUCTIONS IN INDUSTRIAL
18 POLLUTION.

19 (2) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
20 OTHERWISE REQUIRES:

21 (a) "AIR POLLUTANT":

22 (I) HAS THE MEANING SET FORTH IN SECTION 25-7-103 (1.5); AND

23 (II) INCLUDES AIR TOXICS, PARTICULATES, OZONE PRECURSORS,
24 AND GREENHOUSE GASES.

25 (b) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
26 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

27 (c) "FUND" MEANS THE INDUSTRIAL AND MANUFACTURING

1 OPERATIONS CLEAN AIR GRANT PROGRAM CASH FUND CREATED IN
2 SUBSECTION (6) OF THIS SECTION.

3 (d) "GRANT PROGRAM" MEANS THE INDUSTRIAL AND
4 MANUFACTURING OPERATIONS CLEAN AIR GRANT PROGRAM CREATED IN
5 SUBSECTION (3)(a) OF THIS SECTION.

6 (e) "GREENHOUSE GAS" HAS THE MEANING SET FORTH IN SECTION
7 2-2-322.3 (1)(a).

8 (f) (I) "INDUSTRIAL AND MANUFACTURING OPERATIONS" MEANS
9 COMMERCIAL ACTIVITIES IN WHICH AIR POLLUTANTS ARE EMITTED DURING
10 OR AS A RESULT OF THE ACTIVITIES.

11 (II) "INDUSTRIAL AND MANUFACTURING OPERATIONS" INCLUDES,
12 BUT IS NOT LIMITED TO, OPERATIONS:

13 (A) BY ENERGY PRODUCERS, REFINERIES, MEAT PACKING PLANTS,
14 DAIRIES, STEEL MILLS, CEMENT PLANTS, MANUFACTURING OPERATIONS,
15 MINING OPERATIONS, AND AIRLINE OPERATIONS; AND

16 (B) AT AIRPORTS, WASTEWATER TREATMENT PLANTS, LANDFILLS,
17 AND ABANDONED COAL MINES.

18 (g) "LOCAL GOVERNMENT" MEANS A STATUTORY OR HOME RULE
19 MUNICIPALITY, COUNTY, CITY AND COUNTY, OR SPECIAL DISTRICT.

20 (h) "NONATTAINMENT AREA" MEANS AN AREA OF THE STATE THAT
21 THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY HAS DESIGNATED AS
22 BEING IN NONATTAINMENT WITH A NATIONAL AMBIENT AIR QUALITY
23 STANDARD.

24 (i) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
25 SECTION 24-38.5-101.

26 (j) "PUBLIC-PRIVATE PARTNERSHIP" MEANS A PARTNERSHIP
27 BETWEEN A LOCAL GOVERNMENT AND A PRIVATE ENTITY THAT ENGAGES

1 IN INDUSTRIAL AND MANUFACTURING OPERATIONS.

2 (k) "SPECIAL DISTRICT" MEANS ANY QUASI-MUNICIPAL
3 CORPORATION AND POLITICAL SUBDIVISION ORGANIZED OR ACTING
4 PURSUANT TO TITLE 32, INCLUDING A METROPOLITAN DISTRICT AND A
5 WATER AND SANITATION DISTRICT.

6 (l) "VOLUNTARY PROJECT" MEANS A PROJECT THAT A PRIVATE
7 ENTITY, LOCAL GOVERNMENT, OR PUBLIC-PRIVATE PARTNERSHIP
8 IMPLEMENTS OR PLANS TO IMPLEMENT ON A VOLUNTARY BASIS TO REDUCE
9 EMISSIONS OF HARMFUL AIR POLLUTANTS RESULTING FROM INDUSTRIAL
10 AND MANUFACTURING OPERATIONS.

11 (3) **Grant program.** (a) THE INDUSTRIAL AND MANUFACTURING
12 OPERATIONS CLEAN AIR GRANT PROGRAM IS CREATED TO ALLOW PRIVATE
13 ENTITIES, LOCAL GOVERNMENTS, AND PUBLIC-PRIVATE PARTNERSHIPS TO
14 APPLY TO THE OFFICE FOR GRANT MONEY TO HELP FINANCE VOLUNTARY
15 PROJECTS TO REDUCE EMISSIONS OF AIR POLLUTANTS FROM INDUSTRIAL
16 AND MANUFACTURING OPERATIONS. THE OFFICE SHALL ADMINISTER THE
17 GRANT PROGRAM.

18 (b) IN ADMINISTERING THE GRANT PROGRAM, THE OFFICE SHALL:

19 (I) ESTABLISH AN APPLICATION PROCESS FOR PRIVATE ENTITIES,
20 LOCAL GOVERNMENTS, TRIBAL GOVERNMENTS, AND PUBLIC-PRIVATE
21 PARTNERSHIPS TO APPLY FOR MONEY TO HELP FINANCE VOLUNTARY
22 PROJECTS AND POST INFORMATION ABOUT THE APPLICATION PROCESS ON
23 THE OFFICE'S WEBSITE;

24 (II) DETERMINE TYPES OF VOLUNTARY PROJECTS THAT ARE
25 ELIGIBLE FOR MONEY UNDER THE GRANT PROGRAM, WHICH TYPES OF
26 VOLUNTARY PROJECTS MAY INCLUDE:

27 (A) ENERGY EFFICIENCY PROJECTS;

1 (B) RENEWABLE ENERGY PROJECTS;
2 (C) BENEFICIAL ELECTRIFICATION PROJECTS;
3 (D) TRANSPORTATION ELECTRIFICATION PROJECTS;
4 (E) PROJECTS PRODUCING OR UTILIZING CLEAN HYDROGEN. IF
5 CLEAN HYDROGEN PROJECTS ARE PROPOSED TO RECEIVE GRANT MONEY,
6 THE OFFICE SHALL PRIORITIZE GRANT APPLICATIONS FOR CLEAN
7 HYDROGEN PROJECTS THAT UTILIZE GREEN HYDROGEN THROUGH
8 ELECTROLYSIS POWERED ENTIRELY BY RENEWABLE ELECTRIC RESOURCES
9 OVER GRANT APPLICATIONS FOR CLEAN HYDROGEN PROJECTS THAT
10 UTILIZE ANY OTHER CLEAN HYDROGEN PRODUCTION TECHNOLOGY, WHICH
11 OTHER CLEAN HYDROGEN PROJECTS, IF AWARDED GRANT MONEY, MUST
12 COMPLY WITH SECTION 42 U.S.C. SEC. 16152 (1).

13 (F) PROJECTS INVOLVING CARBON CAPTURE AT INDUSTRIAL
14 FACILITIES AND DIRECT AIR CAPTURE PROJECTS;

15 (G) METHANE CAPTURE FROM LANDFILLS, SEWAGE TREATMENT
16 PLANTS, ACTIVE OR INACTIVE COAL MINES, OR AGRICULTURAL
17 OPERATIONS;

18 (H) PROJECTS PRODUCING OR UTILIZING SUSTAINABLE AVIATION
19 FUEL; AND

20 (I) INDUSTRIAL PROCESS CHANGES THAT REDUCE EMISSIONS;

21 (III) DEVELOP CRITERIA FOR AWARDING MONEY UNDER THE GRANT
22 PROGRAM, WHICH CRITERIA MUST INCLUDE GIVING PRIORITY FOR
23 VOLUNTARY PROJECTS LOCATED IN:

24 (A) DISPROPORTIONATELY IMPACTED COMMUNITIES; OR

25 (B) NONATTAINMENT AREAS;

26 (IV) ESTABLISH THE MINIMUM AMOUNT OF MATCHING MONEY
27 THAT AN APPLICANT NEEDS TO PROVIDE TO BE ELIGIBLE UNDER THE GRANT

1 PROGRAM;

2 (V) DETERMINE HOW A GRANTEE MUST DEMONSTRATE THAT A
3 VOLUNTARY PROJECT REDUCES EMISSIONS OF AIR POLLUTANTS AND OZONE
4 PRECURSORS, INCLUDING ANY MODELING REQUIREMENTS FOR PROJECT
5 EVALUATION AND MONITORING AND TESTING REQUIREMENTS DURING
6 PROJECT IMPLEMENTATION AND AFTER PROJECT COMPLETION;

7 (VI) REQUIRE PERIODIC REPORTING REQUIREMENTS FOR A
8 GRANTEE TO DEMONSTRATE THAT THE MONEY AWARDED IS BEING USED
9 IN COMPLIANCE WITH THE PURPOSES OF THIS SECTION; AND

10 (VII) ESTABLISH PROCEDURES FOR ADDRESSING A GRANTEE'S
11 NONCOMPLIANCE WITH THIS SECTION, INCLUDING PROCEDURES FOR
12 REIMBURSEMENT OF MONEY AWARDED.

13 (4) THE OFFICE MAY USE UP TO NINE PERCENT OF THE MONEY IN
14 THE FUND TO COVER:

15 (a) THE DIRECT AND INDIRECT COSTS THE OFFICE INCURS IN
16 ADMINISTERING THE GRANT PROGRAM; AND

17 (b) INTERAGENCY MONEY TRANSFERS FOR TECHNICAL SUPPORT
18 THAT THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT OR THE
19 DEPARTMENT OF NATURAL RESOURCES MAY PROVIDE THE OFFICE IN
20 ADMINISTERING THE GRANT PROGRAM.

21 (5) **Reporting.** (a) ON OR BEFORE JANUARY 1, 2025, AND ON OR
22 BEFORE JANUARY 1 OF EACH YEAR THEREAFTER, THE OFFICE SHALL
23 PREPARE A REPORT SUMMARIZING THE PROGRESS OF THE GRANT PROGRAM
24 AND SUBMIT THE REPORT TO THE HOUSE OF REPRESENTATIVES ENERGY
25 AND ENVIRONMENT COMMITTEE AND THE SENATE TRANSPORTATION AND
26 ENERGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES. THE OFFICE
27 SHALL POST A COPY OF EACH REPORT ON ITS WEBSITE.

1 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
2 REPORTING REQUIREMENTS SET FORTH IN SUBSECTION (5)(a) OF THIS
3 SECTION CONTINUE UNTIL THE GRANT PROGRAM REPEALS PURSUANT TO
4 SUBSECTION (7) OF THIS SECTION.

5 (6) **Fund.** (a) (I) THE INDUSTRIAL AND MANUFACTURING
6 OPERATIONS CLEAN AIR GRANT PROGRAM CASH FUND IS CREATED IN THE
7 STATE TREASURY, AND THE OFFICE SHALL ADMINISTER THE FUND FOR THE
8 PURPOSES OF THIS SECTION. THE FUND CONSISTS OF ANY MONEY THAT THE
9 GENERAL ASSEMBLY MAY TRANSFER OR APPROPRIATE TO THE FUND FOR
10 IMPLEMENTATION OF THE GRANT PROGRAM AND ANY FEDERAL MONEY OR
11 GIFTS, GRANTS, OR DONATIONS RECEIVED PURSUANT TO SUBSECTION
12 (6)(a)(II) OF THIS SECTION.

13 (II) FOR THE PURPOSES OF THIS SECTION, THE OFFICE MAY SEEK,
14 ACCEPT, AND EXPEND:

15 (A) MONEY FROM FEDERAL SOURCES; AND

16 (B) GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC
17 SOURCES.

18 (III) THE OFFICE SHALL TRANSMIT ANY MONEY RECEIVED
19 PURSUANT TO SUBSECTION (6)(a)(II) OF THIS SECTION TO THE STATE
20 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

21 (b) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
22 THE OFFICE FOR THE PURPOSES SET FORTH IN THIS SECTION. THE STATE
23 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
24 DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. ANY
25 UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND AT
26 THE END OF A STATE FISCAL YEAR REMAINS IN THE FUND; EXCEPT THAT
27 THE STATE TREASURER SHALL TRANSFER ANY MONEY REMAINING IN THE

1 FUND AT THE END OF THE 2027-28 STATE FISCAL YEAR TO THE GENERAL
2 FUND.

3 (c) (I) ON JUNE 30, 2022, THE STATE TREASURER SHALL TRANSFER
4 TWENTY-FIVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

5 (II) THIS SUBSECTION (6)(c) IS REPEALED, EFFECTIVE JULY 1, 2023.

6 (7) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1,
7 2029.

8 **24-38.5-114. Cannabis resource optimization cash fund -**
9 **creation - gifts, grants, or donations - repeal.** (1) THE CANNABIS
10 RESOURCE OPTIMIZATION CASH FUND, REFERRED TO IN THIS SECTION AS
11 THE "FUND", IS CREATED IN THE STATE TREASURY. THE COLORADO
12 ENERGY OFFICE SHALL ADMINISTER THE FUND FOR THE PURPOSES OF
13 PROVIDING ASSESSMENTS FINANCING, GRANTS, CREDIT ENHANCEMENT
14 OFFERINGS, AND DIRECT INCENTIVES TO PRODUCERS TO REDUCE ENERGY
15 AND WATER USE, PROMOTE RENEWABLE ENERGY, AND ENCOURAGE
16 SUSTAINABLE PRACTICES IN CANNABIS OPERATIONS. THE FUND CONSISTS
17 OF ANY MONEY THAT THE GENERAL ASSEMBLY MAY TRANSFER OR
18 APPROPRIATE TO THE FUND AND ANY GIFTS, GRANTS, OR DONATIONS
19 RECEIVED PURSUANT TO SUBSECTION (3) OF THIS SECTION.

20 (2) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
21 THE COLORADO ENERGY OFFICE FOR THE PURPOSES SET FORTH IN
22 SUBSECTION (1) OF THIS SECTION. THE STATE TREASURER SHALL CREDIT
23 ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT
24 OF MONEY IN THE FUND TO THE FUND.

25 (3) THE COLORADO ENERGY OFFICE MAY SEEK, ACCEPT, AND
26 EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC
27 SOURCES.

1 (f) ELECTRIC BICYCLES PRODUCE ZERO EMISSIONS AND ARE AN
2 IMPORTANT COMPONENT IN A STRATEGY FOR REDUCING EMISSIONS IN THE
3 TRANSPORTATION SECTOR; AND

4 (g) IT IS IN THE INTEREST OF THE STATE TO INCREASE THE NUMBER
5 OF ELECTRIC BICYCLES USED FOR TRANSPORTATION AND TO INCREASE THE
6 ACCESSIBILITY OF ELECTRIC BICYCLES TO INDIVIDUALS IN LOW- AND
7 MODERATE-INCOME HOUSEHOLDS.

8 **24-38.5-402. Definitions.** AS USED IN THIS PART 4, UNLESS THE
9 CONTEXT OTHERWISE REQUIRES:

10 (1) "BIKE SHARE PROGRAM" MEANS A SERVICE IN WHICH BICYCLES:

11 (a) ARE MADE PUBLICLY AVAILABLE TO MULTIPLE USERS FOR RENT
12 ON A SHORT-TERM BASIS; AND

13 (b) MAY EITHER BE PICKED UP IN ONE PUBLIC LOCATION AND
14 DROPPED OFF AT ANOTHER PUBLIC LOCATION OR BE CHECKED OUT AND
15 RETURNED AT A SINGLE LOCATION.

16 (2) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
17 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

18 (3) "ELECTRIC BICYCLE" HAS THE SAME MEANING AS "ELECTRICAL
19 ASSISTED BICYCLE" AS SET FORTH IN SECTION 42-1-102 (28.5). "ELECTRIC
20 BICYCLE" INCLUDES AN ELECTRIC ADAPTIVE BICYCLE.

21 (4) "FUND" MEANS THE COMMUNITY ACCESS TO ELECTRIC
22 BICYCLES CASH FUND CREATED IN SECTION 24-38.5-406 (1)(a).

23 (5) "GRANT PROGRAM" MEANS THE COMMUNITY ACCESS TO
24 ELECTRIC BICYCLES GRANT PROGRAM CREATED IN SECTION 24-38.5-403.

25 (6) "LOCAL GOVERNMENT" MEANS A STATUTORY OR HOME RULE
26 MUNICIPALITY, COUNTY, OR CITY AND COUNTY.

27 (7) "NONATTAINMENT AREA" MEANS AN AREA OF THE STATE THAT

1 THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY HAS DESIGNATED AS
2 BEING IN NONATTAINMENT WITH A NATIONAL AMBIENT AIR QUALITY
3 STANDARD.

4 (8) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
5 SECTION 24-38.5-101.

6 (9) "OWNERSHIP PROGRAM" MEANS A PROGRAM THAT PROVIDES
7 ELECTRIC BICYCLES, EQUIPMENT, AND RELATED SERVICES TO INDIVIDUALS
8 IN LOW- AND MODERATE-INCOME HOUSEHOLDS, AS DETERMINED BY THE
9 OFFICE.

10 (10) "PROGRAM" MEANS A BIKE SHARE PROGRAM OR AN
11 OWNERSHIP PROGRAM.

12 (11) "REBATE PROGRAM" MEANS THE COMMUNITY ACCESS TO
13 ELECTRIC BICYCLES REBATE PROGRAM CREATED IN SECTION 24-38.5-404.

14 **24-38.5-403. Community access to electric bicycles grant**
15 **program - creation - eligibility.** (1) (a) (I) THE COMMUNITY ACCESS TO
16 ELECTRIC BICYCLES GRANT PROGRAM IS CREATED TO HELP FINANCE BIKE
17 SHARE PROGRAMS AND OWNERSHIP PROGRAMS THAT LOCAL
18 GOVERNMENTS, TRIBAL GOVERNMENTS, OR NONPROFIT ORGANIZATIONS
19 ADMINISTER OR PLAN TO ADMINISTER IN THE STATE. THE OFFICE SHALL
20 ADMINISTER THE GRANT PROGRAM. TO BE ELIGIBLE TO APPLY FOR MONEY
21 UNDER THE GRANT PROGRAM, A LOCAL GOVERNMENT, TRIBAL
22 GOVERNMENT, OR NONPROFIT ORGANIZATION MUST ADMINISTER OR PLAN
23 TO ADMINISTER, OR CONTRACT WITH A THIRD PARTY TO ADMINISTER:

24 (A) A BIKE SHARE PROGRAM USING A FLEET OF ELECTRIC
25 BICYCLES; OR

26 (B) AN OWNERSHIP PROGRAM OFFERING AN ELECTRIC BICYCLE TO
27 A SPECIFIC INDIVIDUAL OR HOUSEHOLD;

1 (II) A LOCAL GOVERNMENT, TRIBAL GOVERNMENT, OR NONPROFIT
2 ORGANIZATION AWARDED MONEY UNDER THE GRANT PROGRAM MAY USE
3 THE MONEY TO PURCHASE AND MAINTAIN ELECTRIC BICYCLES,
4 EQUIPMENT, AND INFRASTRUCTURE FOR ITS BIKE SHARE PROGRAM OR
5 OWNERSHIP PROGRAM, PAY LABOR COSTS RELATED TO IMPLEMENTATION
6 OF THE PROGRAM, AND COVER THE DIRECT AND INDIRECT ADMINISTRATIVE
7 COSTS THAT THE LOCAL GOVERNMENT, TRIBAL GOVERNMENT, THE
8 NONPROFIT ORGANIZATION, OR A THIRD-PARTY CONTRACTOR INCURS IN
9 IMPLEMENTING THE PROGRAM.

10 (b) IN ADMINISTERING THE GRANT PROGRAM, THE OFFICE SHALL
11 ESTABLISH AN APPLICATION PROCESS FOR LOCAL GOVERNMENTS, TRIBAL
12 GOVERNMENTS, AND NONPROFIT ORGANIZATIONS TO USE TO APPLY FOR
13 MONEY UNDER THE GRANT PROGRAM. THE OFFICE SHALL POST
14 INFORMATION ABOUT THE APPLICATION PROCESS ON ITS WEBSITE.

15 (2) THE OFFICE SHALL DEVELOP:

16 (a) CRITERIA FOR AWARDING GRANT MONEY, WHICH CRITERIA
17 MUST INCLUDE:

18 (I) GIVING PRIORITY TO LOCAL GOVERNMENTS, TRIBAL
19 GOVERNMENTS, AND NONPROFIT ORGANIZATIONS OFFERING A PROGRAM
20 IN:

21 (A) ONE OR MORE DISPROPORTIONATELY IMPACTED COMMUNITIES;

22 OR

23 (B) ONE OR MORE NONATTAINMENT AREAS;

24 (II) A REQUIREMENT THAT THE LOCAL GOVERNMENT OR
25 NONPROFIT ORGANIZATION PROVIDE AT LEAST A CERTAIN PERCENTAGE OF
26 MATCHING MONEY FOR THE PROGRAM; AND

27 (III) A REQUIREMENT THAT A LOCAL GOVERNMENT, TRIBAL

1 GOVERNMENT, OR NONPROFIT ORGANIZATION THAT APPLIES FOR GRANT
2 MONEY FOR A PLANNED, BUT NOT YET IMPLEMENTED, PROGRAM
3 DEMONSTRATE TO THE SATISFACTION OF THE OFFICE THAT THE LOCAL
4 GOVERNMENT, TRIBAL GOVERNMENT, OR NONPROFIT ORGANIZATION,
5 AFTER RECEIVING MONEY UNDER THE GRANT PROGRAM, WILL BE ABLE TO
6 START IMPLEMENTING THE PROGRAM WITHIN A CERTAIN NUMBER OF
7 MONTHS AFTER RECEIVING THE MONEY, AS DETERMINED BY THE OFFICE;

8 (b) PERIODIC REPORTING REQUIREMENTS FOR A GRANTEE TO
9 DEMONSTRATE THAT THE MONEY AWARDED IS BEING USED IN COMPLIANCE
10 WITH THE PURPOSES OF THIS SECTION; AND

11 (c) PROCEDURES FOR ADDRESSING A GRANTEE'S NONCOMPLIANCE
12 WITH THIS SECTION, INCLUDING PROCEDURES FOR REIMBURSEMENT OF
13 MONEY AWARDED.

14 (3) THE OFFICE MAY USE UP TO NINE PERCENT OF THE MONEY IN
15 THE FUND TO COVER THE DIRECT AND INDIRECT COSTS THE OFFICE INCURS
16 IN ADMINISTERING THE GRANT PROGRAM.

17 **24-38.5-404. Community access to electric bicycles rebate**
18 **program - eligibility - reimbursement.** (1) THE OFFICE SHALL
19 ESTABLISH THE COMMUNITY ACCESS TO ELECTRIC BICYCLES REBATE
20 PROGRAM TO PROVIDE REBATES FOR PURCHASES OF ELECTRIC BICYCLES
21 AND EQUIPMENT MADE BY ELIGIBLE INDIVIDUALS, BUSINESSES, AND
22 NONPROFIT ORGANIZATIONS. IN ESTABLISHING THE REBATE PROGRAM, THE
23 OFFICE SHALL DETERMINE:

24 (a) ELIGIBILITY FOR PARTICIPATION IN THE REBATE PROGRAM,
25 WHICH ELIGIBILITY MUST INCLUDE A REQUIREMENT THAT:

26 (I) AN ELIGIBLE INDIVIDUAL RESIDES IN A LOW- OR
27 MODERATE-INCOME HOUSEHOLD, WHICH INCOME THRESHOLDS THE OFFICE

1 SHALL DETERMINE;

2 (II) AN ELIGIBLE BUSINESS OR NONPROFIT ORGANIZATION USES
3 ELECTRIC BICYCLES TO CONDUCT ITS BUSINESS ACTIVITIES;

4 (III) TO QUALIFY FOR A REBATE, THE PURCHASE MUST BE OF AN
5 ELECTRIC BICYCLE AND EQUIPMENT THAT:

6 (A) ARE USED PRIMARILY FOR COMMUTING OR OTHER
7 NONRECREATIONAL PURPOSE; AND

8 (B) COST LESS THAN A MAXIMUM THRESHOLD PRICE SET BY THE
9 OFFICE; AND

10 (IV) TO QUALIFY FOR A REBATE, A BUSINESS OR NONPROFIT
11 ORGANIZATION THAT PURCHASES AN ELECTRIC BICYCLE MUST USE THE
12 ELECTRIC BICYCLE PRIMARILY TO CONDUCT ITS BUSINESS ACTIVITIES,
13 INCLUDING MAKING LAST-MILE DELIVERIES, AND FOR OTHER
14 NONRECREATIONAL PURPOSES.

15 (b) REBATE AMOUNTS AND ANY CRITERIA USED IN DETERMINING
16 REBATE AMOUNTS; AND

17 (c) THE MECHANISM FOR ISSUING A REBATE, WHICH MECHANISM
18 MAY INCLUDE:

19 (I) A REQUIREMENT THAT REBATE PROGRAM PARTICIPANTS ATTEST
20 TO THEIR ELIGIBILITY FOR A REBATE; AND

21 (II) VENDOR PAYMENTS MADE TO BICYCLE SHOPS THAT SELL A
22 QUALIFYING ELECTRIC BICYCLE AND EQUIPMENT AT A DISCOUNT TO AN
23 INDIVIDUAL, BUSINESS, OR NONPROFIT ORGANIZATION THAT IS ELIGIBLE TO
24 PARTICIPATE UNDER THE REBATE PROGRAM.

25 (2) THE OFFICE MAY USE UP TO NINE PERCENT OF THE MONEY IN
26 THE FUND TO COVER ITS DIRECT AND INDIRECT COSTS INCURRED IN
27 ADMINISTERING THE REBATE PROGRAM.

1 **24-38.5-405. Reporting.** (1) ON OR BEFORE JANUARY 1, 2025,
2 AND ON OR BEFORE JANUARY 1 OF EACH YEAR THEREAFTER, THE OFFICE
3 SHALL PREPARE A REPORT SUMMARIZING THE PROGRESS OF THE GRANT
4 PROGRAM AND THE REBATE PROGRAM AND SUBMIT THE REPORT TO THE
5 HOUSE OF REPRESENTATIVES TRANSPORTATION AND LOCAL GOVERNMENT
6 COMMITTEE AND THE SENATE TRANSPORTATION AND ENERGY COMMITTEE,
7 OR THEIR SUCCESSOR COMMITTEES. THE OFFICE SHALL POST A COPY OF
8 EACH REPORT ON ITS WEBSITE.

9 (2) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
10 REPORTING REQUIREMENTS SET FORTH IN SUBSECTION (1) OF THIS SECTION
11 CONTINUE UNTIL THE GRANT PROGRAM AND REBATE PROGRAM REPEAL
12 PURSUANT TO SECTION 24-38.5-407.

13 **24-38.5-406. Community access to electric bicycles cash fund**
14 **- creation - gifts, grants, or donations - transfer - repeal.** (1) (a) THE
15 COMMUNITY ACCESS TO ELECTRIC BICYCLES CASH FUND IS CREATED IN
16 THE STATE TREASURY, AND THE OFFICE SHALL ADMINISTER THE FUND FOR
17 THE PURPOSES OF THIS PART 4. THE FUND CONSISTS OF ANY MONEY THAT
18 THE GENERAL ASSEMBLY MAY TRANSFER OR APPROPRIATE TO THE FUND
19 FOR IMPLEMENTATION OF THE GRANT PROGRAM AND THE REBATE
20 PROGRAM AND ANY FEDERAL MONEY OR GIFTS, GRANTS, OR DONATIONS
21 RECEIVED PURSUANT TO SUBSECTION (1)(b) OF THIS SECTION.

22 (b) (I) FOR THE PURPOSES OF THIS PART 4, THE OFFICE MAY SEEK,
23 ACCEPT, AND EXPEND:

24 (A) MONEY FROM FEDERAL SOURCES; AND

25 (B) GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC
26 SOURCES.

27 (II) THE OFFICE SHALL TRANSMIT ANY MONEY RECEIVED

1 PURSUANT TO SUBSECTION (1)(b)(I) OF THIS SECTION TO THE STATE
2 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

3 (2) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
4 THE OFFICE FOR THE PURPOSES SET FORTH IN THIS PART 4. THE STATE
5 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
6 DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. ANY
7 UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND AT
8 THE END OF A STATE FISCAL YEAR REMAINS IN THE FUND; EXCEPT THAT
9 THE STATE TREASURER SHALL TRANSFER ANY MONEY REMAINING IN THE
10 FUND AT THE END OF THE 2026-27 STATE FISCAL YEAR TO THE GENERAL
11 FUND.

12 (3) (a) ON JUNE 30, 2022, THE STATE TREASURER SHALL TRANSFER
13 TWELVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

14 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2023.

15 **24-38.5-407. Repeal of part.** THIS PART 4 IS REPEALED, EFFECTIVE
16 SEPTEMBER 1, 2028.

17 **SECTION 3.** In Colorado Revised Statutes, **add part 14** to article
18 7 of title 25 as follows:

19 **PART 14**

20 ELECTRIFYING SCHOOL BUSES

21 GRANT PROGRAM

22 **25-7-1401. Legislative declaration.** (1) THE GENERAL ASSEMBLY
23 FINDS THAT:

24 (a) DISPROPORTIONATELY IMPACTED COMMUNITIES ARE
25 DISPROPORTIONATELY AFFECTED BY PARTICULATE MATTER AND NITROGEN
26 OXIDES ARISING FROM FOSSIL-FUEL-POWERED SCHOOL BUSES, ESPECIALLY
27 BECAUSE THE FLEET YARDS, WAREHOUSES, FUEL DEPOTS, AND

1 INTERSTATES USED IN CONJUNCTION WITH SCHOOL BUSES ARE OFTEN
2 LOCATED IN DISPROPORTIONATELY IMPACTED COMMUNITIES;

3 (b) IN ADDITION TO EXPOSURE TO PARTICULATE MATTER AND
4 NITROGEN OXIDES IN THEIR COMMUNITIES, SCHOOL CHILDREN ARE ALSO
5 EXPOSED TO FINE PARTICULATES AND OTHER POLLUTANTS AS A RESULT OF
6 RIDING ON FOSSIL-FUEL-POWERED SCHOOL BUSES;

7 (c) A TRANSITION FROM FOSSIL-FUEL-POWERED SCHOOL BUSES TO
8 ELECTRIC-POWERED SCHOOL BUSES WILL POSITIVELY AFFECT SCHOOL
9 CHILDREN'S HEALTH, WHILE HELPING TO ADDRESS LONG-STANDING
10 POLLUTION INEQUITIES FACED BY DISPROPORTIONATELY IMPACTED
11 COMMUNITIES;

12 (d) THE FEDERAL "INFRASTRUCTURE INVESTMENT AND JOBS ACT",
13 PUB.L. 117-58, HAS CREATED A COMPETITIVE FUNDING PROGRAM TO
14 SUPPORT THE ADOPTION OF AN ELECTRIC SCHOOL BUS FLEET, AND A STATE
15 PROGRAM INVESTING IN ELECTRIC SCHOOL BUSES WILL HELP LEVERAGE
16 THE FEDERAL FUNDS MADE AVAILABLE THROUGH THE FEDERAL ACT TO
17 ALLOW SCHOOLS IN THE STATE TO ACCESS THE FEDERAL FUNDS; AND

18 (e) A TRANSITION TO ELECTRIC SCHOOL BUSES CAN PROVIDE
19 BENEFITS TO THE OPERATION OF THE ELECTRIC GRID IN THE STATE:

20 (I) IF THE TIMING OF CHARGING ELECTRIC SCHOOL BUSES IS
21 MANAGED TO SUPPORT GRID OPERATIONS; AND

22 (II) THROUGH THE POTENTIAL FOR USING BATTERIES ON ELECTRIC
23 SCHOOL BUSES:

24 (A) AS A SOURCE OF RENEWABLE ENERGY THROUGH
25 VEHICLE-TO-GRID OPERATIONS; AND

26 (B) AS A COMMUNITY RESILIENCE RESOURCE TO HELP
27 COMMUNITIES AFFECTED BY POWER OUTAGES OR DISASTERS CAUSING

1 ELECTRIC GRID INTERRUPTIONS.

2 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

3 (a) THE STATE SHOULD HELP SCHOOL DISTRICTS PROCURE AND
4 MAINTAIN ELECTRIC-POWERED SCHOOL BUSES AND RELATED
5 INFRASTRUCTURE, CONVERT FOSSIL-FUEL-POWERED SCHOOL BUSES TO
6 ELECTRIC-POWERED SCHOOL BUSES, AND FACILITATE THE ASSOCIATED
7 RETIREMENT OF FOSSIL-FUEL-POWERED SCHOOL BUSES; AND

8 (b) SCHOOL DISTRICTS CAN LEVERAGE STATE GRANT MONEY TO
9 OBTAIN MONEY FROM FEDERAL AND PRIVATE SOURCES TO FURTHER
10 FINANCE THE TRANSITION TO AN ELECTRIC-POWERED SCHOOL BUS FLEET.

11 **25-7-1402. Definitions.** AS USED IN THIS PART 14, UNLESS THE
12 CONTEXT OTHERWISE REQUIRES:

13 (1) "CHARTER SCHOOL" MEANS A CHARTER SCHOOL AUTHORIZED
14 PURSUANT TO PART 1 OF ARTICLE 30.5 OF TITLE 22, THE STATE CHARTER
15 SCHOOL INSTITUTE ESTABLISHED PURSUANT TO SECTION 22-30.5-503, OR
16 AN INSTITUTE CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 5 OF
17 ARTICLE 30.5 OF TITLE 22.

18 (2) "DEPARTMENT" MEANS THE DEPARTMENT OF PUBLIC HEALTH
19 AND ENVIRONMENT.

20 (3) "DISPROPORTIONATELY IMPACTED COMMUNITY" HAS THE
21 MEANING SET FORTH IN SECTION 24-4-109 (2)(b)(II).

22 (4) "ELECTRIC-POWERED SCHOOL BUS" MEANS A SCHOOL BUS THAT
23 IS POWERED SOLELY BY ELECTRICITY.

24 (5) "FOSSIL-FUEL-POWERED SCHOOL BUS" MEANS A SCHOOL BUS
25 POWERED BY DIESEL FUEL OR GASOLINE.

26 (6) "FUND" MEANS THE ELECTRIFYING SCHOOL BUSES GRANT
27 PROGRAM CASH FUND CREATED IN SECTION 25-7-1405 (1)(a).

1 (7) "GRANT PROGRAM" MEANS THE ELECTRIFYING SCHOOL BUSES
2 GRANT PROGRAM CREATED IN SECTION 25-7-1403.

3 (8) "NONATTAINMENT AREA" MEANS AN AREA OF THE STATE THAT
4 THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY HAS DESIGNATED AS
5 BEING IN NONATTAINMENT WITH A NATIONAL AMBIENT AIR STANDARD.

6 (9) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
7 SECTION 24-38.5-101.

8 (10) "SCHOOL BUS":

9 (a) HAS THE MEANING SET FORTH IN SECTION 42-4-707 (5)(b); AND

10 (b) INCLUDES ANY PUBLICLY OR PRIVATELY FINANCED BUS, VAN,
11 OR SIMILAR VEHICLE THAT A SCHOOL DISTRICT OR CHARTER SCHOOL USES
12 AS PART OF ITS FLEET FOR THE ROUTINE PICK UP AND DROP OFF OF
13 STUDENTS FOR PUBLIC OR CHARTER SCHOOL OR SCHOOL-RELATED
14 PROGRAMMING OR ACTIVITIES.

15 (11) "SCHOOL DISTRICT" MEANS A SCHOOL DISTRICT ORGANIZED
16 PURSUANT TO ARTICLE 30 OF TITLE 22. "SCHOOL DISTRICT" INCLUDES
17 SCHOOLS OPERATED BY TRIBAL GOVERNMENTS.

18 **25-7-1403. Electrifying school buses grant program - creation**
19 **- eligibility.** (1) (a) (I) THE ELECTRIFYING SCHOOL BUSES GRANT
20 PROGRAM IS CREATED TO ALLOW A SCHOOL DISTRICT, CHARTER SCHOOL,
21 OR NONPROFIT PARTNER ACTING ON BEHALF OF A SCHOOL DISTRICT OR
22 CHARTER SCHOOL TO APPLY TO THE DEPARTMENT FOR GRANT MONEY TO
23 HELP FINANCE:

24 (A) THE PROCUREMENT AND MAINTENANCE OF
25 ELECTRIC-POWERED SCHOOL BUSES, THE CONVERSION OF
26 FOSSIL-FUEL-POWERED SCHOOL BUSES TO ELECTRIC-POWERED SCHOOL
27 BUSES, CHARGING INFRASTRUCTURE, AND ELECTRICAL UPGRADES

1 NECESSARY TO SUPPORT CHARGING INFRASTRUCTURE;

2 (B) THE RETIREMENT OF FOSSIL-FUEL-POWERED SCHOOL BUSES;
3 AND

4 (C) THE SCHOOL DISTRICT'S OR CHARTER SCHOOL'S
5 ADMINISTRATIVE COSTS ASSOCIATED WITH SUCH PROCUREMENTS,
6 CONVERSIONS, MAINTENANCE, OR RETIREMENTS, INCLUDING ANY
7 UP-FRONT ADMINISTRATIVE COSTS ASSOCIATED WITH DEVELOPING AND
8 IMPLEMENTING A PROPOSAL FOR THE PROCUREMENTS, CONVERSIONS,
9 MAINTENANCE, OR RETIREMENTS.

10 (II) THE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM,
11 AND THE OFFICE SHALL PROVIDE TECHNICAL ASSISTANCE FOR THE GRANT
12 PROGRAM AS NEEDED. THE DEPARTMENT OF EDUCATION MAY PROVIDE UP
13 TO ONE-HALF OF ONE FULL-TIME EQUIVALENT EMPLOYEE TO ASSIST WITH
14 THE GRANT PROGRAM BY PROVIDING TECHNICAL ASSISTANCE TO SCHOOL
15 DISTRICTS AND CHARTER SCHOOLS WITH RESPECT TO APPLYING FOR GRANT
16 MONEY AND IMPLEMENTING PROJECTS AWARDED GRANT MONEY.

17 (b) THE DEPARTMENT SHALL ESTABLISH AN APPLICATION PROCESS
18 FOR SCHOOL DISTRICTS, CHARTER SCHOOLS, AND NONPROFIT PARTNERS
19 ACTING ON BEHALF OF SCHOOL DISTRICTS OR CHARTER SCHOOLS TO APPLY
20 FOR MONEY UNDER THE GRANT PROGRAM AND:

21 (I) POST INFORMATION ABOUT THE GRANT PROGRAM APPLICATION
22 PROCESS, INCLUDING ANY APPLICATION FORMS THAT THE DEPARTMENT
23 DEVELOPS FOR THE GRANT PROGRAM, ON ITS WEBSITE; AND

24 (II) SHARE THE GRANT PROGRAM APPLICATION PROCESS
25 INFORMATION WITH THE DEPARTMENT OF EDUCATION, WHICH
26 DEPARTMENT SHALL POST THE INFORMATION ON ITS WEBSITE.

27 (2) THE DEPARTMENT SHALL DEVELOP:

1 (a) CRITERIA FOR AWARDING GRANT MONEY, WHICH CRITERIA
2 MUST INCLUDE:

3 (I) GIVING PRIORITY TO SCHOOL DISTRICTS AND CHARTER
4 SCHOOLS:

5 (A) LOCATED IN OR ATTENDED BY STUDENTS LIVING IN
6 DISPROPORTIONATELY IMPACTED COMMUNITIES;

7 (B) LOCATED IN NONATTAINMENT AREAS; OR

8 (C) AT WHICH AT LEAST A CERTAIN PERCENTAGE OF STUDENTS, AS
9 DETERMINED BY THE DEPARTMENT, RECEIVE FREE OR REDUCED-PRICE
10 LUNCHES UNDER A SCHOOL LUNCH PROGRAM; AND

11 (II) A REQUIREMENT THAT, AS A CONDITION OF RECEIVING A
12 GRANT AWARD, GRANTEE RETIRE OR CONVERT AT LEAST A CERTAIN
13 PERCENTAGE OF THEIR FOSSIL-FUEL-POWERED SCHOOL BUSES, RETIRE OR
14 CONVERT THEIR FOSSIL-FUEL-POWERED SCHOOL BUSES IN A CERTAIN
15 MANNER, OR BOTH;

16 (b) PERIODIC REPORTING REQUIREMENTS FOR A GRANTEE TO
17 DEMONSTRATE THAT THE MONEY AWARDED IS BEING USED IN COMPLIANCE
18 WITH THIS PART 14; AND

19 (c) PROCEDURES FOR ADDRESSING A GRANTEE'S NONCOMPLIANCE
20 WITH THIS PART 14, INCLUDING PROCEDURES FOR REIMBURSEMENT OF
21 MONEY AWARDED.

22 (3) THE DEPARTMENT MAY USE UP TO EIGHT PERCENT OF THE
23 MONEY IN THE FUND TO COVER THE DIRECT AND INDIRECT COSTS THE
24 DEPARTMENT INCURS IN ADMINISTERING THE GRANT PROGRAM.

25 **25-7-1404. Reporting.** (1) ON OR BEFORE JANUARY 1, 2025, AND
26 ON OR BEFORE JANUARY 1 OF EACH ODD-NUMBERED YEAR THEREAFTER,
27 THE DEPARTMENT SHALL PREPARE A REPORT SUMMARIZING THE PROGRESS

1 OF THE GRANT PROGRAM AND SUBMIT THE REPORT TO THE HOUSE OF
2 REPRESENTATIVES EDUCATION COMMITTEE AND ENERGY AND
3 ENVIRONMENT COMMITTEE AND THE SENATE EDUCATION COMMITTEE AND
4 TRANSPORTATION AND ENERGY COMMITTEE, OR THEIR SUCCESSOR
5 COMMITTEES. THE DEPARTMENT SHALL POST A COPY OF EACH REPORT ON
6 ITS WEBSITE.

7 (2) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
8 REPORTING REQUIREMENTS SET FORTH IN SUBSECTION (1) OF THIS SECTION
9 CONTINUE UNTIL THE GRANT PROGRAM REPEALS PURSUANT TO SECTION
10 25-7-1406.

11 **25-7-1405. Electrifying school buses grant program cash fund**
12 **- creation - gifts, grants, and donations - transfer - repeal.** (1) (a) THE
13 ELECTRIFYING SCHOOL BUSES GRANT PROGRAM CASH FUND IS CREATED IN
14 THE STATE TREASURY, AND THE DEPARTMENT SHALL ADMINISTER THE
15 FUND FOR THE PURPOSES OF THIS PART 14. THE FUND CONSISTS OF ANY
16 MONEY THAT THE GENERAL ASSEMBLY MAY TRANSFER OR APPROPRIATE
17 TO THE FUND FOR IMPLEMENTATION OF THE GRANT PROGRAM AND ANY
18 FEDERAL MONEY OR GIFTS, GRANTS, OR DONATIONS RECEIVED PURSUANT
19 TO SUBSECTION (1)(b) OF THIS SECTION.

20 (b) (I) FOR THE PURPOSES OF THIS PART 14, THE DEPARTMENT MAY
21 SEEK, ACCEPT, AND EXPEND:

22 (A) MONEY FROM FEDERAL SOURCES; AND

23 (B) GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC
24 SOURCES.

25 (II) THE DEPARTMENT SHALL TRANSMIT ANY MONEY RECEIVED
26 PURSUANT TO SUBSECTION (1)(b)(I) OF THIS SECTION TO THE STATE
27 TREASURER, WHO SHALL CREDIT THE MONEY TO THE FUND.

1 (2) THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO
2 THE DEPARTMENT, AND THE DEPARTMENT MAY EXPEND MONEY IN THE
3 FUND FOR THE PURPOSES SET FORTH IN THIS PART 14. THE STATE
4 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
5 DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE FUND. ANY
6 UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE FUND AT
7 THE END OF A STATE FISCAL YEAR REMAINS IN THE FUND; EXCEPT THAT
8 THE STATE TREASURER SHALL TRANSFER ANY MONEY REMAINING IN THE
9 FUND AT THE END OF THE 2032-33 STATE FISCAL YEAR TO THE GENERAL
10 FUND.

11 (3) (a) ON JUNE 30, 2022, THE STATE TREASURER SHALL TRANSFER
12 SIXTY-FIVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

13 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2023.

14 **25-7-1406. Repeal of part.** THIS PART 14 IS REPEALED, EFFECTIVE
15 SEPTEMBER 1, 2034.

16 **SECTION 4.** In Colorado Revised Statutes, 25-7-103, **amend**
17 (12), (15), and (22) as follows:

18 **25-7-103. Definitions.** As used in this article 7, unless the context
19 otherwise requires:

20 (12) "Federal act" means the federal "Clean Air Act", 42 U.S.C.
21 sec. 7401 et seq., ~~(1970), as the same is in effect on November 15, 1990,~~
22 AS AMENDED.

23 (15) "Issue" or "issuance" means the mailing, INCLUDING BY
24 ELECTRONIC MAIL, of any order, permit, determination, or notice, other
25 than notice by publication, ~~by certified mail to the last address furnished~~
26 ~~to the agency by the person subject thereto~~ or personal service on ~~such~~
27 THE person. ~~and~~ The date of issuance of ~~such~~ THE order, permit,

1 determination, or notice ~~shall~~ MUST be the date of ~~such~~ THE mailing or
2 service or such later date as is stated in the order, permit, determination,
3 or notice.

4 (22) "State implementation plan" OR "SIP" means ~~the~~ A plan
5 required by and described in ~~section 110(a)~~ SECTION 110 (a) OR 169A of
6 the federal act.

7 **SECTION 5.** In Colorado Revised Statutes, 25-7-103.5, **amend**
8 (1)(m), (4)(a), and (4)(e) introductory portion; and **add** (3)(c)(VIII) as
9 follows:

10 **25-7-103.5. Air quality enterprise - legislative declaration -**
11 **fund - definitions - gifts, grants, or donations - rules - report - repeal.**

12 (1) **Legislative declaration.** The general assembly hereby finds and
13 declares that:

14 (m) So long as the enterprise qualifies as an enterprise for
15 purposes of section 20 of article X of the state constitution, the revenue
16 ~~from the fees~~ collected by the enterprise ~~UNDER SUBSECTION (4) OF THIS~~
17 ~~SECTION~~ is not state fiscal year spending, as defined in section 24-77-102
18 (17), or state revenues, as defined in section 24-77-103.6 (6)(c), and does
19 not count against either the state fiscal year spending limit imposed by
20 section 20 of article X of the state constitution or the excess state
21 revenues cap, as defined in ~~section 24-77-103.6 (6)(b)(I)(D)~~ SECTION
22 24-77-103.6 (6)(b).

23 (3) **Enterprise.** (c) In addition to any other powers and duties
24 specified in this section, the enterprise's powers and duties are to:

25 (VIII) RECEIVE PAYMENTS TO FINANCE SPECIFIC PROJECTS,
26 INCLUDING COMMUNITY-BASED MONITORING OR EMISSION MITIGATION
27 PROJECTS IN THE STATE OR IN A SPECIFIED AREA OF THE STATE, AS

1 DIRECTED BY THIS ARTICLE 7 OR ANY PROGRAM THAT THE COMMISSION
2 ESTABLISHES BY RULE PURSUANT TO THIS ARTICLE 7.

3 (4) **Fund - enterprise fees and other revenue.** (a) There is
4 hereby created in the state treasury the air quality enterprise cash fund.
5 The fund consists of money credited to the fund pursuant to this
6 subsection (4), PAYMENTS FOR OTHER PURPOSES AS AUTHORIZED UNDER
7 SUBSECTION (3)(c)(VIII) OF THIS SECTION, and any other money that the
8 general assembly may appropriate or transfer to the fund. The state
9 treasurer shall credit all interest and income derived from the deposit and
10 investment of money in the fund to the fund.

11 (e) Before establishing fees, the board shall conduct a stakeholder
12 process to solicit input from potential fee payers and other stakeholders
13 on the appropriate fee structure. The enterprise shall not collect any fees
14 before July 1, 2021. The amount of enterprise fees collected UNDER
15 SUBSECTION (4)(b)(I) OF THIS SECTION is limited as follows:

16 **SECTION 6.** In Colorado Revised Statutes, 25-7-114.1, **amend**
17 (4) as follows:

18 **25-7-114.1. Air pollutant emission notices - rules.** (4) Each
19 ~~such~~ notice ~~shall~~ REQUIRED BY THIS SECTION MUST specify the location at
20 which the proposed emission will occur; the name and address of the
21 person operating or owning ~~such~~ THE facility, process, or activity; the
22 nature of ~~such~~ THE facility, process, or activity; and an estimate of the
23 quantity and composition of the expected emission. The division shall
24 ~~make available at all air pollution control authority offices~~ PROVIDE
25 appropriate forms on which the information required by this section ~~shall~~
26 MUST be furnished.

27 **SECTION 7.** In Colorado Revised Statutes, 25-7-119, **amend** (1)

1 as follows:

2 **25-7-119. Hearings.** (1) Not ~~less~~ MORE than ~~fifteen~~ THIRTY
3 calendar days after a hearing has been requested as provided in this ~~article~~
4 ARTICLE 7, the commission shall grant MUST ACT UPON such request. and
5 IF GRANTED, THE COMMISSION SHALL set a time and place therefor FOR
6 THE HEARING not more than ninety calendar days following THE FIRST
7 REGULARLY SCHEDULED COMMISSION MEETING AFTER receipt of such THE
8 HEARING request, unless a shorter period is otherwise specifically
9 provided for in this ~~article~~ ARTICLE 7. Notice of ~~such~~ THE hearing shall
10 MUST be printed in a newspaper of general circulation in the area in which
11 the proposed project or activity is located at least thirty days prior to the
12 date of ~~said~~ THE hearing.

13 **SECTION 8.** In Colorado Revised Statutes, 25-7-133, **amend** (1);
14 **repeal** (2); and **add** (2.5) as follows:

15 **25-7-133. Legislative review and approval of state**
16 **implementation plans and rules - legislative declaration - definition.**

17 (1) (a) Notwithstanding any other provision of law but subject to
18 subsection (7) of this section, by January 15 of each year, the commission
19 shall certify in a report to the chairperson of the legislative council in
20 summary form any additions or changes to elements of the state
21 implementation plan THAT INCLUDE ANY NEW REGULATORY
22 REQUIREMENTS OR MODIFICATIONS TO EXISTING REGULATORY
23 REQUIREMENTS adopted during the prior year that are to be submitted to
24 the administrator for purposes of federal enforceability. ~~Such~~

25 (b) THE report shall MUST be written in plain, nontechnical
26 language using words with common and everyday meaning that are
27 understandable to the average reader. Copies of such report shall MUST be

1 available to the public and ~~shall be made available~~ SUBMITTED to each
2 member of the general assembly. ~~The provisions of~~

3 (c) This section ~~shall~~ DOES not apply to control measures and
4 strategies that have been adopted and implemented by the enacting
5 jurisdiction of a local unit of government if ~~such~~ THE measures and
6 strategies do not result in mandatory direct costs upon any entity other
7 than the enacting jurisdiction.

8 (2) (a) ~~By the February 15 following submission of the certified~~
9 ~~report under subsection (1) of this section, any member of the general~~
10 ~~assembly may make a request in writing to the chairperson of the~~
11 ~~legislative council that the legislative council hold a hearing or hearings~~
12 ~~to review any addition or change to elements of the SIP contained in the~~
13 ~~report submitted pursuant to subsection (1) of this section. Upon receipt~~
14 ~~of such request, the chairperson of the legislative council shall forthwith~~
15 ~~schedule a hearing to conduct such review. Any review by the legislative~~
16 ~~council shall determine whether the addition or change to the SIP element~~
17 ~~accomplishes the results intended by enactment of the statutory provisions~~
18 ~~under which the addition or change to the SIP element was adopted. The~~
19 ~~legislative council, after allowing a public hearing preceded by adequate~~
20 ~~notice to the public and the commission, may recommend the introduction~~
21 ~~of a bill or bills based on the results of such review. If the legislative~~
22 ~~council does not recommend introduction of a bill under this subsection~~
23 ~~(2), the addition or change to the SIP element may be submitted under~~
24 ~~paragraph (b) of this subsection (2). Any bill recommended for~~
25 ~~consideration under this subsection (2) shall not be counted against the~~
26 ~~number of bills to which members of the general assembly are limited by~~
27 ~~law or joint rule of the senate and the house of representatives. If the~~

1 legislative council does not recommend the introduction of a bill under
2 this paragraph (a), and the member or members of the general assembly
3 that requested such review will be introducing a bill under the provisions
4 of paragraph (c) of this subsection (2), any such member shall provide
5 written notice to the chairperson of the legislative council within three
6 days after the action by the legislative council not to recommend
7 introduction of a bill. If such member or members provide such written
8 notice, the addition or change to the SIP or any element thereof that is the
9 subject of any such bill may not be submitted to the administrator of the
10 federal environmental protection agency until the expiration of the
11 addition or change to the SIP has been postponed by the general assembly
12 acting by bill or the member or members provide written notice to the
13 chairperson of the executive committee of the legislative council that no
14 bill will be introduced.

15 (b) Unless a written request for legislative council review of an
16 addition or change to a SIP element is submitted by the February 15
17 following submission of the report under subsection (1) of this section,
18 or a notice is provided by a member or members that they are introducing
19 a bill under paragraph (c) of this subsection (2) within three days after
20 legislative council action not to introduce a bill under paragraph (a) of
21 this subsection (2), all other additions or changes to a SIP element
22 described in such report shall be submitted to the administrator for final
23 approval and incorporation into the SIP.

24 (c) Until such February 15 as provided in paragraph (b) of this
25 subsection (2), the commission may only submit an addition or change to
26 the SIP or any element thereof, as defined in section 110 of the federal
27 act, any rule which is a part thereof, or any revision thereto as specified

1 in subsection (1) of this section to the administrator for conditional
2 approval or temporary approval. If legislative council review is requested
3 as to any addition or change to a SIP element under paragraph (a) of this
4 subsection (2), then no such SIP, revision, rule required by the SIP or
5 revision, or rule related to the implementation of the SIP or revision so
6 submitted to the administrator may take effect for purposes of federal
7 enforceability, or enforcement of any kind at the state level against any
8 person or entity based only on the commission's general authority to adopt
9 a SIP under section 25-7-105 (1), unless expiration of the SIP, rule
10 required for the SIP, or addition or change to a SIP element has been
11 postponed by the general assembly acting by bill in the same manner as
12 provided in section 24-4-103 (8)(c) and (8)(d), C.R.S. Any member of the
13 general assembly may introduce a bill to modify or delete all or a portion
14 of the SIP or any rule or additions or changes to SIP elements which are
15 a component thereof. Any bill introduced under this paragraph (c) shall
16 not be counted against the number of bills to which members of the
17 general assembly are limited by law or joint rule of the senate and the
18 house of representatives. Any committee of reference of the senate or the
19 house of representatives to which a bill introduced under this paragraph
20 (c) is referred shall conduct as part of consideration of any such bill on
21 the merits the review provided for under paragraph (a) of this subsection
22 (2). If any bill is introduced under paragraph (a) of this subsection (2) or
23 under this paragraph (c) to postpone the expiration of any addition or
24 change to a SIP element described in a report submitted under subsection
25 (1) of this section, and any such bill does not become law, the addition or
26 change to a SIP element addressed in such bill may be submitted to the
27 administrator of the federal environmental protection agency for final

1 ~~approval and incorporation into the SIP under paragraph (b) of this~~
2 ~~subsection (2).~~

3 ~~(d) Repealed.~~

4 (2.5) (a) UNTIL FEBRUARY 15 FOLLOWING SUBMISSION OF THE
5 CERTIFIED REPORT UNDER SUBSECTION (1) OF THIS SECTION, ANY
6 ADDITION OR CHANGE TO THE SIP MUST NOT BE SUBMITTED TO THE
7 ADMINISTRATOR FOR FINAL APPROVAL AND INCORPORATION INTO THE SIP,
8 UNLESS THE ADDITION OR CHANGE IS DESIGNATED BY THE GOVERNOR OR
9 THE GOVERNOR'S DESIGNEE AS A PROVISIONAL SUBMISSION.

10 (b) BY FEBRUARY 15 ANY MEMBER OF THE GENERAL ASSEMBLY
11 MAY INTRODUCE A BILL TO MODIFY OR DELETE ALL OR A PORTION OF THE
12 ADDITIONS OR CHANGES TO THE SIP IN THE CERTIFIED REPORT SUBMITTED
13 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION. ANY BILL INTRODUCED
14 UNDER THIS SUBSECTION (2.5)(b) DOES NOT COUNT AGAINST THE NUMBER
15 OF BILLS TO WHICH MEMBERS OF THE GENERAL ASSEMBLY ARE LIMITED BY
16 LAW OR JOINT RULE OF THE SENATE AND THE HOUSE OF REPRESENTATIVES.
17 DURING THE PERIOD THAT ANY SUCH BILL INTRODUCED UNDER THIS
18 SUBSECTION (2.5)(b) IS BEING CONSIDERED, THE ADDITIONS OR CHANGES
19 TO THE SIP MAY NOT BE SUBMITTED TO THE ADMINISTRATOR FOR FINAL
20 APPROVAL AND INCORPORATION INTO THE SIP, UNLESS DESIGNATED BY
21 THE GOVERNOR OR THE GOVERNOR'S DESIGNEE AS A PROVISIONAL
22 SUBMISSION.

23 (c) IF A BILL INTRODUCED UNDER SUBSECTION (2.5)(b) OF THIS
24 SECTION THAT SEEKS TO MODIFY OR DELETE THE ADDITIONS OR CHANGES
25 TO THE SIP DOES NOT BECOME LAW, THE ADDITIONS OR CHANGES TO THE
26 SIP MUST BE SUBMITTED TO THE ADMINISTRATOR FOR FINAL APPROVAL
27 AND INCORPORATION INTO THE SIP. IF THE BILL BECOMES LAW, THE

1 COMMISSION SHALL MODIFY OR DELETE THE ADDITIONS OR CHANGES TO
2 THE SIP AS DIRECTED BY THE BILL, AND ANY MODIFIED ADDITIONS OR
3 CHANGES TO THE SIP SHALL THEN BE SUBMITTED TO THE ADMINISTRATOR
4 FOR FINAL APPROVAL AND INCORPORATION INTO THE SIP.

5 (d) AS USED IN THIS SUBSECTION (2.5), "ADDITIONS OR CHANGES"
6 MEANS ADDITIONS OR CHANGES TO REGULATORY REQUIREMENTS.

7 **SECTION 9.** In Colorado Revised Statutes, 25-7-133.5, **amend**
8 (3) as follows:

9 **25-7-133.5. Approval or rescission of specific revisions to state**
10 **implementation plan (SIP) after 1996.** (3) Revisions to the SIP that are
11 adopted solely to conform the SIP to prior actions of the general assembly
12 under section 25-7-133 and this section may be submitted to the federal
13 environmental protection agency for final approval under ~~section~~
14 ~~25-7-133 (2)~~ SECTION 25-7-133 (2.5) without further approval by the
15 general assembly under section 25-7-133 or this section.

16 **SECTION 10. Appropriation.** (1) For the 2022-23 state fiscal
17 year, \$750,000 is appropriated to the department of personnel for use by
18 the division of human resources. This appropriation is from the general
19 fund. To implement this act, the division may use this appropriation for
20 operating expenses related to employee benefits services.

21 (2) For the 2022-23 state fiscal year, \$7,000,000 is appropriated
22 to the department of public health and environment for use by the air
23 pollution control division. This appropriation is from the general fund.
24 Any money appropriated in this subsection (2) that is not expended before
25 July 1, 2023, is further appropriated to the department for the 2023-24
26 and 2024-25 state fiscal years for the same purpose To implement this act,
27 the division may use this appropriation as follows:

1 (a) \$6,909,275 for personal services related to administration,
2 which amount is based on an assumption that the division will require an
3 additional 1.5 FTE; and

4 (b) \$90,725 for the purchase of information technology services.

5 (3) For the 2022-23 state fiscal year, \$90,725 is appropriated to
6 the office of the governor for use by the office of information technology.
7 This appropriation is from reappropriated funds received from the
8 department of public health and environment under subsection (2)(b) of
9 this section. To implement this act, the office may use this appropriation
10 to provide information technology services for the department of public
11 health and environment.

12 (4) For the 2022-23 state fiscal year, \$44,365 is appropriated to
13 the department of education for use by assistance to public schools. This
14 appropriation is from reappropriated funds received from the department
15 of public health and environment from the electrifying school buses grant
16 program cash fund created in section 25-7-1505 (1)(a), C.R.S. To
17 implement this act, the department may use this appropriation for public
18 school transportation.

19 **SECTION 11. Appropriation - adjustments to 2022 long bill.**

20 To implement this act, the general fund appropriation made in the annual
21 general appropriation act for the 2022-23 state fiscal year to the office of
22 the governor for use by the Colorado energy office for the cannabis
23 resource optimization program is decreased by \$1,500,000.

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