
[HB16-1004](#) Measurable Goals Deadlines CO Climate Action Plan [Postponed Indefinitely](#)

Sponsors: Winter & Arndt / Kefalas

Summary: The bill requires:
The state climate action plan to include specific measurable goals, the achievement of which will both reduce Colorado's greenhouse gas emissions and increase Colorado's adaptive capability to respond to climate change, along with associated near-term, mid-term, and long-term deadlines to achieve the goals; and the annual climate report to the general assembly to include an analysis of the progress made in meeting the measurable goals and deadlines specified in the plan. The analysis must include an estimate of the economic, social, and health impact on low-income individuals in Colorado that results or would result from meeting the deadlines as planned.

[HB16-1035](#) PUC Approval Of Securities Only For Gas & Electric [Passed](#)

Sponsors: Leonard / Scott

Summary: The bill specifies that the statute requiring advance approval by the Public Utilities Commission for the issuance of securities to fund property acquisitions, facilities, repairs, and other expenditures applies only to electric and gas utilities.

[HB16-1053](#) Retail Hydrogen Fuel Systems Regulation [Passed](#)

Sponsors: Kraft-Tharp / Hill

Summary: On or before January 1, 2017, the director of the Division of Oil and Public Safety is required to promulgate rules concerning retail hydrogen fuel for vehicles, including rules relating to inspections, measurement, and specifications. The director's rules must establish minimum design, construction, location, installation, and operation standards, and these standards must conform to the minimum standards prescribed in the National Fire Protection Association's national fire code, as revised by the Association from time to time. The Division of Oil and Public Safety is required to begin enforcing the rules on July 1, 2017. The director may promulgate rules to establish fees to offset the administrative costs incurred by the division of oil and public safety. The bill amends the definition of "fuel products" to include hydrogen.

[HB16-1091](#) Change Due Dates For Elec Utilities Transmission Plans [Passed](#)

Sponsors: Thurlow & Mitsch Bush / Sonnenberg

Summary: Legislation adopted in 2007 required rate-regulated electric utilities to conduct biennial reviews, on or before October 31 of each odd-numbered year, in which the utilities developed plans for transmitting electricity from geographic areas in which energy resources were likely to be available to where the electricity would be needed. The bill preserves the requirement for biennial review but changes the due date for those reviews from October 31 to another date determined by the Colorado Public Utilities Commission. The bill also deletes existing requirements that:

- Reviews be simultaneously conducted by the Colorado Public Utilities Commission; and
- The commission issue an order approving or rejecting an application for a certificate of public convenience and necessity for construction or expansion of transmission facilities within 180 days.



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[HB16-1207](#) **PERA Investments In Renewable Energy Companies** **Postponed Indefinitely**

Sponsors: Rosenthal

Summary: Beginning January 1, 2017, and in each calendar year thereafter, the Public Employees' Retirement Association (association) is required to ensure that, of the moneys that are not already invested by the association and that the association will invest during the applicable calendar year, at least 1 percent of such moneys are invested in renewable energy companies. If the association is unable to invest 1 percent of such moneys in renewable energy companies in any calendar year, the association is required to explain why it was unable to satisfy the requirement in the comprehensive annual financial report prepared by the association.

[HB16-1298](#) **Vehicle Height, Length, And Weight** **Passed**

Sponsors: Melton / Cooke

Summary: The bill changes the legal height of unladen and laden vehicles to 14 feet and 6 inches, restricts the use of certain vehicle combinations, and increases the maximum legal gross weight of vehicles that use alternative fuel.

[HB16-1310](#) **Operators Liable For Oil And Gas Operations** **Postponed Indefinitely**

Sponsors: Salazar / Carroll

Summary: Under current law governing relations between surface owners and oil and gas operators, to prevail on a claim the surface owner must present evidence that the operator's use of the surface materially interfered with the surface owner's use of the surface of the land. The bill amends this to require the operator to exercise reasonable care to avoid causing bodily injury and to allow proof that the operator's oil and gas operations harmed the surface owner's use of the surface of the land, caused bodily injury to the surface owner or any person residing on the property of the surface owner, or damaged the surface owner's property. The bill also requires operators to exercise the highest degree of care in conducting operations so as to avoid causing an earthquake. Operators that breach this duty are liable for their conduct if oil and gas operations, including a hydraulic fracturing treatment, cause an earthquake that damages property or injures an individual. A plaintiff establishes a prima facie case of causation by showing that: An earthquake has occurred; the earthquake damaged the plaintiff's property or injured the plaintiff; the operator breached the duty of care; and the oil and gas operations occurred within an area that has been determined to have experienced induced seismicity by a study of induced seismicity that has been independently peer-reviewed. Plaintiffs have five years after discovery of the damages or injury to file an action. It is an affirmative defense if the operator has conducted oil and gas operations in accordance with a regulatory requirement or land use plan provision that applies specifically to the alleged intrusion or damage.

[HB16-1332](#) **Alternative Fuel Motor Vehicle Income Tax Credits** **Passed**

Sponsors: Duran & Rankin/ Scott & Johnston

Summary: The bill makes changes to two income tax credits available to taxpayers who purchase alternative fuel motor vehicles and trucks. The bill:

- Fixes a specified dollar amount for the income tax credits for motor vehicles and trucks instead of requiring the taxpayer to calculate the income tax credit using formulas based on a specified percentage of the actual cost incurred or battery size;
- Distinguishes between purchases and leases of a motor vehicle or truck in fixing the values of the income tax credits;
- Requires a lessee to enter into a lease with a term of not less than two years to qualify for the



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income tax credit on or after January 1, 2017;

- Removes the income tax credit for the purchase or lease of light duty passenger motor vehicle diesel-electric hybrids and light duty passenger motor vehicle, light duty, truck, and medium duty truck diesel-electric hybrid conversions;
- Makes all used motor vehicles and trucks ineligible for the credits;
- Allows a taxpayer to assign the income tax credit to a financing entity and thus forfeit the right to claim the tax credit on the taxpayer's tax return in exchange for the full nominal value of the income tax credit, minus an administrative fee not to exceed \$150;
- Requires the taxpayer claiming an income tax credit on or after January 1, 2017, to provide the department of revenue with the motor vehicle's or truck's vehicle identification number; and
- Requires the department of revenue to commence tracking the vehicle identification number of the motor vehicle or truck for which a credit is claimed.

[HB16-1355](#)**Affirm Local Gov Siting Auth Oil & Gas Facilities****Postponed Indefinitely**

Sponsors:

Foote / Ulibarri

Summary:

Current law specifies that local governments have so-called "House Bill 1041" powers, which are a type of land use authority, over oil and gas mineral extraction areas only if the Colorado Oil and Gas Conservation Commission has identified a specific area for designation; sections 2 and 3 repeal that limitation. Section 4 includes specific authority to regulate the siting of oil and gas facilities in counties' existing land use authority. Section 5 makes the same changes with regard to municipalities' existing land use authority. Sections 6 and 7 specify that the Colorado Oil and Gas Conservation Commission's authority to regulate oil and gas operations, including the siting of oil and gas facilities, does not exempt oil and gas facilities from local governments' siting authority and that oil and gas operators must ensure that the location of oil and gas facilities complies with city, town, county, or city and county siting regulations.

[HB16-1376](#)**Expand Authority Office Of Consumer Counsel****Postponed Indefinitely**

Sponsors:

Esgar & Winter / Carroll

Summary:

Currently, the Office of Consumer Counsel (OCC) is authorized to intervene on behalf of customers of electric utilities and gas utilities in proceedings before the Colorado Public Utilities Commission. The bill grants the OCC authority to speak for customers of providers of telecommunications, water, taxi and bus service, and all other services defined as public utilities under the "Public Utilities Law".

[HB16-1430](#)**Oil & Gas Operators Share Dev Plans With Local Gov****Postponed Indefinitely**

Sponsors:

Lebsock / Hodge

Summary:

The Colorado Oil and Gas Conservation Commission recently promulgated several rules to implement two of the recommendations of the governor's oil and gas task force. The bill codifies some of the essential elements of one of the two recommendations, with the following modifications: The rules allow municipalities where the proposed operations will occur to ask operators to share their development plans; the bill adds counties where the proposed operations will occur and requires these local governments to register with the commission to be qualified to receive the information.

[HB16-1433](#)**Retain & Spend Sev Tax Revenues For Reserve Fund****Postponed Indefinitely**



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Sponsors: Hamner & Rankin / Steadman

Summary: Beginning July 1, 2017, section 1 of the bill caps the total amount of severance tax gross receipts that are deposited in the state severance tax trust fund and the local government severance tax fund. The amount of the cap is equal to \$180 million for the 2017-18 fiscal year, adjusted for inflation each fiscal year thereafter. The State Treasurer is required to transfer any money above the cap to the severance tax reserve fund (reserve), which is created in section 2. If the money in the state severance tax operational fund (operational fund) or the local government severance tax fund is insufficient to pay for a program supported by either fund, the general assembly may appropriate money from the reserve for the program or it may appropriate money from the reserve to the fund or, if applicable, to a cash fund that receives money from the operational fund. There is a cap on the amount of money in the reserve that is equal to two times the severance tax gross receipts cap. The state treasurer is required to transfer any money at the end of a fiscal year in the reserve that is above the reserve cap to the Colorado Water Conservation Board construction fund. Section 5 includes a conforming amendment to reflect that the Colorado Water Conservation Board construction fund includes these transfers. Section 3 requires the Secretary of State to refer a ballot question to the voters at the election held on November 8, 2016, to seek voter approval for the state to retain and spend any severance tax revenue that is deposited in the reserve as a voter-approved revenue change to the constitutional limitation on state fiscal year spending. This voter-approved revenue change is conditioned on the state not repealing or reducing any of the existing severance tax exemptions or credits. Section 4 makes an adjustment to the excess state revenues cap so that, if approved, the new voter-approved revenue change is not included in the accounting for the revenue change that the voters made when they approved Referendum C.

[HB16-1441](#)

PUC Consider Full Cost Carbon For Elec Generation

Postponed Indefinitely

Sponsors: Tyler / Jones

Summary: The bill requires the Public Utilities Commission (commission) to consider the following costs of greenhouse gas emissions when considering a utility's proposal for electric resource planning:

- The likelihood of new environmental regulations concerning greenhouse gas emissions; and
- The present and future costs associated with the emission of greenhouse gases such as carbon dioxide and methane based on the cost per ton of greenhouse gas emissions. The commission shall determine the costs annually based on a review of the most appropriate national and regional carbon markets for Colorado.

Section 2 appropriates \$7,512 from the public utilities commission fixed utility fund to the department of regulatory agencies for use by the commission to implement this act. Of the \$7,512, \$6,947 is for personal services and \$565 is for operating expenses.

[HB16-1457](#)

Sales & Use Tax Exemption Residential Energy

Passed

Sponsors: Garnett & Wilson / T. Neville & Garcia

Summary: The bill codifies the Department of Revenue's rule regarding the existing sales and use tax exemption for the sale, storage, use, or consumption, for residential use, of electricity, coal, wood, gas, fuel oil, or coke in order to clarify that the sales and use tax exemption applies to residences either billed under a single utility meter or a master utility meter and either charged at a residential, commercial, or other nonresidential utility rate, so long as the electricity, coal, wood, gas, fuel oil, or coke is used for powering lights, refrigerators, stoves, water heaters, space heaters, air conditioners, or other domestic items that require power or fuel in a residence. The bill also states, consistent with current practice, that "residential use" is presumed when a utility company charges a residential utility rate.

<u>HB16-1468</u>	Oil & Gas Trans Mfg & Processing Cost Deductions	Postponed Indefinitely
Sponsors:	K. Becker & Hullinghorst / Steadman	
Summary:	The bill limits the costs that may be deducted by a taxpayer for transportation, manufacturing, and processing costs for purposes of calculating the net amount realized by the taxpayer for the sale of oil and gas for purposes of calculating the excise tax on the severance of oil and gas.	
<u>SB16-003</u>	Broadcast Burns Wildfire Risk Reduction Funding	Passed
Sponsors:	Roberts & Jones / K. Becker	
Summary:	Wildfire Matters Review Committee. Section 1 of the bill adds broadcast burning, the method by which fire is applied generally to most or all of an area within well-defined boundaries with well-defined conditions, as an optional method for which the department of natural resources may award grants from the wildfire risk reduction fund to reduce wildfire risk in the wildland-urban interface. Section 2 transfers \$1 million to the wildfire risk reduction fund, from the general fund. Section 3 amends the wildfire matters review committee's organic statute by: <ul style="list-style-type: none"> - Directing the committee to review ways to cooperate with federal agencies and local governments; - Authorizing up to two field trips during each interim; - Directing the committee to review specific issues during the 2016 interim, and - Authorizing the President of the Senate to appoint the committee's chair during even-numbered years and authorizing the speaker of the House to appoint the chair during odd-numbered years. 	
<u>SB16-007</u>	Biomass Renewable Energy Wildfire High Risk Areas	Postponed Indefinitely
Sponsors:	Roberts / Coram	
Summary:	Current law requires a provider of retail electric service in Colorado to generate, or cause to be generated, a certain portion of its retail electric sales from renewable energy resources. The bill creates an incentive for a retail electric service provider to utilize certain biomass to meet the renewable energy requirements. For a period of up to 30 years, a retail electric service provider that generates electricity from a biomass source that is transformed into biochar and that uses forest materials located in areas with a high risk of wildfire may count each kilowatt-hour generated as 3 kilowatt-hours for purposes of complying with the renewable energy standard.	
<u>SB16-046</u>	Preserve Options Respond EPA Clean Power Plan Rule	Postponed Indefinitely
Sponsors:	Cooke	
Summary:	The federal Environmental Protection Agency (EPA) has promulgated rules to regulate carbon dioxide emissions from existing fossil-fuel-fired electric generating units (the "Clean Power Plan"). The rules require states to submit a plan to the EPA detailing how they will comply with the Clean Power Plan, but allow states to qualify for a two-year extension on filing a plan by filing an "initial submittal". The bill directs the Air Quality Control Commission (AQCC) to conduct a public input process necessary to make the initial submittal and thereby qualify for the two-year extension without making any binding commitments in any way not required by the express provisions of the clean power plan, including to submit a state plan in the future: <ul style="list-style-type: none"> - Consider specific factors in developing the state plan; and - Submit a report, prepared jointly with the public utilities commission, to the general assembly that discusses the proposed state plan in connection with the factors. 	



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AQCC prepares a draft plan, which it must submit it to the general assembly. The AQCC cannot submit the plan to the EPA unless the General Assembly has approved it by adoption of a joint resolution. If a court stays the Clean Power Plan or holds that it is invalid, implementation of the state plan must be suspended or terminated, as appropriate. The existing process for legislative review of state implementation plans is expanded to include a state plan as required by the Clean Power Plan.

<u>SB16-055</u>	Rural Electric Cooperative Election Procedures	Passed
Sponsors:	Grantham / Moreno	
Summary:	Under current law, a cooperative electric association may hire an independent third party, such as an accounting firm, to collect and count the ballots for executive board elections. Candidates have the right to observe the counting process, and mailed ballots must include an inner envelope to preserve secrecy. The bill specifies that a mailed ballot that is received without an inner envelope or secrecy sleeve is not invalid for that reason, and that if the association contracts with an independent third party that will count ballots, the ballots must be made available to the candidates for inspection after the election.	
<u>SB16-061</u>	Ratepayer Protection Carbon Dioxide Increased Cost	Postponed Indefinitely
Sponsors:	Cooke & Sonnenberg / Dore	
Summary:	The bill directs the Public Utilities Commission to create a ratepayer protection program, pursuant to which an electric utility's increased costs attributable to compliance with the federal Environmental Protection Agency's regulations that limit carbon dioxide emissions from existing fossil-fuel-fired electric generating units are paid from a state fund rather than by the utility's customers. The fund is financed transfers from the general fund. \$164,310 is appropriated to the commission to implement the act, contingent on the federal regulations becoming effective.	
<u>SB16-129</u>	Neutral Oversight Of Oil And Gas Activities	Postponed Indefinitely
Sponsors:	Jones / Arndt	
Summary:	The bill implements a recommendation of the Colorado Oil and Gas Task Force to clarify the balanced responsibilities that the Colorado Oil and Gas Conservation Commission has with respect to its oversight of oil and gas operations.	
<u>SB16-157</u>	Don't Implement Clean Power Plan Until Stay Lifted	Postponed Indefinitely
Sponsors:	Cooke & Sonnenberg / Dore	
Summary:	The federal Environmental Protection Agency (EPA) has promulgated rules to regulate carbon dioxide emissions from existing fossil-fuel-fired electric generating units (the "Clean Power Plan"). The rules require states to submit a plan to the EPA detailing how they will comply with the Clean Power Plan, but allow states to qualify for a two-year extension on filing a plan by filing an "initial submittal". On February 9, 2016, the United States Supreme Court granted a stay of the Clean Power Plan, effective through the completion of any proceedings in the Supreme Court. The bill requires the Air Quality Control Commission and the Division of Administration in the Department of Public Health and Environment to suspend all activities in furtherance of developing a state plan to implement the Clean Power Plan until the Supreme Court's stay is lifted and new deadlines for submission of state plans have been established. The existing process for legislative review of state implementation plans is expanded to include a state plan as required by the Clean Power Plan.	

<u>SB16-166</u>	Transportation Fuel Distributors' Tax Liens	Passed
Sponsors:	Woods / Kagan	
Summary:	The bill creates transportation fuel distributors' tax liens for distributors of transportation fuel. Under current law, the state collects tax on gasoline and special fuel from each licensed fuel distributor prior to delivery of the fuel to a retailer or other commercial user and the ultimate sale of the fuel to a vehicle owner. The bill authorizes licensed fuel distributors to file a lien for the amount of gasoline and special fuel tax against the retailer or other commercial user of the fuel if the retailer or other commercial user fails to reimburse the distributor for the amount of the tax on fuel delivered. The bill establishes the priority of transportation fuel distributors' tax liens and the requirements for filing and enforcing the lien.	
<u>SB16-167</u>	Severance Tax Operational Fund Reserve Reduction	Passed
Sponsors:	Grantham / Rankin	
Summary:	For a given fiscal year, the reserve in the severance tax operational fund is equal to the sum of the operating appropriations for the Tier I programs and 15 percent of the Tier II transfers. For the 2016-17 fiscal year, the bill reduces the portion of the reserve that is based on the Tier I programs by \$2.98 million.	
<u>SB16-171</u>	New Energy Improvement District Clarifications	Passed
Sponsors:	Martinez Humenik & Scheffel / Tyler & J. Becker	
Summary:	<p>The New Energy Improvement District (NEID) is a statewide district that operates a program to facilitate private financing of energy and water improvements to eligible real property. The bill modifies and clarifies the statutes that pertain to the NEID as follows:</p> <ul style="list-style-type: none"> - Section 2 requires the county treasurer of a county that has authorized the operation of the NEID program (program) in the county to retain a 1 percent collection fee for each NEID special assessment that it collects, and authorizes such a county to revoke its authorization for the operation of the program so long as the county meets all of its obligations as to program financing obligations existing on the effective date of the deauthorization until any and all special assessments within the county have been paid in full to the NEID. - Section 3 repeals the authority of the NEID to reduce the amount of any special assessment with the consent of the owner of the property on which the special assessment is levied, clarifies that delinquent special assessment installments incur interest charges at the same rate as delinquent property taxes, and requires the county treasurer to distribute NEID special assessments to the NEID in the same manner, less the collection fee, as property taxes are distributed. - Section 4 repeals an existing prohibition against a county assessor taking into account, when valuing real property, an increase in its market value resulting from an energy or water improvement financed through the NEID program and repeals existing authority for the NEID to initiate a civil action for foreclosure. - Sections 1 through 4 also make various technical and clarifying changes. 	
<u>SB16-175</u>	E-15 Gasoline Income Tax Credit For Retail Dealers	Postponed Indefinitely
Sponsors:	Grantham / Pabon	
Summary:	The bill creates an income tax credit for retail dealers selling E-15 gasoline. The amount of credit to which a taxpayer is entitled is \$.03 per gallon of E-15 gasoline sold in the tax year	

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for which the credit is claimed. The credit is available for three tax years, commencing January 1, 2017. Any portion of the credit to which a taxpayer is entitled but exceeds the taxpayer's income tax liability may not be carried forward, but must be refunded to the taxpayer.

[SB16-200](#) **Create Director Water Project Permit Coordination** **Passed**

Sponsors: Sonnenberg / Vigil

Summary: Section 1 of the bill creates a position in the office of the governor, designated as the director of water project permitting, to coordinate the permitting of:

- Raw water diversion, storage, or delivery projects, including associated hydroelectric facilities and both consumptive and nonconsumptive uses of water; and
- Water projects that are either assessed a water quality certification fee or are eligible for financing from the Colorado water conservation board construction fund.

The director will annually update the general assembly's committees with jurisdiction over natural resources regarding implementation of the bill. The bill is repealed, effective September 1, 2019.

[SB16-218](#) **State Severance Tax Refunds** **Passed**

Sponsors: Lambert & Steadman / Hamner & Rankin

Summary: Section 1 of the bill reduces the amount of the general fund reserve for the fiscal year 2015-16 by an amount equal to the amount of income tax revenue that is deposited in a reserve to make severance tax refunds. Section 3 establishes the reserve in which all severance tax revenues are set aside and maintained in order to make severance tax refunds, prior to allocation to the severance tax trust fund and the local government severance tax fund. Until July 1, 2017, income tax revenue that would otherwise be deposited in the general fund may instead be deposited in the reserve if needed to make the refunds. Section 2 makes a conforming change related to this use of the income tax revenue.

Section 4 extends a repeal date, so that severance tax revenue can continue to be allocated to the severance tax trust fund and the local government severance tax fund between January 1, 2017, and July 1, 2017. The following amounts are restricted from being used for any purpose whatsoever:

- \$19.1 million dollars from the severance tax perpetual base fund; (section 5)
- \$10 million dollars from the severance tax operational fund; and (section 6)
- \$48.3 million dollars from the local government severance tax fund, which amount comes from money that would otherwise be distributed through grants to political subdivisions socially or economically impacted by the development, processing, or energy conversion of minerals and mineral fuels. (section 7)

The money in these funds remains restricted until such time that the joint budget committee, by a majority vote, releases the restriction on some or all of the money.

*Summaries sourced from the Colorado Office of Legislative Legal Services