

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1256.01 Jennifer Berman x3286

HOUSE BILL 20-1412

HOUSE SPONSORSHIP

Kennedy and Cutter,

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Story and Zenzinger,

House Committees

State, Veterans, & Military Affairs
Appropriations

Senate Committees

A BILL FOR AN ACT

101 CONCERNING ASSISTANCE FOR INDIVIDUALS UNABLE TO PAY THEIR
102 UTILITY BILLS DUE TO ECONOMIC HARDSHIP CAUSED BY THE
103 COVID-19 PANDEMIC, AND, IN CONNECTION THEREWITH,
104 TRANSFERRING MONEY RECEIVED FROM THE FEDERAL
105 GOVERNMENT PURSUANT TO THE "CARES ACT" TO THE
106 ENERGY OUTREACH COLORADO LOW-INCOME ENERGY
107 ASSISTANCE FUND TO PROVIDE SUCH ASSISTANCE.

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>.)

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.

From money given to the state pursuant to the federal "Coronavirus Aid, Relief, and Economic Security Act", commonly referred to as the "CARES Act", the bill allocates \$10 million from the care subfund in the general fund to the energy outreach Colorado low-income energy assistance fund administered by the Colorado energy office for use by energy outreach Colorado on or before December 30, 2020, to provide direct utility bill payment assistance to households facing economic hardship due to the COVID-19 pandemic.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and determines that:

4 (a) In response to the COVID-19 pandemic that spread to many
5 states, including Colorado, in February of 2020, Congress enacted the
6 "Coronavirus Aid, Relief, and Economic Security Act", Pub.L. 116-136,
7 also referred to as the "CARES Act", to provide emergency assistance to
8 state, local, and tribal governments;

9 (b) The CARES Act established the Coronavirus Relief Fund
10 (CRF) and appropriated \$150 billion to the CRF for distribution, in part,
11 to the states to cover costs that:

12 (I) Are necessary expenditures incurred due to the public health
13 emergency with respect to the COVID-19 pandemic;

14 (II) Were not accounted for in the budget most recently approved
15 as of March 27, 2020, for the state; and

16 (III) Were incurred during the period that begins on March 1,
17 2020, and ends on December 30, 2020;

18 (c) Approximately \$1.674 billion was transferred from the CRF
19 to Colorado's state government and, in his executive order D 2020 070,
20 dated May 18, 2020, the governor transferred \$70 million of that money

1 to the general fund for disbursement by the general assembly;

2 (d) The United States department of the treasury has issued
3 guidance on states' use of money allocated from the CRF, including the
4 "Coronavirus Relief Fund Frequently Asked Questions" document issued
5 on May 4, 2020, and updated on May 28, 2020, in which the department
6 indicated that "[f]und payments may be used for subsidy payments to
7 electricity account holders to the extent that the subsidy payments are
8 deemed by the recipient to be necessary expenditures incurred due to the
9 COVID-19 public health emergency ... [and,] if determined to be a
10 necessary expenditure, a government could provide grants to individuals
11 facing economic hardship to allow them to pay their utility fees and
12 thereby continue to receive essential services";

13 (e) To help reduce the spread of COVID-19, residents throughout
14 the state have remained in their homes to comply with stay-at-home and
15 safer-at-home orders, which compliance has led to increased household
16 use of electric, heating, and cooling utilities and resulted in increased
17 residential utility bills;

18 (f) Compounding the problem is the fact that the COVID-19
19 pandemic has led to extensive job losses throughout the state, where more
20 than 450,000 claims for state and federal unemployment assistance have
21 been filed since March 1, 2020, and many Coloradans have experienced
22 a significant decline in their household incomes;

23 (g) While some utilities have implemented a moratorium on utility
24 disconnections, the moratoriums do not address the difficulty that a
25 household that is facing economic hardship as a result of the COVID-19
26 pandemic will have paying its utility bill once a utility's disconnection
27 moratorium is lifted;

1 (h) Utility disconnections will provide further economic and
2 health risks to Colorado residents because utility disconnections:

3 (I) Create unsafe housing conditions;

4 (II) Increase the likelihood of eviction for certain renters; and

5 (III) In light of the need for people to remain at home as much as
6 possible, increase the risks of lost wages and reduced educational
7 opportunities arising from a lack of electricity;

8 (i) Assisting low-income households throughout the state with
9 their utility bill payments would help mitigate the economic and health
10 risks caused by the COVID-19 pandemic; and

11 (j) Expanding the state's existing utility bill payment assistance
12 program to provide direct utility bill payment assistance to those
13 households facing economic hardship caused by the COVID-19
14 pandemic, which assistance was not accounted for in the state's budget
15 most recently approved as of March 27, 2020, is a necessary expenditure.

16 **SECTION 2.** In Colorado Revised Statutes, 40-8.7-110, **add** (3)
17 as follows:

18 **40-8.7-110. Reports - repeal.** (3) (a) THE ORGANIZATION SHALL
19 INCLUDE IN THE REPORT PREPARED PURSUANT TO THIS SECTION
20 INFORMATION RELATED TO MONEY RECEIVED FROM THE COLORADO
21 ENERGY OFFICE PURSUANT TO SECTION 40-8.7-112 (2)(f), WHICH
22 INFORMATION MUST SPECIFY HOW THE DIRECT UTILITY BILL PAYMENTS
23 MADE PURSUANT TO SECTION 40-8.7-112 (2)(f) WERE MADE IN
24 ACCORDANCE WITH SECTION 801 (d) OF THE "CORONAVIRUS AID, RELIEF,
25 AND ECONOMIC SECURITY ACT", PUB.L. 116-136, ALSO REFERRED TO AS
26 THE "CARES ACT".

27 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JANUARY 1,

1 2022.

2 **SECTION 3.** In Colorado Revised Statutes, 40-8.7-112, **amend**
3 (2)(a) and (4) introductory portion; and **add** (2)(f) and (4)(b.3) as follows:

4 **40-8.7-112. Department of human services low-income energy**
5 **assistance fund - creation - energy outreach Colorado low-income**
6 **energy assistance fund - creation - Colorado energy office low-income**
7 **energy assistance fund - creation - definitions - repeal.** (2) (a) There
8 is hereby created in the state treasury the energy outreach Colorado
9 low-income energy assistance fund, ~~which shall be~~ administered by the
10 Colorado energy office. ~~and shall consist~~ THE FUND CONSISTS of all
11 ~~moneys~~ MONEY transferred by the state treasurer as specified in section
12 39-29-109.3 (2)(f) ~~C.R.S.~~ AND ANY OTHER MONEY THAT THE GENERAL
13 ASSEMBLY APPROPRIATES OR TRANSFERS TO THE FUND FOR THE PURPOSES
14 SET FORTH IN THIS SUBSECTION (2). All ~~moneys~~ MONEY in the fund ~~are~~ IS
15 continuously appropriated to the Colorado energy office for distribution
16 to the organization to be used for the purposes set forth in this subsection
17 (2). All ~~moneys~~ MONEY in the fund at the end of each fiscal year ~~shall be~~
18 ~~retained~~ REMAINS in the fund and ~~shall~~ DOES not revert to the general fund
19 or any other fund.

20 (f) (I) THE STATE TREASURER SHALL TRANSFER TEN MILLION
21 DOLLARS FROM THE CARE SUBFUND IN THE GENERAL FUND TO THE
22 CORONAVIRUS RELIEF ACCOUNT IN THE ENERGY OUTREACH COLORADO
23 LOW-INCOME ENERGY ASSISTANCE FUND, WHICH ACCOUNT IS HEREBY
24 CREATED. THE MONEY TRANSFERRED TO THE CORONAVIRUS RELIEF
25 ACCOUNT PURSUANT TO THIS SUBSECTION (2)(f) IS CONTINUOUSLY
26 APPROPRIATED TO THE COLORADO ENERGY OFFICE FOR DISTRIBUTION TO
27 THE ORGANIZATION TO BE USED FOR THE PURPOSE SET FORTH IN THIS

1 SUBSECTION (2)(f).

2 (II) THE ORGANIZATION SHALL USE MONEY IT RECEIVES FROM THE
3 COLORADO ENERGY OFFICE PURSUANT TO THIS SUBSECTION (2)(f) TO
4 PROVIDE DIRECT UTILITY BILL PAYMENT ASSISTANCE TO LOW-INCOME
5 HOUSEHOLDS FACING ECONOMIC HARDSHIP CAUSED BY THE COVID-19
6 PANDEMIC, AS PERMITTED UNDER THE "CORONAVIRUS AID, RELIEF, AND
7 ECONOMIC SECURITY ACT", PUB.L. 116-136, ALSO REFERRED TO AS THE
8 "CARES ACT". TO RECEIVE DIRECT BILL PAYMENT ASSISTANCE PURSUANT
9 TO THIS SUBSECTION (2)(f), A LOW-INCOME HOUSEHOLD MUST CERTIFY
10 PURSUANT TO SUBSECTION (2)(f)(IV) OF THIS SECTION THAT ITS NEED FOR
11 DIRECT UTILITY BILL PAYMENT ASSISTANCE RESULTS FROM THE PUBLIC
12 HEALTH EMERGENCY CAUSED BY THE COVID-19 PANDEMIC.

13 (III) THE ORGANIZATION SHALL MAKE A DIRECT UTILITY BILL
14 PAYMENT AUTHORIZED PURSUANT TO THIS SUBSECTION (2)(f) AS A
15 VENDOR PAYMENT TO A UTILITY, INCLUDING A MUNICIPALLY OWNED GAS,
16 ELECTRIC, OR GAS AND ELECTRIC UTILITY OR A COOPERATIVE ELECTRIC
17 ASSOCIATION THAT OPERATES AN ALTERNATIVE ENERGY ASSISTANCE
18 PROGRAM PURSUANT TO SECTION 40-8.7-106. THE ORGANIZATION SHALL
19 NOT USE ANY PORTION OF THE MONEY IT RECEIVES FROM THE COLORADO
20 ENERGY OFFICE PURSUANT TO THIS SUBSECTION (2)(f) FOR
21 ADMINISTRATIVE PURPOSES.

22 (IV) AS PART OF AN APPLICATION FILED TO REQUEST DIRECT
23 UTILITY BILL PAYMENT ASSISTANCE PURSUANT TO THIS SUBSECTION (2)(f),
24 THE ORGANIZATION SHALL REQUIRE THE APPLICANT TO CERTIFY IN GOOD
25 FAITH SUBSTANTIALLY THE FOLLOWING:

26 **THIS HOUSEHOLD NEEDS DIRECT UTILITY BILL PAYMENT**
27 **ASSISTANCE FOR ITS ONGOING ENERGY NEEDS. THE NEED**

1 **FOR DIRECT UTILITY BILL PAYMENT ASSISTANCE IS DUE**
2 **TO ECONOMIC HARDSHIP INCURRED DUE TO THE PUBLIC**
3 **HEALTH EMERGENCY RESULTING FROM THE COVID-19**
4 **PANDEMIC.**

5 (V) THE ORGANIZATION SHALL HOLD AND ADMINISTER ALL MONEY
6 IT RECEIVES FROM THE COLORADO ENERGY OFFICE PURSUANT TO THIS
7 SUBSECTION (2)(f) IN A SEPARATELY IDENTIFIABLE ACCOUNT, THE USE OF
8 WHICH IS RESTRICTED TO THE PURPOSE SET FORTH IN THIS SUBSECTION
9 (2)(f). THE ORGANIZATION SHALL MAINTAIN ITS BOOKS AND RECORDS
10 PERTAINING TO ANY MONEY RECEIVED FROM THE COLORADO ENERGY
11 OFFICE PURSUANT TO THIS SUBSECTION (2)(f) IN ACCORDANCE WITH
12 GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. THE ORGANIZATION
13 SHALL NOT COMMINGLE THE MONEY RECEIVED PURSUANT TO THIS
14 SUBSECTION (2)(f) WITH ANY OTHER ASSETS OF THE ORGANIZATION.

15 (VI) THE ORGANIZATION MUST SPEND ALL OF THE MONEY IT
16 RECEIVES FROM THE COLORADO ENERGY OFFICE PURSUANT TO THIS
17 SUBSECTION (2)(f) ON OR BEFORE DECEMBER 30, 2020.

18 (VII) THIS SUBSECTION (2)(f) IS REPEALED, EFFECTIVE JANUARY
19 1, 2021.

20 (4) ~~For purposes of~~ AS USED IN this section, unless the context
21 otherwise requires:

22 (b.3) "COVID-19" MEANS THE CORONAVIRUS DISEASE 2019
23 CAUSED BY THE SEVERE ACUTE RESPIRATORY SYNDROME CORONAVIRUS
24 2, ALSO KNOWN AS SARS-CoV-2.

25 **SECTION 4. Safety clause.** The general assembly hereby finds,
26 determines, and declares that this act is necessary for the immediate
27 preservation of the public peace, health, or safety.