

SENATE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

June 1, 2021

Committee on Finance.

After consideration on the merits, the Committee recommends the following:

HB21-1286 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend reengrossed bill, page 3, line 5, strike "**performance standards**"
- 2 and substitute "**task force**".

- 3 Page 3, strike lines 19 through 21 and substitute:

- 4 "(c) MANY BUILDING OWNERS HAVE MADE PROACTIVE EFFORTS TO
- 5 REDUCE THE ENERGY USE AND GREENHOUSE GAS EMISSIONS OF THEIR
- 6 BUILDINGS, YET MORE REMAINS TO BE DONE TO HELP THE STATE MEET ITS
- 7 GREENHOUSE GAS REDUCTION GOALS;
- 8 (d) BUILDING TENANTS THAT PAY ENERGY BILLS OFTEN LACK THE".

- 9 Reletter succeeding paragraphs accordingly.

- 10 Page 5, line 3, strike "ENACT" and substitute "DEVELOP".

- 11 Page 5, strike lines 18 through 25.

- 12 Reletter succeeding paragraphs accordingly.

- 13 Page 9, strike lines 15 and 16.

- 14 Reletter succeeding paragraphs accordingly.

- 15 Page 9, strike lines 21 through 24 and substitute:

1 "(s) "PERFORMANCE STANDARDS" MEANS STANDARDS THAT THE
2 COMMISSION ESTABLISHES BY RULE PURSUANT TO SUBSECTION (8)(b) OF
3 THIS SECTION WITH WHICH OWNERS OF COVERED BUILDINGS ARE REQUIRED
4 TO COMPLY.

5 (t) "PUBLIC BUILDING" MEANS A COVERED BUILDING OWNED BY:

6 (I) THE STATE;

7 (II) A LOCAL GOVERNMENT;

8 (III) A DISTRICT OR SPECIAL DISTRICT REGULATED UNDER TITLE
9 32;

10 (IV) A STATE INSTITUTION OF HIGHER EDUCATION;

11 (V) A PRIVATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN
12 SECTION 23-18-102 (9);

13 (VI) A SCHOOL DISTRICT CREATED PURSUANT TO ARTICLE 30 OF
14 TITLE 22; AND

15 (VII) A CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF
16 ARTICLE 30.5 OF TITLE 22."

17 Reletter succeeding paragraphs accordingly.

18 Page 10, strike lines 8 through 21.

19 Reletter succeeding paragraphs accordingly.

20 Page 11, strike lines 23 through 27 and substitute:

21 "(II) THE OWNER OF A CORRECTIONAL FACILITY; AND

22 (III) THE OWNER OF A PUBLIC BUILDING THAT IS A COVERED
23 BUILDING."

24 Page 13, after line 16 insert:

25 "(d) TO MEET THE REQUIREMENTS OF THIS SUBSECTION (4), A
26 QUALIFYING UTILITY THAT IS NOT AN INVESTOR-OWNED UTILITY MAY SEEK
27 AND USE GRANT FUNDING FROM THE COLORADO CLEAN ENERGY FUND, A
28 NONPROFIT CORPORATION, OR THE ENERGY FUND CREATED IN SECTION
29 24-38.5-102.4 (1)(a)(I)."

30 Page 16, line 13, after "INCLUDES" insert "THE GREENHOUSE GAS
31 EMISSIONS,".



- 1 Page 16, strike lines 20 through 27.
- 2 Strike pages 17 through 21.
- 3 Page 22, strike lines 1 through 16.
- 4 Renumber succeeding subsections accordingly.
- 5 Page 22, line 17, after "**implementation -**" insert "**rules -**".
- 6 Page 22, strike lines 21 and 22 and substitute "THE GOVERNOR ON
7 PERFORMANCE STANDARDS FOR COVERED BUILDINGS."
- 8 Page 22, strike lines 25 through 27.
- 9 Page 23, strike lines 1 through 10 and substitute:
 - 10 "(II) THE TASK FORCE SHALL DEVELOP RECOMMENDATIONS
11 REGARDING THE RULES THAT THE COMMISSION SHALL PROMULGATE
12 PURSUANT TO SUBSECTION (8)(b) OF THIS SECTION, FOR:
 - 13 (A) INTERIM PERFORMANCE STANDARDS THAT WOULD ACHIEVE A
14 REDUCTION IN GREENHOUSE GAS EMISSIONS OF SEVEN PERCENT BY 2026
15 AS COMPARED TO 2021 LEVELS AS REPORTED IN 2022 FOR 2021
16 BENCHMARKING DATA;
 - 17 (B) PERFORMANCE STANDARDS THAT WOULD ACHIEVE A
18 REDUCTION IN GREENHOUSE GAS EMISSIONS OF TWENTY PERCENT BY 2030
19 AS COMPARED TO 2021 LEVELS; AND
 - 20 (C) THE PROCESS FOR ADVISING, SOLICITING PUBLIC INPUT ON, AND
21 MAKING RECOMMENDATIONS TO THE COMMISSION ON PERFORMANCE
22 STANDARDS FOR 2030 TO 2050.
 - 23 (III) IN DEVELOPING RECOMMENDATIONS, THE TASK FORCE SHALL:
 - 24 (A) SOLICIT FEEDBACK FROM A BROAD RANGE OF INDUSTRIES AND
25 BUILDING OWNERS; AND
 - 26 (B) EXAMINE BUILDING TYPES WITH UNIQUE ENERGY NEEDS
27 INCLUDING AVIATION FACILITIES, NURSING HOMES, AND HOSPITALS.
 - 28 (IV) IN CALCULATING GREENHOUSE GAS REDUCTIONS PURSUANT
29 TO THIS SUBSECTION (8), THE CALCULATION MUST NOT INCLUDE SAVINGS
30 FROM STATEWIDE DECARBONIZATION OF ELECTRICITY OR NATURAL GAS
31 UTILITY GRIDS, BUT MAY INCLUDE SAVINGS FROM UTILITIES' OR LOCAL
32 GOVERNMENTS' ENERGY EFFICIENCY PROGRAMS.
 - 33 (V) ADDITIONALLY, THE TASK FORCE MAY CONSIDER MAKING".

1 Renumber succeeding subparagraph accordingly.

2 Page 23, line 18, strike "AND".

3 Page 23, line 20, strike "COLORADO." and substitute "COLORADO; AND
4 (E) HOW REGULATIONS AND AGENCY SUPPORT COULD HELP
5 ENSURE BUILDING OWNERS AVOID FINES THROUGH COMPLIANCE WITH
6 PERFORMANCE STANDARDS."

7 Page 24, after line 5 insert:

8 "(b) ON OR BEFORE OCTOBER 1, 2022, THE TASK FORCE SHALL
9 DELIVER TO THE DIRECTOR OF THE OFFICE ANY FINAL RECOMMENDATIONS
10 DEVELOPED. THE DIRECTOR OF THE OFFICE SHALL SEND COPIES OF THE
11 TASK FORCE'S FINAL RECOMMENDATIONS TO THE COMMISSION, THE
12 GENERAL ASSEMBLY, AND THE GOVERNOR."

13 Reletter succeeding paragraphs accordingly.

14 Page 24, strike lines 8 through 13 and substitute "SUBSECTION (8)(a)(I) OF
15 THIS SECTION, AND THE DIRECTOR OF THE OFFICE IN CONSULTATION WITH
16 THE DIVISION DETERMINES THAT THE RECOMMENDATIONS MEET THE
17 GREENHOUSE GAS EMISSION REDUCTION REQUIREMENTS SET FORTH IN
18 SUBSECTION (8)(a)(II) OF THIS SECTION, THE DIVISION SHALL, ON OR
19 BEFORE NOVEMBER 15, 2022, REQUEST THAT THE COMMISSION".

20 Page 24, strike line 15 and substitute: "IMPLEMENT PERFORMANCE
21 STANDARDS. ON OR BEFORE MAY 1, 2023, THE COMMISSION, UPON
22 CAREFUL CONSIDERATION OF THE RECOMMENDATIONS OF THE TASK FORCE
23 AS PRESENTED BY THE DIVISION, SHALL PROMULGATE RULES TO ESTABLISH
24 PERFORMANCE STANDARDS. THE COMMISSION SHALL ALSO ADOPT RULES
25 REGARDING WAIVERS AND EXTENSIONS OF TIME REGARDING THE
26 PERFORMANCE STANDARD REQUIREMENTS. THE COMMISSION'S RULES
27 MUST INCLUDE A PROVISION THAT AN OWNER OF A PUBLIC BUILDING NEED
28 ONLY COMPLY WITH PERFORMANCE STANDARDS WITH REGARD TO WORK
29 ON A CONSTRUCTION OR RENOVATION PROJECT THAT:

30 (A) HAS AN ESTIMATED COST OF AT LEAST FIVE HUNDRED
31 THOUSAND DOLLARS;

32 (B) IMPACTS AT LEAST TWENTY-FIVE PERCENT OF THE COVERED
33 BUILDING'S SQUARE FOOTAGE; AND

34 (C) EXCLUDES UPGRADES SUCH AS PAINTING, FLOORING, OR

1 TENANT FINISHES THAT DO NOT IMPACT ENERGY USE."

2 Page 24, strike lines 19 through 27.

3 Page 25, strike lines 1 through 4 and substitute "FORCE'S
4 RECOMMENDATIONS DO NOT MEET THE GREENHOUSE GAS EMISSION
5 REDUCTION REQUIREMENTS SET FORTH IN SUBSECTION (8)(a)(II) OF THIS
6 SECTION, THE COMMISSION, ON OR BEFORE MAY 1, 2023, SHALL, BY RULE,
7 ADOPT PERFORMANCE STANDARDS THAT MEET THE GREENHOUSE GAS
8 EMISSION REDUCTION REQUIREMENTS SET FORTH IN SUBSECTION (8)(a)(II)
9 OF THIS SECTION. THE COMMISSION SHALL ALSO ADOPT RULES REGARDING
10 WAIVERS AND EXTENSIONS OF TIME REGARDING THE PERFORMANCE
11 STANDARD REQUIREMENTS. THE COMMISSION'S RULES MUST INCLUDE A
12 PROVISION THAT AN OWNER OF A PUBLIC BUILDING NEED ONLY COMPLY
13 WITH PERFORMANCE STANDARDS WITH REGARD TO WORK ON A
14 CONSTRUCTION OR RENOVATION PROJECT THAT:

15 (A) HAS AN ESTIMATED COST OF AT LEAST FIVE HUNDRED
16 THOUSAND DOLLARS;

17 (B) IMPACTS AT LEAST TWENTY-FIVE PERCENT OF THE COVERED
18 BUILDING'S SQUARE FOOTAGE; AND

19 (C) EXCLUDES UPGRADES SUCH AS PAINTING, FLOORING, OR
20 TENANT FINISHES THAT DO NOT IMPACT ENERGY USE.

21 (III) THE COMMISSION SHALL NOT ADOPT RULES TO RESCIND OR
22 MODIFY THE EXEMPTIONS FOR OWNERS OF PUBLIC BUILDINGS FROM
23 PAYMENT OF THE ANNUAL FEE, AS SET FORTH IN SECTION 24-38.5-110
24 (1)(e)(II), OR FROM PAYMENT OF CIVIL PENALTIES, AS SET FORTH IN
25 SECTION 25-7-122 (1)(i).

26 (IV) THE COMMISSION SHALL, AS NECESSARY, ADOPT RULES TO
27 MODIFY OR CONTINUE THE PERFORMANCE STANDARDS UNTIL 2050 IN
28 ORDER TO ACHIEVE OR EXCEED GREENHOUSE GAS EMISSION REDUCTION
29 TARGETS SET FORTH IN SECTION 25-7-102 (2)(g)."

30 Reletter succeeding paragraphs accordingly.

31 Page 25, line 13, strike "SYSTEMS OPERATOR;" and substitute "OPERATING
32 ENGINEER;"

33 Page 25, strike lines 22 through 24 and substitute:

34 "(VIII) ONE MEMBER REPRESENTING ARCHITECTS;

35 (IX) ONE MEMBER REPRESENTING PROFESSIONAL ENGINEERS WITH



- 1 EXPERIENCE WORKING ON SYSTEMS FOR BUILDINGS;".
- 2 Renumber succeeding subparagraphs accordingly.
- 3 Page 26, line 15, after the period add "IN MAKING APPOINTMENTS TO THE
4 TASK FORCE, THE DIRECTOR OF THE OFFICE SHALL STRIVE TO ENSURE
5 GEOGRAPHIC DIVERSITY."
- 6 Page 26, strike lines 16 through 27 and substitute:
- 7 "(f) SUBSECTIONS (8)(a), (8)(b), (8)(d), AND (8)(e), AND THIS
8 SUBSECTION (8)(f) ARE REPEALED, EFFECTIVE JULY 1, 2025."
- 9 Strike page 27.
- 10 Page 28, strike lines 1 through 14.
- 11 Renumber succeeding subsection accordingly.
- 12 Page 31, strike lines 24 through 27.
- 13 Page 32, strike lines 1 through 6 and substitute:
- 14 "(II) THE OWNER OF A PUBLIC BUILDING IS EXEMPT FROM PAYING
15 THE ANNUAL FEE DESCRIBED IN SUBSECTION (1)(e)(I) OF THIS SECTION."
- 16 Page 32, line 17, strike "(2)(g)." and substitute "(2)(d)."
- 17 Page 32, strike lines 19 and 20 and substitute "BENCHMARKING
18 REQUIREMENTS SET FORTH IN SECTION 25-7-142 (3) AND PERFORMANCE
19 STANDARD REQUIREMENTS SET BY THE COMMISSION BY RULE PURSUANT
20 TO SECTION 25-7-142 (8)(b)."
- 21 Page 32, after line 22 insert:
- 22 "(d) "COMMISSION" MEANS THE AIR QUALITY CONTROL
23 COMMISSION CREATED IN SECTION 25-7-104 (1)."
- 24 Reletter succeeding paragraphs accordingly.
- 25 Page 32, line 24, strike "(2)(m)." and substitute "(2)(j)."



- 1 Page 32, strike line 26 and substitute "(2)(r)".
- 2 Page 33, strike lines 12 through 27 and substitute "AS PART OF THE
3 REQUIREMENT THAT THE COMMISSION ADOPT RULES TO ESTABLISH
4 PERFORMANCE STANDARDS PURSUANT TO SECTION 25-7-142 (8)(b), THE
5 COMMISSION SHALL ESTABLISH BY RULE, WITH REGARD TO A VIOLATION
6 OF THE PERFORMANCE STANDARDS, CIVIL PENALTIES IN AN AMOUNT NOT
7 TO EXCEED TWO THOUSAND DOLLARS FOR A FIRST VIOLATION AND FIVE
8 THOUSAND DOLLARS FOR A SUBSEQUENT VIOLATION.
9 (II) THE DIVISION SHALL NOT ASSESS A CIVIL PENALTY FOR A
10 VIOLATION RELATED TO A PUBLIC BUILDING."
- 11 Page 34, line 8, strike "(2)(m)." and substitute "(2)(j)".
- 12 Page 34, strike lines 9 and 10.
- 13 Reletter succeeding sub-subparagraph accordingly.
- 14 Page 34, line 12, strike "(2)(v)." and substitute "(2)(r)".
- 15 Page 1, line 104, before "PERFORMANCE" insert "RULES REGARDING".

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