

NOTE: The governor signed this measure on 5/15/2014.

An Act

SENATE BILL 14-202

BY SENATOR(S) Kerr, Heath, Johnston, Jones, Schwartz, Todd, Ulibarri;
also REPRESENTATIVE(S) Tyler, Becker, Fields, Foote, Hamner, Hullinghorst,
Kraft-Tharp, Lee, Melton, Mitsch Bush, Rosenthal, Salazar, Schafer.

CONCERNING MODIFICATIONS TO THE REQUIREMENTS APPLICABLE TO THE
SCHOOL ENERGY LOAN PROGRAM.

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

SECTION 1. In Colorado Revised Statutes, 22-92-102, **amend** (3)
introductory portion as follows:

22-92-102. Legislative declaration. (3) Now, therefore, the general assembly determines and declares that it would serve the best interests of Colorado schools for the state to make available loans to support the efforts of school districts that choose to undertake renewable energy projects or ~~energy-efficient bus~~ ENERGY EFFICIENCY projects. Furthermore, to ensure that the best interests of Colorado schools are being served, the legislative service agencies of the general assembly shall conduct a post-enactment review of this act and report their conclusions to the education committees of the house of representatives and senate, or any successor committees. The review shall include consideration of the following information:

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

SECTION 2. In Colorado Revised Statutes, 22-92-103, **amend** (2) and (9) as follows:

22-92-103. Definitions. As used in this article, unless the context otherwise requires:

(2) ~~"Energy-efficient bus "~~ENERGY EFFICIENCY project" means a project to help a qualified school district attain and employ battery-powered, compressed natural gas, propane gas, or hybrid-electric buses in its daily transportation operations for the purpose of reducing energy consumption and expenditures THAT WILL RESULT IN MORE EFFICIENT USE OF ENERGY OR RESOURCES. THE TERM INCLUDES:

(a) INSTALLATION OF EQUIPMENT AND RELATED INFRASTRUCTURE THAT WILL HELP DEFRAID ENERGY COSTS;

(b) IMPROVING THE ENERGY EFFICIENCY OF A BUILDING BY ADDRESSING LIGHTING ISSUES, IMPROVING MECHANICAL SYSTEMS AND EQUIPMENT, ADDING INSULATION OR OTHERWISE IMPROVING THE BUILDING ENVELOPE, ADDING OR INCORPORATING SOLAR THERMAL TECHNOLOGIES, OR IMPROVING OPERATIONS MANAGEMENT;

(c) REDUCING WATER USAGE OR WATER CONSUMPTION; AND

(d) IMPROVING THE ENERGY EFFICIENCY OF MOTOR VEHICLE FLEETS, INCLUDING BUS FLEETS, THROUGH MEASURES INCLUDING THE USE OF HYBRID OR ALTERNATIVE-FUEL VEHICLES AND THE ADDITION OF FUEL-SAVING TECHNOLOGIES TO EXISTING VEHICLES.

(9) "Renewable energy project team" means a team of people who are dedicated to a renewable energy project at a school district. A renewable energy project team shall include, at a minimum, representatives of the school district, representatives of the local community, and at least one member who provides professional technical assistance to the school district to facilitate a renewable energy project or ~~an energy-efficient bus~~ ENERGY EFFICIENCY project. The member of a renewable energy project team who provides professional technical assistance to the school district may be a representative of a local electrical utility.

SECTION 3. In Colorado Revised Statutes, 22-92-104, **amend** (1),

(3), and (5) as follows:

22-92-104. Renewable energy and energy efficiency for schools loan program - created - applications - permissible uses of loans.

(1) There is hereby created the renewable energy and energy efficiency for schools loan program to fund renewable energy projects and ~~energy-efficient bus~~ ENERGY EFFICIENCY projects at qualified school districts. A qualified school district may, with the written authorization of the school district board of education, apply to the Colorado energy office, in accordance with procedures and deadlines established by rules promulgated by the state board of education pursuant to section 22-92-105, to receive moneys through the loan program. The office shall administer the loan program as provided in this article and pursuant to the policies adopted by the office.

(3) (a) A qualified school district that receives a loan through the loan program shall use the moneys received to pay for technical assistance, equipment, or installation costs associated with a renewable energy project or an ~~energy-efficient bus~~ ENERGY EFFICIENCY project.

(b) A qualified school district that receives a loan through the loan program for a renewable energy project may use the moneys received to finance the acquisition of a renewable energy project THAT IS LOCATED ON THE SCHOOL PREMISES AND, IF IT GENERATES ELECTRICITY, IS INTERCONNECTED ON THE CUSTOMER SIDE OF THE UTILITY METER IN ACCORDANCE WITH INTERCONNECTION STANDARDS ADOPTED BY THE PUBLIC UTILITIES COMMISSION. SUCH A PROJECT MAY INCORPORATE OR CONSIST OF THIRD-PARTY OWNERSHIP, AS AUTHORIZED UNDER PART 2 OF ARTICLE 38.7 OF TITLE 24, C.R.S., OR AN INTEREST IN A COMMUNITY SOLAR GARDEN, AS DEFINED IN SECTION 40-2-127, C.R.S.

(5) A qualified school district may apply for a loan from the loan program for a renewable energy project or an ~~energy-efficient bus~~ ENERGY EFFICIENCY project that is located at a charter school of the school district.

SECTION 4. In Colorado Revised Statutes, 22-92-105, **amend** (1) (b) (I) and (2) as follows:

22-92-105. Renewable energy and energy efficiency for schools loan program - rules - awarding loans. (1) On or before October 15,

2009, the state board of education, in consultation with the Colorado energy office, shall promulgate rules establishing policies and procedures for the administration of the renewable energy and energy efficiency for schools loan program. At a minimum, the rules shall include:

(b) The requirements that the office shall require of loan applicants, which requirements shall include, but need not be limited to a requirement that a loan applicant submit with its application:

(I) An energy rating for the facility for which ~~the~~ A RENEWABLE ENERGY PROJECT loan is intended that demonstrates that the facility qualifies for the federal energy star label ~~which rating has been issued as a result of an audit performed by a qualified energy efficiency auditor~~ OR MEETS THE EFFICIENCY REQUIREMENTS SET FORTH IN SECTION 22-32-124.3; or

(2) (a) The Colorado energy office shall review each loan application received from a qualified school district pursuant to section 22-92-104 (1), evaluate the renewable energy project or ~~energy-efficient bus~~ ENERGY EFFICIENCY project described therein, and make a recommendation to the state treasurer as to whether to award the loan and the amount of the loan. If the office determines an application is missing any information required by the office's policy to be included with the application, the office may contact the applicant to obtain the missing information.

(b) In reviewing loan applications for renewable energy projects and ~~energy-efficient bus~~ ENERGY EFFICIENCY projects pursuant to paragraph (a) of this subsection (2), the Colorado energy office shall consider, at a minimum, whether a qualified school district would reduce its energy costs by the implementation of the renewable energy project or ~~energy-efficient bus~~ ENERGY EFFICIENCY project that is the subject of each loan application.

SECTION 5. In Colorado Revised Statutes, 22-92-107, **amend** (1) introductory portion, (1) (a), (2) (a), and (4) as follows:

22-92-107. Loans from public school fund authorized. (1) As authorized under the provisions of section 3 of article IX of the state constitution, the state treasurer may make loans to school districts to assist them in providing necessary buildings, land, and equipment, including renewable energy projects and ~~energy-efficient bus~~ ENERGY EFFICIENCY

projects as described in this article. Loans made pursuant to this article shall not be subject to the provisions of section 24-36-113, C.R.S., that require the state treasurer to secure the maximum rate of interest on investments of state moneys. The procedures for the making of loans shall be determined by the state treasurer subject to the following:

(a) No loan shall be authorized for any renewable energy project or ~~energy-efficient bus~~ ENERGY EFFICIENCY project that has not been evaluated by the Colorado energy office pursuant to section 22-92-105 (2) (a).

(2) (a) Subject to the limitations described in this section, the state treasurer shall determine the amount of the permanent school fund that may be loaned out pursuant to this section, which qualified school districts shall receive loans, the amount of each loan, the terms of repayment of each loan, and the rate of interest to be charged on loans. The average rate of interest charged on loans made in any calendar year must ~~exceed~~ AT LEAST EQUAL the average book yield earned by the fund in the most recently completed quarter. Payments of the principal of and interest on all loans shall be returned to the public school fund.

(4) Administrative costs that will be incurred by a qualified school district as a result of the renewable energy project or ~~energy-efficient bus~~ ENERGY EFFICIENCY project that is the basis for the loan may be included in the amount of the loan.

SECTION 6. Applicability. This act applies to applications submitted pursuant to section 22-92-104, Colorado Revised Statutes, on or after the effective date of this act.

SECTION 7. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Morgan Carroll
PRESIDENT OF
THE SENATE

Mark Ferrandino
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

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CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

APPROVED _____

John W. Hickenlooper
GOVERNOR OF THE STATE OF COLORADO