

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

PREAMENDED

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

LLS NO. 25-0286.03 Jennifer Berman x3286

HOUSE BILL 25-1268

HOUSE SPONSORSHIP

Joseph and Froelich,

SENATE SPONSORSHIP

Mullica and Winter F.,

House Committees

Energy & Environment
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE FINANCING OF A UTILITY ON-BILL PROGRAM FOR**
102 **CERTAIN ENERGY-RELATED IMPROVEMENTS, AND, IN**
103 **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>.)

The bill requires the Colorado energy office (office) to establish a state utility on-bill repayment program to help finance certain gas and electric utilities' on-bill repayment programs (on-bill repayment program), which are programs through which energy efficiency measures, electrification measures, and energy upgrades installed at utility

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

customers' premises are financed through loans that the customers repay through their monthly utility bill payments. The bill requires gas or electric investor-owned utilities that serve more than 500,000 customers to propose a plan to the public utilities commission for establishing or expanding an existing on-bill repayment program for the commission to review and approve, disapprove, or modify.

The bill requires the state treasurer, on July 1, 2025, to make an interest-free loan in the amount of \$100 million from the unclaimed property trust fund to the state utility on-bill repayment program cash fund, which fund is created in the bill, to support the financing of the on-bill repayment programs. The office is required to pay back the loan by July 1, 2045.

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

SECTION 1. In Colorado Revised Statutes, **add** part 6 to article 38.5 of title 24 as follows:

PART 6

UTILITY ON-BILL PROGRAM

24-38.5-601. Legislative declaration. (1) THE GENERAL ASSEMBLY FINDS THAT COLORADO CONSUMERS HAVE THE POTENTIAL TO SAVE ENERGY, REDUCE GREENHOUSE GAS EMISSIONS, AND TRANSITION AWAY FROM FOSSIL FUEL INFRASTRUCTURE THROUGH ENERGY SOLUTIONS, INCLUDING ENERGY EFFICIENCY MEASURES, ELECTRIFICATION MEASURES, AND ENERGY UPGRADES.

(2) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT:

(a) UTILITIES BENEFIT FROM UTILITY ON-BILL PROGRAMS BECAUSE THE PROGRAMS CAN REDUCE ENERGY CONSUMPTION AND PEAK DEMAND;

(b) UTILITY CUSTOMERS WOULD BENEFIT FROM HAVING ACCESS TO SIGNIFICANT AMOUNTS OF PUBLIC AND PRIVATE CAPITAL FOR LOW-COST FINANCING SOLUTIONS FOR ENERGY-RELATED IMPROVEMENTS, INCLUDING END-OF-LIFE EQUIPMENT REPLACEMENT;

(c) UTILITY ON-BILL PROGRAMS THAT ALLOW REPAYMENTS

1 THROUGH UTILITY BILL PAYMENTS COULD EXPAND THE OPPORTUNITIES
2 FOR ELIGIBLE RETAIL UTILITY CUSTOMERS TO PURSUE ENERGY EFFICIENCY
3 MEASURES, ELECTRIFICATION MEASURES, AND ENERGY UPGRADES BY
4 ENABLING UTILITY CUSTOMERS TO PAY BACK THE UP-FRONT COSTS OF THE
5 UPGRADES AND MEASURES OVER TIME THROUGH THEIR UTILITY BILL
6 PAYMENTS AT OR BELOW INTEREST RATES THAT MAY BE AVAILABLE FROM
7 OTHER SOURCES; AND

8 (d) A PROGRAM ESTABLISHED TO PROVIDE SUCH ON-BILL
9 REPAYMENT COULD INCLUDE UTILITY-ADMINISTERED REPAYMENT OF
10 COSTS FOR WHICH THE REPAYMENT OBLIGATION REMAINS WITH THE
11 ASSOCIATED ENERGY METER AND SERVICE ADDRESS, INSTEAD OF
12 TRANSFERRING TO A CUSTOMER'S NEW LOCATION.

13 **24-38.5-602. Definitions.** AS USED IN THIS PART 6, UNLESS THE
14 CONTEXT OTHERWISE REQUIRES:

15 (1) "COMMISSION" MEANS THE PUBLIC UTILITIES COMMISSION
16 CREATED IN SECTION 40-2-101.

17 (2) "COOPERATIVE ELECTRIC ASSOCIATION" HAS THE MEANING SET
18 FORTH IN SECTION 40-9.5-102 (1).

19 (3)(a) "ELECTRIFICATION" MEANS "BENEFICIAL ELECTRIFICATION",
20 AS DEFINED IN SECTION 40-1-102 (1.2).

21 (b) "ELECTRIFICATION" INCLUDES:

22 (I) A GROUND-SOURCE OR AIR-SOURCE HEAT PUMP SYSTEM; AND

23 (II) A HEAT PUMP WATER HEATER.

24 (4) (a) "ENERGY EFFICIENCY MEASURE" MEANS ANY
25 PERMANENTLY INSTALLED IMPROVEMENT, ADDITION, OR EQUIPMENT THAT
26 ALIGNS WITH THE STATE'S GREENHOUSE GAS REDUCTION TARGETS AND
27 THAT:

1 (I) REDUCES THE CONSUMPTION OF ENERGY AT A PROGRAM
2 PARTICIPANT'S PREMISES; OR

3 (II) ENABLES A PROGRAM PARTICIPANT TO REDUCE OR SHIFT
4 ENERGY CONSUMPTION AT THE PREMISES.

5 (b) "ENERGY EFFICIENCY MEASURE" INCLUDES:

6 (I) A BUILDING SHELL MEASURE, SUCH AS AIR SEALING, WINDOW
7 FILM, ROOF REPAIR, INSULATION, OR WINDOW AND DOOR MODIFICATIONS;

8 (II) AN AUTOMATIC OR INTERNET-CONNECTED ENERGY CONTROL
9 SYSTEM; AND

10 (III) ANY OTHER MEASURE OR UPGRADE AUTHORIZED BY THE
11 OFFICE OR APPROVED BY THE COMMISSION AS PART OF A UTILITY'S
12 APPLICATION TO ESTABLISH AN ON-BILL PROGRAM OR TO USE MONEY FROM
13 THE FUND.

14 (5) "ENERGY UPGRADE" MEANS THE INSTALLATION,
15 IMPROVEMENT, OR ADDITION OF APPURTENANCE EQUIPMENT AT A
16 PROGRAM PARTICIPANT'S PREMISES TO:

17 (a) UPGRADE THE PROGRAM PARTICIPANT'S ELECTRIC PANEL TO
18 ENABLE THE INSTALLATION OF ENERGY EFFICIENCY MEASURES OR
19 ELECTRIFICATION MEASURES;

20 (b) UPGRADE OTHER ELECTRICAL EQUIPMENT THAT ENABLES THE
21 INSTALLATION OF ENERGY STORAGE, INCLUDING INSTALLATION OF A
22 SUBPANEL, CRITICAL LOAD PANEL, BACKUP SWITCH, GATEWAY, OR OTHER
23 EQUIPMENT; OR

24 (c) MAKE ANY OTHER ENERGY UPGRADE AUTHORIZED BY THE
25 OFFICE OR APPROVED BY THE COMMISSION AS PART OF A UTILITY'S
26 APPLICATION TO ESTABLISH AN ON-BILL PROGRAM.

27 (6) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN

1 SECTION 24-38.5-101 (1).

2 (7) "ON-BILL CASH FUND" OR "FUND" MEANS THE ON-BILL CASH
3 FUND CREATED IN SECTION 24-38.5-607.

4 (8) "ON-BILL PROGRAM" MEANS A UTILITY'S PROGRAM THAT
5 RECEIVES MONEY FROM THE ON-BILL CASH FUND PURSUANT TO THIS PART
6 6 AND THROUGH WHICH PROGRAM THE COSTS OF ENERGY EFFICIENCY
7 MEASURES, ELECTRIFICATION MEASURES, AND ENERGY UPGRADES
8 INSTALLED AT A PROGRAM PARTICIPANT'S PREMISES ARE REPAID THROUGH
9 MONTHLY UTILITY BILL PAYMENTS.

10 (9) "PARTICIPATING UTILITY" MEANS A UTILITY THAT RECEIVES
11 MONEY THROUGH THE PROGRAM, EITHER DIRECTLY OR BY ELECTING TO
12 HAVE ITS UTILITY-DESIGNATED ADMINISTRATOR RECEIVE MONEY;
13 THROUGH A LOAN FROM THE OFFICE; OR THROUGH PARTICIPATION IN A
14 PROGRAM ADMINISTERED BY THE PROGRAM ADMINISTRATOR IN WHICH
15 THE PROGRAM ADMINISTRATOR RECEIVES MONEY FROM THE OFFICE TO
16 MANAGE A UTILITY ON-BILL PROGRAM FOR THE UTILITY.

17 (10) "PROGRAM ADMINISTRATOR" MEANS A THIRD-PARTY ENTITY
18 THAT THE OFFICE MAY CONTRACT WITH TO PLAN, ADMINISTER, OPERATE,
19 AND MANAGE A UTILITY ON-BILL PROGRAM FOR PARTICIPATING UTILITIES
20 THAT VOLUNTARILY CHOOSE TO CONTRACT WITH THE PROGRAM
21 ADMINISTRATOR AS THEIR UTILITY-DESIGNATED ADMINISTRATOR.

22 (11) "PROGRAM PARTICIPANT" MEANS A PARTICIPATING UTILITY
23 CUSTOMER THAT HAS REQUESTED TO PARTICIPATE IN A PARTICIPATING
24 UTILITY'S ON-BILL PROGRAM AND THAT THE PARTICIPATING UTILITY,
25 EITHER DIRECTLY OR THROUGH ITS UTILITY-DESIGNATED ADMINISTRATOR,
26 HAS DETERMINED IS ELIGIBLE FOR PROGRAM PARTICIPATION.

27 (12) "UNCLAIMED PROPERTY TRUST FUND" MEANS THE

1 UNCLAIMED PROPERTY TRUST FUND CREATED IN SECTION 38-13-801.

2 (13) "UTILITY" MEANS AN ELECTRIC UTILITY, A GAS UTILITY, OR A
3 COMBINED FUEL UTILITY AND INCLUDES:

4 (a) AN INVESTOR-OWNED UTILITY;

5 (b) A COOPERATIVE ELECTRIC ASSOCIATION; AND

6 (c) A MUNICIPALLY OWNED UTILITY.

7 (14) (a) "UTILITY-DESIGNATED ADMINISTRATOR" MEANS A
8 THIRD-PARTY ENTITY THAT A UTILITY MAY CONTRACT WITH TO PLAN,
9 ADMINISTER, OPERATE, AND MANAGE THE UTILITY'S ON-BILL PROGRAM.

10 (b) "UTILITY-DESIGNATED ADMINISTRATOR" INCLUDES THE
11 PROGRAM ADMINISTRATOR, AS APPLICABLE.

12 **24-38.5-603. On-bill programs - participation process -**
13 **reporting.** (1) FOR THE PURPOSE OF ALLOCATING MONEY TO PROVIDE
14 CAPITAL FOR PARTICIPATING UTILITIES' ON-BILL PROGRAMS, THE OFFICE
15 SHALL ESTABLISH A PROCESS THROUGH WHICH A UTILITY MAY REQUEST TO
16 BECOME A PARTICIPATING UTILITY. THE OFFICE MAY DESIGN REQUEST
17 FORMS OR GUIDANCE DOCUMENTS FOR THE PROCESS AND SHALL POST ANY
18 SUCH FORMS AND GUIDANCE DOCUMENTS ON ITS PUBLIC WEBSITE.

19 (2) (a) PURSUANT TO AN AGREEMENT BETWEEN THE OFFICE AND
20 A PARTICIPATING UTILITY OR THE PROGRAM ADMINISTRATOR, MONEY
21 PROVIDED TO THE UTILITY OR ITS UTILITY-DESIGNATED ADMINISTRATOR
22 TO HELP ESTABLISH OR CONTINUE THE UTILITY'S ON-BILL PROGRAM MAY
23 BE USED TO SUPPORT ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
24 MEASURES, AND ENERGY UPGRADES AT A PROGRAM PARTICIPANT'S
25 PREMISES THAT ARE LOCATED AND REMAIN IN THE UTILITY'S SERVICE
26 TERRITORY.

27 (b) IN AN AGREEMENT ENTERED INTO PURSUANT TO THIS

1 SUBSECTION (2), THE AGREEMENT MUST INCLUDE REQUIREMENTS THAT,
2 NO LATER THAN THREE YEARS AFTER MONEY IS LOANED TO THE
3 PARTICIPATING UTILITY OR PROGRAM ADMINISTRATOR, THE
4 PARTICIPATING UTILITY OR PROGRAM ADMINISTRATOR SHALL BEGIN
5 MAKING ANNUAL PAYMENTS OF THE PRINCIPAL AND INTEREST OF THE
6 AMOUNT LOANED AT THE INTEREST RATE SPECIFIED IN SUBSECTION (2)(c)
7 OF THIS SECTION, WHICH MONEY THE STATE TREASURER SHALL CREDIT
8 DIRECTLY TO THE UNCLAIMED PROPERTY TRUST FUND. AN AGREEMENT
9 ENTERED INTO PURSUANT TO THIS SUBSECTION (2) MUST REQUIRE THAT
10 THE LOAN IS AMORTIZED OVER A MAXIMUM OF TWENTY YEARS.

11 (c) A LOAN MADE TO A PARTICIPATING UTILITY FROM THE ON-BILL
12 CASH FUND MUST INCLUDE AN INTEREST RATE OF ONE PERCENT, AND
13 INTEREST PAYMENTS MUST BE CREDITED TO THE UNCLAIMED PROPERTY
14 TRUST FUND.

15 (3) (a) THE OFFICE MAY ISSUE GUIDANCE ON PROGRAM
16 REQUIREMENTS OR PLACE CONTRACT LIMITATIONS ON THE USE OF LOANS
17 FROM THE FUND, AS APPROPRIATE, FOR DEVELOPMENT, IMPLEMENTATION,
18 AND UPDATES OF CONSUMER PROTECTION AND EQUITY REQUIREMENTS TO
19 ENSURE THE SUCCESS OF THE PROGRAM, WHILE BALANCING:

20 (I) RISK TO LENDERS, UTILITIES, UTILITY-DESIGNATED
21 ADMINISTRATORS, AND CUSTOMERS;

22 (II) EQUITY;

23 (III) REPAYMENT TERMS; AND

24 (IV) UTILITY BILL IMPACTS FOR PROGRAM PARTICIPANTS AND
25 NONPARTICIPANTS.

26 (b) THE OFFICE SHALL CONSULT WITH A PARTICIPATING UTILITY'S
27 UTILITY-DESIGNATED ADMINISTRATOR OR A PROGRAM ADMINISTRATOR

1 SELECTED BY THE OFFICE PURSUANT TO SECTION 24-38.5-604, AS
2 APPROPRIATE, IN DEVELOPING GUIDANCE ON PROGRAM REQUIREMENTS,
3 INCLUDING CONSUMER PROTECTION AND EQUITY REQUIREMENTS, WHICH
4 REQUIREMENTS MAY INCLUDE:

5 (I) THE RATE CLASSES OF UTILITY CUSTOMERS THAT MAY
6 PARTICIPATE IN THE UTILITY'S ON-BILL PROGRAM, WHICH RATE CLASSES
7 MUST, AT A MINIMUM, INCLUDE RESIDENTIAL CUSTOMERS;

8 (II) THE ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
9 MEASURES, AND ENERGY UPGRADES THAT THE UTILITY MAY AUTHORIZE
10 A PROGRAM PARTICIPANT TO FINANCE THROUGH AN ON-BILL PROGRAM;

11 (III) A CAP ON THE TOTAL FINANCING THAT MAY BE MADE
12 AVAILABLE TO A RESIDENTIAL UTILITY CUSTOMER, NOT TO EXCEED FIFTY
13 THOUSAND DOLLARS;

14 (IV) FOR UTILITIES THAT ARE NOT REGULATED BY THE
15 COMMISSION, THE METHOD THAT A PARTICIPATING UTILITY MAY USE TO
16 RECOVER PROGRAM ADMINISTRATION COSTS; AND

17 (V) REQUIREMENTS REGARDING TRANSFERS OF FINANCIAL
18 RESPONSIBILITY WHEN AN OWNER OR TENANT VACATES A BUILDING
19 SUBJECT TO A UTILITY'S ON-BILL PROGRAM, INCLUDING A REQUIREMENT
20 THAT A PROPERTY OWNER THAT IS A PARTICIPATING CUSTOMER OR IS THE
21 OWNER OF A PROPERTY FOR WHICH THERE IS AN EXISTING REPAYMENT
22 OBLIGATION ON THE UTILITY BILL RELATED TO PARTICIPATION IN A
23 PROGRAM SHALL AGREE TO NOTIFY A PROSPECTIVE TENANT OF THE
24 ON-BILL REPAYMENT OBLIGATION, PRIOR TO THE EXECUTION OF A LEASE.

25 (c) FOR CONTRACTS WITH A REGULATED UTILITY OR THE
26 REGULATED UTILITY'S UTILITY-DESIGNATED ADMINISTRATOR, THE FINAL
27 CONTRACT MUST CONFORM WITH ANY FINAL APPROVAL FROM THE

1 COMMISSION.

2 (d) A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
3 ADMINISTRATOR SHALL BE RESPONSIBLE FOR REPAYING THE AMOUNT OF
4 FUNDING PROVIDED FROM THE ON-BILL CASH FUND TO THE UTILITY OR ITS
5 UTILITY-DESIGNATED ADMINISTRATOR.

6 (e) IN DEVELOPING GUIDANCE ON PROGRAM REQUIREMENTS
7 PURSUANT TO THIS SUBSECTION (3), THE OFFICE SHALL CREATE AS MUCH
8 STANDARDIZATION AS POSSIBLE AMONG NEWLY PROPOSED AND ALREADY
9 EXISTING TARIFFED ON-BILL PROGRAMS, WITH A PARTICULAR FOCUS ON
10 EASING THE BURDEN OF PARTICIPATION BY CONTRACTORS WORKING
11 ACROSS MULTIPLE UTILITY TERRITORIES.

12 (4) WHEN CONTRACTING WITH A PARTICIPATING UTILITY OR
13 PROGRAM ADMINISTRATOR REGARDING AN ON-BILL PROGRAM
14 ESTABLISHED AFTER JULY 1, 2025, THE OFFICE SHALL STRUCTURE THE
15 CONTRACT AS A TARIFFED ON-BILL PROGRAM.

16 (5) THE OFFICE MAY PLACE CONTRACT LIMITATIONS ON THE USE
17 OF LOANS FROM THE FUND, AS APPROPRIATE, FOR THE DEVELOPMENT,
18 IMPLEMENTATION, AND UPDATES OF CONSUMER PROTECTION AND EQUITY
19 REQUIREMENTS TO ENSURE THE SUCCESS OF THE PROGRAM, WHILE
20 BALANCING RISK TO LENDERS, UTILITIES, UTILITY-DESIGNATED
21 ADMINISTRATORS, AND CUSTOMERS; EQUITY; REPAYMENT TERMS; AND
22 UTILITY BILL IMPACTS FOR PROGRAM PARTICIPANTS. THE OFFICE SHALL
23 CONSULT WITH THE PARTICIPATING UTILITY, THE PARTICIPATING UTILITY'S
24 UTILITY-DESIGNATED ADMINISTRATOR, OR A PROGRAM ADMINISTRATOR
25 SELECTED BY THE OFFICE PURSUANT TO SECTION 24-38.5-604, AS
26 APPROPRIATE, IN DEVELOPING THE CONSUMER PROTECTION AND EQUITY
27 REQUIREMENTS, WHICH REQUIREMENTS MAY INCLUDE:

1 (a) QUALITY INSTALLATION VERIFICATION, INCLUDING THE
2 CERTIFICATIONS AND RELATED ENFORCEMENT MECHANISMS NEEDED TO
3 ENSURE AND VERIFY QUALITY INSTALLATIONS;
4 (b) PROCEDURES FOR ADDRESSING FAILING EQUIPMENT;
5 (c) VENDOR OR CONTRACTOR SELECTION AND APPROVAL
6 PROCESSES, INCLUDING LABOR STANDARDS AND A PROCESS FOR
7 ENFORCEMENT OF THE LABOR STANDARDS;
8 (d) ELIGIBILITY REQUIREMENTS FOR PROGRAM PARTICIPANTS;
9 (e) PROTECTIONS FOR TENANTS WHOSE LANDLORDS FINANCE
10 ENERGY EFFICIENCY MEASURES THROUGH A PROGRAM, INCLUDING:
11 (I) REQUIREMENTS TO NOTIFY TENANTS OF REPAYMENT
12 OBLIGATIONS IN LEASE AGREEMENTS;
13 (II) PROCESSES FOR PROPERTY OWNERS TO INSTALL MEASURES AT
14 TENANT-OCCUPIED LOCATIONS; AND
15 (III) OTHER MEASURES AS APPROPRIATE;
16 (f) PROGRAM DESIGN TO MANAGE THE RISK OF UTILITY
17 DISCONNECTION;
18 (g) THE FINANCING TERMS AVAILABLE FOR DIFFERENT TYPES OF
19 ENERGY EFFICIENCY MEASURES AND ENERGY UPGRADES; AND
20 (h) THE TREATMENT OF TRANSFER OF PROPERTY OWNERSHIP,
21 TREATMENT OF DEBTS TO A UTILITY OR ITS UTILITY-DESIGNATED
22 ADMINISTRATOR, AND PROPERTY TREATMENT AT TRANSFER.
23 (6) (a) EXCEPT AS PROVIDED IN SUBSECTION (5)(b) OF THIS
24 SECTION, ON OR BEFORE THE FIRST JANUARY 31 FOLLOWING THE FIFTH
25 COMPLETED YEAR OF PROGRAM IMPLEMENTATION, OR ONCE A UTILITY HAS
26 FINANCED AT LEAST TEN MILLION DOLLARS IN ENERGY EFFICIENCY
27 MEASURES, ELECTRIFICATION MEASURES, OR ENERGY UPGRADES WITH

1 FUNDING FROM THE ON-BILL CASH FUND, WHICHEVER OCCURS FIRST, AND
2 ON OR BEFORE JANUARY 31 OF EACH OF THE THREE YEARS THEREAFTER,
3 A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED ADMINISTRATOR
4 SHALL PREPARE AND SUBMIT TO THE OFFICE A REPORT THAT TRACKS THE
5 TOTAL AMOUNT OF ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
6 MEASURES, AND ENERGY UPGRADES FINANCED; THE NUMBER OF
7 PARTICIPATING CUSTOMERS BROKEN DOWN BY INTEREST RATE, AS
8 APPLICABLE; AND CUMULATIVE PROGRAM PARTICIPATION DEFAULT RATES,
9 UTILITY DISCONNECTIONS, COMPLIANCE WITH LABOR STANDARDS, AND
10 OTHER METRICS THAT THE OFFICE DEEMS RELEVANT TO THE CONSUMER
11 PROTECTION AND EQUITY REQUIREMENTS FOR THE PROGRAM. THE OFFICE
12 SHALL MAKE THE REPORTS PUBLICLY AVAILABLE ON ITS PUBLIC WEBSITE.

13 (b) A REGULATED UTILITY THAT IS REQUIRED TO FILE A REPORT
14 WITH THE COMMISSION REGARDING AN ON-BILL PROGRAM NEED NOT
15 PREPARE AND SUBMIT TO THE OFFICE A REPORT PURSUANT TO SUBSECTION
16 (6)(a) OF THIS SECTION.

17 **24-38.5-604. Authority to contract with program**
18 **administrators - selection criteria - program design requirements.**

19 (1) IN ACCORDANCE WITH THE REQUIREMENTS OF THE "PROCUREMENT
20 CODE", ARTICLES 101 TO 112 OF THIS TITLE 24, THE OFFICE MAY
21 CONTRACT WITH ONE OR MORE INDEPENDENT THIRD-PARTY ENTITIES TO
22 SERVE AS PROGRAM ADMINISTRATORS TO FACILITATE AND HELP
23 ADMINISTER UTILITY ON-BILL PROGRAMS FOR PARTICIPATING UTILITIES.
24 THE OFFICE SHALL CONTRACT ONLY WITH ONE OR MORE OF THE
25 FOLLOWING ENTITIES TO SERVE AS PROGRAM ADMINISTRATORS:

26 (a) A BANK;

27 (b) A NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL

1 INSTITUTION;

2 (c) A BUSINESS DEVELOPMENT CORPORATION; OR

3 (d) A NONPROFIT ORGANIZATION.

4 (2) IN SELECTING A PROGRAM ADMINISTRATOR PURSUANT TO THIS
5 SECTION, THE OFFICE SHALL CONSIDER THE ABILITY OF A POTENTIAL
6 PROGRAM ADMINISTRATOR TO EXPAND THE PROGRAM, INCLUDING BY
7 EXPANDING THE CAPITAL AVAILABLE FOR USE IN THE PROGRAM THROUGH
8 PUBLIC AND PRIVATE CAPITAL SOURCES.

9 (3) THE OFFICE, IN CONSULTATION WITH A SELECTED PROGRAM
10 ADMINISTRATOR, MAY DETERMINE THE DESIGN REQUIREMENTS FOR THE
11 PROGRAM, WITH THE GOAL OF OFFERING CUSTOMERS THE LOWEST
12 REASONABLE INTEREST RATES, INCLUDING:

13 (a) A REQUIREMENT THAT A PARTICIPATING UTILITY'S ON-BILL
14 PROGRAM PROVIDE FOR STANDARDIZATION OF ASPECTS OF THE UTILITY'S
15 PROGRAM, SUCH AS FORMS USED TO APPLY FOR PARTICIPATION IN THE
16 UTILITY'S PROGRAM, BUT OTHERWISE ALLOW FOR FLEXIBILITY IN
17 IMPLEMENTING THE UTILITY'S PROGRAM TO ALLOW FOR DIFFERENT
18 REQUIREMENTS BASED ON WHICH ENERGY EFFICIENCY MEASURES,
19 ELECTRIFICATION MEASURES, AND ENERGY UPGRADES A PROGRAM
20 PARTICIPANT CHOOSES;

21 (b) A REQUIREMENT THAT THE ENERGY EFFICIENCY MEASURES,
22 ELECTRIFICATION MEASURES, AND ENERGY UPGRADES AUTHORIZED FOR
23 A PARTICIPATING UTILITY'S ON-BILL PROGRAM COMPLY WITH PROGRAM
24 REQUIREMENTS;

25 (c) A REQUIREMENT THAT A PROGRAM ADMINISTRATOR PURSUE
26 OTHER SOURCES OF PUBLIC AND PRIVATE CAPITAL, WITH A GOAL OF
27 INCREASING AVAILABLE STATEWIDE FUNDING FOR ON-BILL PROGRAMS TO

1 ONE BILLION DOLLARS BY 2030;

2 (d) A REQUIREMENT TO REDUCE CUSTOMER INTEREST RATES TO
3 THE LOWEST REASONABLE RATES AND TO REDUCE RISK OF DEFAULT; AND

4 (e) REQUIREMENTS REGARDING HOW AVAILABLE REBATES MAY BE
5 APPLIED TO AN ENERGY EFFICIENCY MEASURE, ELECTRIFICATION
6 MEASURE, OR ENERGY UPGRADE PROJECT BEFORE FINANCING.

7 **24-38.5-605. Transfers of financial responsibility - notification**
8 **required - utility's obligation - program administrator's obligation.**

9 (1) THE OFFICE SHALL INCLUDE A REQUIREMENT IN ANY CONTRACT
10 ENTERED INTO WITH A PARTICIPATING UTILITY OR PROGRAM
11 ADMINISTRATOR REGARDING THE USE OF MONEY FROM THE ON-BILL CASH
12 FUND THAT THE UTILITY OR PROGRAM ADMINISTRATOR THAT RECEIVES
13 FINANCING FROM THE ON-BILL CASH FUND SHALL EITHER DIRECTLY OR
14 THROUGH A UTILITY-DESIGNATED ADMINISTRATOR RECORD A NOTICE
15 WITH THE COUNTY CLERK AND RECORDER FOR INCLUSION IN THE PUBLIC
16 RECORDS OF THE COUNTY IN WHICH A PROGRAM PARTICIPANT'S PROPERTY
17 IS LOCATED AGAINST THE REAL PROPERTY TITLE AS FOLLOWS:

18 (a) WHERE THE FINANCING IS ATTACHED TO THE METER, THE
19 OFFICE SHALL ESTABLISH A REQUIREMENT THAT THE PARTICIPATING
20 UTILITY OR PROGRAM ADMINISTRATOR, WITHIN THIRTY DAYS AFTER THE
21 PROVISION OF FINANCING TO A PROGRAM PARTICIPANT, SHALL RECORD A
22 NOTICE OF THE ON-BILL REPAYMENT OBLIGATION, WHICH NOTICE MUST
23 INCLUDE A LEGAL DESCRIPTION OF THE REAL PROPERTY SUBJECT TO THE
24 FINANCING THAT IS ATTACHED TO THE METER, THE NAME AND ADDRESS OF
25 THE UTILITY CUSTOMER, THE PRINCIPAL AMOUNT FINANCED, AND THE
26 TERMS OF REPAYMENT. THE OFFICE SHALL ALSO ESTABLISH A
27 REQUIREMENT THAT THE PARTICIPATING UTILITY OR PROGRAM

1 ADMINISTRATOR, WITHIN THIRTY DAYS AFTER THE FINANCING HAS BEEN
2 COMPLETELY REPAID, SHALL FILE A NOTICE WITH THE COUNTY CLERK AND
3 RECORDER FOR INCLUSION IN THE PUBLIC RECORDS OF THE COUNTY IN
4 WHICH THE PROPERTY IS LOCATED INDICATING THAT THE FINANCING
5 REPAYMENT IS COMPLETE AND THAT THERE ARE NO FURTHER FINANCIAL
6 OBLIGATIONS.

7 (b) WHERE THE FINANCING IS A LOAN TO THE PROPERTY OWNER,
8 THE PARTICIPATING UTILITY OR PROGRAM ADMINISTRATOR, WITHIN
9 THIRTY DAYS AFTER THE PROVISION OF FINANCING TO A PROGRAM
10 PARTICIPANT, SHALL RECORD A LIEN THAT MUST INCLUDE THE LEGAL
11 DESCRIPTION OF THE REAL PROPERTY SUBJECT TO THE LOAN IN THE PUBLIC
12 RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED. THE LIEN
13 DOES NOT ESTABLISH A RIGHT TO FORECLOSE ON THE PROPERTY. THERE
14 SHALL BE A REQUIREMENT THAT THE LOAN BE PAID OFF AT THE POINT OF
15 SALE OF THE REAL PROPERTY SUBJECT TO THE LOAN. WITHIN THIRTY DAYS
16 AFTER THE LOAN HAS BEEN COMPLETELY REPAID, THE PARTICIPATING
17 UTILITY OR PROGRAM ADMINISTRATOR SHALL FILE TO REMOVE THE LIEN.
18 THIS SUBSECTION (1)(b) DOES NOT APPLY IF A LOAN IS STRUCTURED AS AN
19 UNSECURED LOAN TO AN INDIVIDUAL CUSTOMER, WHICH UNSECURED
20 LOAN CREATES NO RECOURSE AGAINST THE PROPERTY, SUBSEQUENT
21 PROPERTY OWNERS, OR A FUTURE UTILITY CUSTOMER LOCATED AT THE
22 PROPERTY.

23 (2) AT THE POINT OF SALE OF THE REAL PROPERTY SUBJECT TO A
24 LOAN, IF THE PROPERTY VALUE IS LESS THAN THE REMAINING REPAYMENT
25 OBLIGATION ON THE LOAN, THERE MAY BE A REQUIREMENT THAT THE
26 LOAN BE PAID OFF AT THAT TIME.

27 (3) A COUNTY CLERK AND RECORDER SHALL RECORD A NOTICE

1 FILED PURSUANT TO THIS SECTION IN A MANNER THAT WILL APPEAR IN A
2 TITLE SEARCH OF THE PROPERTY.

3 **24-38.5-606. Participation by utilities - program**
4 **administration.** (1) A UTILITY OR ITS UTILITY-DESIGNATED
5 ADMINISTRATOR MAY SEEK MONEY FROM THE ON-BILL CASH FUND USING
6 A PROCESS APPROVED BY THE OFFICE TO ESTABLISH ITS OWN ON-BILL
7 PROGRAM OR SUPPORT AN EXISTING ON-BILL PROGRAM.

8 (2) A UTILITY PARTICIPATING IN THE PROGRAM PURSUANT TO THIS
9 SECTION MAY DESIGNATE AN ADMINISTRATOR WITH WRITTEN APPROVAL
10 FROM THE OFFICE OR MAY CHOOSE TO DESIGNATE THE PROGRAM
11 ADMINISTRATOR SELECTED BY THE OFFICE AS ITS UTILITY-DESIGNATED
12 ADMINISTRATOR.

13 (3) IF THE OFFICE CONTRACTS WITH A PROGRAM ADMINISTRATOR
14 PURSUANT TO SECTION 24-38.5-604, A UTILITY THAT, ON THE EFFECTIVE
15 DATE OF THIS SECTION, HAS AN EXISTING ON-BILL PROGRAM MAY SEEK
16 WRITTEN APPROVAL FROM THE OFFICE TO TRANSFER THE ADMINISTRATION
17 OF ITS ON-BILL PROGRAM TO THE PROGRAM ADMINISTRATOR.

18 **24-38.5-607. On-bill cash fund - creation.** (1) THE ON-BILL
19 CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
20 MONEY CREDITED TO THE FUND PURSUANT TO SECTION 38-13-801 (3.3)
21 AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE
22 OR TRANSFER TO THE FUND.

23 (2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
24 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
25 ON-BILL CASH FUND TO THE FUND.

26 (3) MONEY IN THE ON-BILL CASH FUND IS CONTINUOUSLY
27 APPROPRIATED TO THE OFFICE TO DEFRAY THE COSTS INCURRED BY THE

1 OFFICE IN ADMINISTERING THE PROGRAM AND IN SUPPORTING UTILITY AND
2 BUILDING DECARBONIZATION.

3 (4) (a) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST
4 FUND TO A SEPARATE FUND ASSOCIATED WITH A STATE OFFICE IS AN
5 INTERFUND LOAN ACCORDING TO GOVERNMENTAL ACCOUNTING
6 STANDARDS BOARD CODIFICATION 1800.102, MEANING THAT THE LOAN IS
7 NOT CLASSIFIED AS REVENUE AND IS BOOKED AS AN INTERFUND
8 RECEIVABLE OR PAYABLE.

9 (b) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST FUND
10 TO A SEPARATE FUND ASSOCIATED WITH A STATE OFFICE IS NOT STATE
11 FISCAL YEAR SPENDING, AS DEFINED IN SECTION 24-77-102 (17), OR STATE
12 REVENUES, AS DEFINED IN SECTION 24-77-103.6 (6)(c), AND DOES NOT
13 COUNT AGAINST EITHER THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED
14 BY SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION OR THE EXCESS
15 STATE REVENUES CAP, AS DEFINED IN SECTION 24-77-103.6 (6)(b)(I)(G).

16 **SECTION 2.** In Colorado Revised Statutes, **add** 40-2-140 as
17 follows:

18 **40-2-140. Utility on-bill program - review by commission -**
19 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
20 OTHERWISE REQUIRES:

21 (a) "COMBINED FUEL CUSTOMER" MEANS A RESIDENTIAL UTILITY
22 CUSTOMER THAT TAKES BOTH ELECTRIC AND GAS SERVICE FROM THE
23 UTILITY.

24 (b) "ON-BILL CASH FUND" HAS THE MEANING SET FORTH IN
25 SECTION 24-38.5-602 (7).

26 (c) "ON-BILL PROGRAM" HAS THE MEANING SET FORTH IN SECTION
27 24-38.5-602 (8).

1 (2) (a) (I) EXCEPT AS PROVIDED IN SUBSECTION (2)(a)(II) OF THIS
2 SECTION, ON OR BEFORE DECEMBER 31, 2027, A GAS, ELECTRIC, OR
3 COMBINED FUEL UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND
4 CUSTOMERS IN THE STATE SHALL FILE WITH THE COMMISSION AN
5 APPLICATION THAT EITHER PROPOSES TO USE FUNDING FROM THE ON-BILL
6 CASH FUND TO ESTABLISH OR MODIFY AN EXISTING ON-BILL PROGRAM OR
7 PROPOSES NOT TO USE FUNDING FROM THE ON-BILL CASH FUND.

8 (II) IF THE UTILITY PROPOSES NOT TO USE FUNDING FROM THE
9 ON-BILL CASH FUND, THE UTILITY'S FILING MUST DEMONSTRATE WHY THE
10 UTILITY'S USE OF THE FUNDING WOULD NOT BE IN THE PUBLIC INTEREST.

11 (III) IF THE UTILITY PROPOSES TO USE FUNDING FROM THE ON-BILL
12 CASH FUND, THE UTILITY MAY PROPOSE TO USE THE FUNDING BY
13 RECEIVING FUNDING DIRECTLY FROM THE OFFICE, ELECTING TO HAVE A
14 UTILITY-DESIGNATED ADMINISTRATOR RECEIVE FUNDING FROM THE
15 OFFICE, OR BY PARTICIPATING IN A PROGRAM ADMINISTERED BY THE
16 PROGRAM ADMINISTRATOR.

17 (b) UNLESS OTHERWISE PART OF A UTILITY ON-BILL PROGRAM
18 APPROVED BY THE COMMISSION AND NOT IN CONFLICT WITH ANY
19 COMMISSION-APPROVED ON-BILL PROGRAM OR OTHER COMMISSION
20 DECISION, A UTILITY'S FILING SUBMITTED PURSUANT TO SUBSECTION
21 (2)(a)(I) OF THIS SECTION MUST:

22 (I) PROPOSE TO MAKE THE UTILITY'S ON-BILL PROGRAM AVAILABLE
23 TO ELECTRIC-ONLY RETAIL CUSTOMERS, GAS-ONLY RETAIL CUSTOMERS,
24 AND COMBINED FUEL RETAIL CUSTOMERS;

25 (II) DESCRIBE HOW THE UTILITY WOULD USE MONEY FROM THE
26 ON-BILL CASH FUND TO IMPLEMENT OR MODIFY AN ON-BILL PROGRAM;

27 (III) DESCRIBE HOW THE UTILITY PROPOSES TO TREAT SITUATIONS

1 INVOLVING INSUFFICIENT REPAYMENT BY PARTICIPATING CUSTOMERS;

2 (IV) DESCRIBE HOW THE UTILITY WILL OFFER THE ON-BILL

3 PROGRAM TO ITS RESIDENTIAL CUSTOMERS;

4 (V) INCLUDE INFORMATION CONCERNING HOW THE UTILITY MAY

5 ALLOW NONPROFIT ORGANIZATIONS, STATE AND LOCAL GOVERNMENTS,

6 MULTIFAMILY DWELLINGS, AND HOMEOWNERS' ASSOCIATIONS TO

7 PARTICIPATE IN THE ON-BILL PROGRAM; AND

8 (VI) DESCRIBE HOW THE UTILITY MAY USE FUNDING FROM THE

9 ON-BILL CASH FUND OR OTHER SOURCES OF FUNDING TO REDUCE INTEREST

10 RATES, ESPECIALLY FOR CUSTOMERS IN LOW- AND MODERATE-INCOME

11 HOUSEHOLDS.

12 (3) A UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND

13 CUSTOMERS IN THE STATE MAY RECOVER ALL ON-BILL PROGRAM COSTS IN

14 ACCORDANCE WITH PART 6 OF ARTICLE 38.5 OF TITLE 24. A UTILITY SHALL

15 RECOVER ADMINISTRATIVE COSTS THROUGH BASE RATES OR AN

16 APPLICABLE RIDER BUT NOT THROUGH THE INTEREST RATE ESTABLISHED

17 FOR MONEY MADE AVAILABLE THROUGH THE ON-BILL PROGRAM. A

18 UTILITY SHALL RECOVER ITS ACTUAL ADMINISTRATIVE COSTS ASSOCIATED

19 WITH ITS ON-BILL PROGRAM AS APPROVED BY THE COMMISSION. A UTILITY

20 MAY RECOVER AN ON-BILL PROGRAM ADMINISTRATION FEE, AS DEFINED

21 IN SECTION 24-38.5-123 (2)(p), AND COSTS ASSOCIATED WITH MANAGING

22 THE RISK OF NONPAYMENT BY PARTICIPANTS THROUGH BASE RATES, AN

23 APPLICABLE RIDER, OR THE RATE ESTABLISHED FOR MONEY MADE

24 AVAILABLE THROUGH THE ON-BILL PROGRAM, AS APPROVED BY THE

25 COMMISSION. A UTILITY MAY PROPOSE OR MAY MAINTAIN A METHOD TO

26 RECOVER APPROVED ADMINISTRATIVE COSTS, INCLUDING THE USE OF AN

27 EXISTING RIDER, AS APPROVED BY THE COMMISSION.

1 (4) A UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND
2 CUSTOMERS IN THE STATE THAT, BY JUNE 1, 2026, DOES NOT HAVE AN
3 EXISTING ON-BILL PROGRAM THAT HAS BEEN APPROVED BY THE
4 COMMISSION SHALL FILE THE APPLICATION DESCRIBED IN SUBSECTION
5 (2)(a) OF THIS SECTION ON OR BEFORE DECEMBER 31, 2026.

6 (5) (a) THE COMMISSION SHALL REVIEW AND APPROVE,
7 DISAPPROVE, OR APPROVE WITH MODIFICATIONS A UTILITY'S APPLICATION
8 SUBMITTED PURSUANT TO SUBSECTION (2) OF THIS SECTION. IN REVIEWING
9 AN APPLICATION, THE COMMISSION SHALL DETERMINE WHETHER THE
10 UTILITY'S PROPOSED PLAN FOR PARTICIPATION IN A UTILITY ON-BILL
11 PROGRAM IS IN THE PUBLIC INTEREST, AND, IF THE COMMISSION
12 DETERMINES THAT THE PROPOSED PLAN IS NOT IN THE PUBLIC INTEREST,
13 THE COMMISSION MAY MODIFY SPECIFIC PORTIONS OF THE PROPOSED PLAN
14 TO BRING THE PROPOSED PLAN INTO ALIGNMENT WITH THE PUBLIC
15 INTEREST.

16 (b) IF THE COMMISSION, PURSUANT TO THIS SECTION OR THROUGH
17 A COMMISSION DECISION, APPROVES PARTICIPATION IN A UTILITY ON-BILL
18 PROGRAM FOR NONPROFIT ORGANIZATIONS OR NONRESIDENTIAL
19 CUSTOMERS, THE REQUIREMENTS OF SECTIONS 40-3.2-105.5 AND
20 40-3.2-105.6 APPLY TO ANY WORK UNDERTAKEN AS PART OF THE ON-BILL
21 PROGRAM.

22 **SECTION 3.** In Colorado Revised Statutes, 38-13-801, **amend**
23 (1)(b); and **add** (1)(e) and (3.3) as follows:

24 **38-13-801. Unclaimed property trust fund - creation -**
25 **payments - interest - appropriations - records - rules - reports -**
26 **legislative declaration.** (1) (b) Except as provided in subsections (2),
27 (3), (3.3), and (3.5) of this section, the principal of the trust fund shall not

1 be expended except to pay claims made pursuant to this article 13. Money
2 constituting the principal of the trust fund is not fiscal year spending of
3 the state for purposes of section 20 of article X of the state constitution
4 and is not subject to appropriation by the general assembly.

5 (e) IF CLAIMS MADE PURSUANT TO THIS ARTICLE 13 EXCEED THE
6 BALANCE IN THE UNCLAIMED PROPERTY TRUST FUND, THE EXCESS
7 AMOUNT SHALL BE PAID OUT OF THE GENERAL FUND.

8 (3.3) (a) ON JULY 1, 2025, THE STATE TREASURER SHALL MAKE AN
9 INTEREST-FREE LOAN IN THE AMOUNT OF FIVE MILLION DOLLARS FROM THE
10 UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND CREATED
11 IN SECTION 24-38.5-607; EXCEPT THAT, IF THE CONDITION DESCRIBED IN
12 SECTION 24-36-125 (2)(b) OCCURS, THE STATE TREASURER SHALL NOT
13 MAKE THE LOAN DESCRIBED IN THIS SUBSECTION (3.3)(a). IF THE
14 CONDITION DESCRIBED IN SECTION 24-36-125 (2)(b) OCCURS, THE STATE
15 TREASURER SHALL TRANSFER TWENTY-FIVE MILLION DOLLARS FROM THE
16 ON-BILL FINANCING FUND CREATED IN SECTION 24-36-125 (7) TO THE
17 ON-BILL CASH FUND CREATED IN SECTION 24-38.5-607 ONCE THE MONEY
18 IN THE ON-BILL FINANCING FUND REACHES TWENTY-FIVE MILLION
19 DOLLARS. THE COLORADO ENERGY OFFICE SHALL:

20 (I) USE THE LOAN TO SUPPORT UTILITY ON-BILL PROGRAMS, AS
21 DESCRIBED IN SECTION 24-38.5-603;

22 (II) ENTER INTO CONTRACTS THAT AUTHORIZE PARTICIPATING
23 UTILITIES AND THIRD-PARTY PROGRAM ADMINISTRATORS, AS THOSE TERMS
24 ARE DEFINED IN SECTION 24-38.5-602, TO REMIT ANY INTEREST DIRECTLY
25 TO THE UNCLAIMED PROPERTY TRUST FUND; AND

26 (III) PAY THE LOAN BACK TO THE UNCLAIMED PROPERTY TRUST
27 FUND BY JANUARY 1, 2046. THE LOAN REPAYMENT IS SUBJECT TO FUTURE

1 APPROPRIATION BY THE GENERAL ASSEMBLY AND SHALL NOT BE DEEMED
2 OR CONSTRUED AS CREATING INDEBTEDNESS OF THE STATE WITHIN THE
3 MEANING OF THE STATE CONSTITUTION OR THE LAWS OF THE STATE
4 CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

5 (b) IF THE LOAN DESCRIBED IN SUBSECTION (3.3)(a) OF THIS
6 SECTION IS MADE ON JULY 1, 2025, THEN, ON MARCH 1, 2026, THE STATE
7 TREASURER SHALL MAKE AN ADDITIONAL INTEREST-FREE LOAN IN THE
8 AMOUNT OF TWENTY MILLION DOLLARS FROM THE UNCLAIMED PROPERTY
9 TRUST FUND TO THE ON-BILL CASH FUND CREATED IN SECTION
10 24-38.5-607. THE COLORADO ENERGY OFFICE SHALL:

11 (I) USE THE LOAN TO SUPPORT UTILITY ON-BILL PROGRAMS, AS
12 DESCRIBED IN SECTION 24-38.5-603; AND

13 (II) PAY THE LOAN BACK TO THE UNCLAIMED PROPERTY TRUST
14 FUND BY JANUARY 1, 2046. THE LOAN REPAYMENT IS SUBJECT TO FUTURE
15 APPROPRIATION BY THE GENERAL ASSEMBLY AND SHALL NOT BE DEEMED
16 OR CONSTRUED AS CREATING INDEBTEDNESS OF THE STATE WITHIN THE
17 MEANING OF THE STATE CONSTITUTION OR THE LAW OF THE STATE
18 CONCERNING LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

19 (c) ON JULY 1, 2026, THE STATE TREASURER SHALL MAKE AN
20 INTEREST-FREE LOAN IN THE AMOUNT OF TWENTY-FIVE MILLION DOLLARS
21 FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND
22 CREATED IN SECTION 24-38.5-607; EXCEPT THAT, IF THE CONDITION
23 DESCRIBED IN SECTION 24-36-125 (2)(c) OCCURS, THE STATE TREASURER
24 SHALL NOT MAKE THE LOAN DESCRIBED IN THIS SUBSECTION (3.3)(c). IF
25 THE CONDITION DESCRIBED IN SECTION 24-36-125 (2)(c) OCCURS, THE
26 STATE TREASURER SHALL TRANSFER TWENTY-FIVE MILLION DOLLARS
27 FROM THE ON-BILL FINANCING FUND CREATED IN SECTION 24-36-125 (7)

1 TO THE ON-BILL CASH FUND CREATED IN SECTION 24-38.5-607 ONCE THE
2 MONEY IN THE ON-BILL FINANCING FUND REACHES TWENTY-FIVE MILLION
3 DOLLARS. THE COLORADO ENERGY OFFICE SHALL:

4 (I) USE THE LOAN TO SUPPORT UTILITY ON-BILL PROGRAMS, AS
5 DESCRIBED IN SECTION 24-38.5-603; AND

6 (II) PAY THE LOAN BACK TO THE UNCLAIMED PROPERTY TRUST
7 FUND BY JANUARY 1, 2046. THE LOAN REPAYMENT IS SUBJECT TO FUTURE
8 APPROPRIATION BY THE GENERAL ASSEMBLY AND SHALL NOT BE DEEMED
9 OR CONSTRUED AS CREATING INDEBTEDNESS OF THE STATE WITHIN THE
10 MEANING OF THE STATE CONSTITUTION OR THE LAW OF THE STATE
11 CONCERNING LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

12 (d) ON OR BEFORE DECEMBER 31, 2025, AND ON OR BEFORE
13 DECEMBER 31 OF EACH YEAR THEREAFTER, THE COLORADO ENERGY
14 OFFICE SHALL SUBMIT A REPORT TO THE STATE TREASURER AND THE STATE
15 CONTROLLER SUMMARIZING THE STATUS OF LOANS MADE TO UTILITIES
16 FROM THE MONEY LOANED FROM THE UNCLAIMED PROPERTY TRUST FUND
17 TO THE ON-BILL CASH FUND CREATED IN SECTION 24-38.5-607. THE
18 ANNUAL REPORT MUST INCLUDE INFORMATION REGARDING THE NUMBER
19 OF LOANS MADE TO UTILITIES TO DATE AND THE AMOUNTS LOANED TO
20 EACH UTILITY TO DATE.

21 **SECTION 4.** In Colorado Revised Statutes, add 24-38.5-123 as
22 follows:

23 **24-38.5-123. Building decarbonization enterprise - creation -**
24 **membership - powers and duties - building decarbonization**
25 **enterprise cash fund - on-bill program administration cash fund -**
26 **legislative declaration - definitions - rules - report - repeal.**

27 (1) **Legislative declaration.** (a) THE GENERAL ASSEMBLY FINDS THAT:

1 (I) REDUCING GREENHOUSE GAS EMISSIONS FROM COMBUSTION
2 DEVICES IN RESIDENTIAL AND COMMERCIAL BUILDINGS;

3 (A) IS NECESSARY TO HELP THE STATE ACHIEVE ITS STATEWIDE
4 GREENHOUSE GAS EMISSION REDUCTION GOALS SET FORTH IN SECTION
5 25-7-102 (2)(g), INCLUDING THE GOAL TO REACH NET-ZERO GREENHOUSE
6 GAS EMISSIONS BY 2050; AND

7 (B) PRESENTS SIGNIFICANT OPPORTUNITIES TO LOWER AND
8 STABILIZE ENERGY BILLS, PROVIDE FOR MORE COMFORTABLE LIVING AND
9 WORKING SPACES, AND REDUCE LOCAL AIR POLLUTION THAT CONTRIBUTES
10 TO GROUND-LEVEL OZONE;

11 (II) COVERED BUILDING OWNERS ARE REQUIRED TO COMPLY WITH
12 BENCHMARKING REQUIREMENTS AND PERFORMANCE STANDARD
13 REQUIREMENTS AND WOULD BENEFIT FROM ADDITIONAL FINANCIAL AND
14 TECHNICAL ASSISTANCE TO MEET OR EXCEED THOSE REQUIREMENTS;

15 (III) WITH ADDITIONAL FINANCIAL AND TECHNICAL ASSISTANCE,
16 COVERED BUILDING OWNERS MAY MORE EFFECTIVELY AND EFFICIENTLY
17 IMPLEMENT BUILDING DECARBONIZATION MEASURES, INCLUDING, BUT NOT
18 LIMITED TO, PROGRAMS THAT:

19 (A) HELP FINANCE ENERGY EFFICIENCY MEASURES,
20 ELECTRIFICATION MEASURES, AND OTHER ENERGY UPGRADES; AND

21 (B) PROVIDE ASSISTANCE FOR CONDUCTING BUILDING ENERGY
22 AUDITS, DEVELOPING ANALYSES TO HELP BUILDING OWNERS EVALUATE
23 THE BEST STRATEGIES FOR ACHIEVING FUTURE PERFORMANCE STANDARD
24 TARGETS, EMPLOYING OR CONSULTING WITH BUILDING ENGINEERS,
25 PURCHASING ENERGY USE TRACKING SOFTWARE FOR COVERED BUILDING
26 OWNERS TO MORE EFFECTIVELY TRACK ENERGY USE, AND PROVIDING
27 TRAINING ON SUCH SOFTWARE;

1 (IV) UTILITY CUSTOMERS WOULD BENEFIT FROM HAVING ACCESS
2 TO SIGNIFICANT AMOUNTS OF PUBLIC AND PRIVATE CAPITAL FOR
3 LOW-COST FINANCING SOLUTIONS FOR ENERGY-RELATED IMPROVEMENTS,
4 INCLUDING END-OF-LIFE EQUIPMENT REPLACEMENT; AND

5 (V) UTILITIES SERVING COLORADANS HAVE VARYING LEVELS OF
6 EXPERIENCE, AVAILABLE CAPITAL, AND AVAILABLE STAFF TO SUPPORT THE
7 ESTABLISHMENT AND ADMINISTRATION OF ON-BILL PROGRAMS.

8 (b) NOW, THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT:

9 (I) IT IS IN THE BEST INTEREST OF COVERED BUILDING OWNERS AND
10 PARTICIPATING UTILITIES TO CREATE AN ENTERPRISE WITHIN THE OFFICE
11 THAT IS COMMITTED TO FINANCING AND PROVIDING TECHNICAL AND
12 OTHER SUPPORT FOR THE IMPLEMENTATION OF BUILDING
13 DECARBONIZATION MEASURES AND FOR THE ESTABLISHMENT OF UTILITY
14 ON-BILL PROGRAMS;

15 (II) THE ACTIVITIES OF THE ENTERPRISE SHALL BE FUNDED BY
16 REVENUE GENERATED FROM A BUILDING DECARBONIZATION FEE PAID BY
17 COVERED BUILDING OWNERS AND ANY GIFTS, GRANTS, AND DONATIONS
18 RECEIVED;

19 (III) IT IS APPROPRIATE THAT COVERED BUILDING OWNERS SHOULD
20 PAY A BUILDING DECARBONIZATION FEE, AS COVERED BUILDING OWNERS
21 ARE THE DIRECT BENEFICIARIES OF SERVICES PROVIDED BY THE
22 ENTERPRISE, WHICH SERVICES INCLUDE THE FINANCING AND TECHNICAL
23 ASSISTANCE PROVIDED FOR THE BUILDING DECARBONIZATION MEASURES
24 DESCRIBED IN SUBSECTION (1)(a)(III) OF THIS SECTION;

25 (IV) COVERED BUILDING OWNERS BENEFIT FROM THE
26 IMPLEMENTATION OF BUILDING DECARBONIZATION MEASURES BECAUSE
27 SUCH MEASURES CAN:

1 (A) REDUCE COVERED BUILDING OWNERS' LONG-TERM COSTS
2 RELATED TO ENERGY USE;

3 (B) IMPROVE BUILDING COMFORT; AND

4 (C) INCREASE THE MARKET VALUE AND DESIRABILITY OF COVERED
5 BUILDINGS TO TENANTS;

6 (V) IT IS IN THE BEST INTEREST OF COVERED BUILDING OWNERS TO
7 CREATE A BUILDING DECARBONIZATION ENTERPRISE CASH FUND WITHIN
8 THE BUILDING DECARBONIZATION ENTERPRISE, THE USE OF WHICH IS
9 DEDICATED TO FINANCING THE PROVISION OF TECHNICAL SUPPORT FOR
10 COVERED BUILDING OWNERS SEEKING TO IMPLEMENT ENERGY EFFICIENCY
11 MEASURES AND BUILDING DECARBONIZATION MEASURES;

12 (VI) THE ACTIVITIES OF THE ENTERPRISE ARE FUNDED BY REVENUE
13 GENERATED FROM AN ON-BILL PROGRAM ADMINISTRATION FEE PAID BY
14 PARTICIPATING UTILITIES AND ANY GIFTS, GRANTS, AND DONATIONS
15 RECEIVED;

16 (VII) IT IS APPROPRIATE THAT PARTICIPATING UTILITIES SHOULD
17 PAY AN ON-BILL PROGRAM ADMINISTRATION FEE BECAUSE PARTICIPATING
18 UTILITIES ARE THE DIRECT BENEFICIARIES OF SERVICES THAT THE
19 ENTERPRISE PROVIDES, WHICH SERVICES INCLUDE TECHNICAL ASSISTANCE
20 AND OTHER PROGRAMMATIC SUPPORT FOR ON-BILL PROGRAMS DESCRIBED
21 IN SUBSECTION (1)(a)(III) OF THIS SECTION;

22 (VIII) PARTICIPATING UTILITIES BENEFIT FROM THE
23 IMPLEMENTATION OF ON-BILL PROGRAMS BECAUSE:

24 (A) UTILITY ON-BILL PROGRAMS CAN REDUCE ENERGY
25 CONSUMPTION AND PEAK DEMAND;

26 (B) UTILITY CUSTOMERS BENEFIT FROM HAVING ACCESS TO
27 SIGNIFICANT AMOUNTS OF PUBLIC AND PRIVATE CAPITAL FOR LOW-COST

1 FINANCING SOLUTIONS FOR ENERGY-RELATED IMPROVEMENTS, INCLUDING
2 END-OF-LIFE EQUIPMENT REPLACEMENT; AND

3 (C) UTILITY ON-BILL PROGRAMS THAT ALLOW REPAYMENTS
4 THROUGH UTILITY BILL PAYMENTS COULD EXPAND THE OPPORTUNITIES
5 FOR ELIGIBLE RETAIL UTILITY CUSTOMERS TO PURSUE ENERGY EFFICIENCY
6 MEASURES AND ELECTRIFICATION MEASURES, ENABLING UTILITY
7 CUSTOMERS TO PAY BACK THE UP-FRONT COSTS OF THE UPGRADES AND
8 MEASURES OVER TIME THROUGH THEIR UTILITY BILL PAYMENTS AT OR
9 BELOW INTEREST RATES THAT MAY BE AVAILABLE FROM OTHER SOURCES;

10 (IX) IT IS IN THE BEST INTEREST OF PARTICIPATING UTILITIES TO
11 CREATE AN ON-BILL CASH FUND WITHIN THE BUILDING DECARBONIZATION
12 ENTERPRISE, THE USE OF WHICH IS DEDICATED TO TECHNICAL ASSISTANCE
13 AND OTHER PROGRAMMATIC SUPPORT FOR ON-BILL PROGRAMS FOR
14 PARTICIPATING UTILITIES;

15 (X) CONSISTENT WITH THE DETERMINATION OF THE COLORADO
16 SUPREME COURT IN *NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY*, 896
17 P.2d 859 (COLO. 1995), THAT THE POWER TO IMPOSE TAXES IS
18 INCONSISTENT WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE
19 X OF THE STATE CONSTITUTION, THE GENERAL ASSEMBLY CONCLUDES
20 THAT THE BUILDING DECARBONIZATION FEE AND THE ON-BILL PROGRAM
21 ADMINISTRATION FEE ARE BOTH FEES, NOT TAXES, AND THE ENTERPRISE
22 OPERATES AS A BUSINESS BECAUSE THE BUILDING DECARBONIZATION FEE
23 AND ON-BILL PROGRAM ADMINISTRATION FEE ARE:

24 (A) IN THE CASE OF THE BUILDING DECARBONIZATION FEE,
25 IMPOSED FOR THE SPECIFIC BUSINESS PURPOSES OF PROVIDING FINANCING
26 AND TECHNICAL ASSISTANCE TO COVERED BUILDING OWNERS TO MORE
27 EFFECTIVELY AND EFFICIENTLY IMPLEMENT BUILDING DECARBONIZATION

1 MEASURES, INCLUDING FEASIBILITY ANALYSES AND IMPROVEMENTS THAT
2 WILL REDUCE ENERGY USE AND EMISSIONS, AND COLLECTED AT A RATE
3 THAT IS REASONABLY RELATED TO THE OVERALL COST OF THE BUSINESS
4 SERVICES BEING PROVIDED; AND

5 (B) IN THE CASE OF THE ON-BILL PROGRAM ADMINISTRATION FEE,
6 IMPOSED FOR THE SPECIFIC PURPOSE OF PROVIDING TECHNICAL
7 ASSISTANCE TO A UTILITY, AS NECESSARY THAT INTENDS TO ESTABLISH OR
8 EXPAND ON-BILL PROGRAMS FOR ITS ELIGIBLE RETAIL CUSTOMERS AND
9 COLLECTED AT A RATE THAT IS REASONABLY RELATED TO THE OVERALL
10 COST OF THE BUSINESS SERVICES BEING PROVIDED; AND

11 (XI) SO LONG AS THE ENTERPRISE QUALIFIES AS AN ENTERPRISE
12 FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION,
13 THE REVENUE FROM THE BUILDING DECARBONIZATION FEE AND THE
14 ON-BILL PROGRAM ADMINISTRATION FEE IMPOSED, COLLECTED, AND
15 ADMINISTERED BY THE ENTERPRISE IS NOT STATE FISCAL YEAR SPENDING,
16 AS DEFINED IN SECTION 24-77-102 (17), OR STATE REVENUES, AS DEFINED
17 IN SECTION 24-77-103.6 (6)(c), AND DOES NOT COUNT AGAINST EITHER
18 THE STATE FISCAL YEAR SPENDING LIMIT IMPOSED BY SECTION 20 OF
19 ARTICLE X OF THE STATE CONSTITUTION OR THE EXCESS STATE REVENUES
20 CAP, AS DEFINED IN SECTION 24-77-103.6 (6)(b)(I)(G).

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

23 (a) "BENCHMARKING REQUIREMENTS" MEANS THE ENERGY
24 BENCHMARKING REQUIREMENTS SET FORTH IN SECTION 25-7-142(3) WITH
25 WHICH AN OWNER OR OPERATOR OF A COVERED BUILDING IS REQUIRED TO
26 COMPLY.

27 (b) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE ENTERPRISE

1 APPOINTED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION.

2 (c) "BUILDING DECARBONIZATION ENTERPRISE CASH FUND" OR
3 "BUILDING DECARBONIZATION FUND" MEANS THE BUILDING
4 DECARBONIZATION ENTERPRISE CASH FUND CREATED IN SUBSECTION
5 (6)(a) OF THIS SECTION.

6 (d) "BUILDING DECARBONIZATION FEE" OR "FEE" MEANS THE FEE
7 PAID BY THE OWNER OF A COVERED BUILDING PURSUANT TO SUBSECTION
8 (5)(b) OF THIS SECTION.

9 (e) "COVERED BUILDING" HAS THE MEANING SET FORTH IN SECTION
10 25-7-142 (2)(j).

11 (f) "COVERED BUILDING OWNER" MEANS AN "OWNER", AS DEFINED
12 IN SECTION 25-7-142 (2)(r), OF A COVERED BUILDING.

13 (g) "ELECTRIFICATION" HAS THE MEANING SET FORTH IN SECTION
14 24-38.5-602 (3).

15 (h) "ENERGY EFFICIENCY MEASURE" HAS THE MEANING SET FORTH
16 IN SECTION 24-38.5-602 (4).

17 (i) "ENERGY UPGRADE" HAS THE MEANING SET FORTH IN SECTION
18 24-38.5-602 (5).

19 (j) "ENTERPRISE" MEANS THE BUILDING DECARBONIZATION
20 ENTERPRISE CREATED IN SUBSECTION (3) OF THIS SECTION.

21 (k) "INFLATION" MEANS THE ANNUAL PERCENTAGE CHANGE IN THE
22 IN THE UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR
23 STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR
24 DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID FOR BY URBAN
25 CONSUMERS.

26 (l) "OFFICE" MEANS THE COLORADO ENERGY OFFICE CREATED IN
27 SECTION 24-38.5-101.

1 (m) "ON-BILL CASH FUND" HAS THE MEANING SET FORTH IN
2 SECTION 24-38.5-602 (7).

3 (n) "ON-BILL PROGRAM" MEANS A UTILITY'S ON-BILL PROGRAM
4 THROUGH WHICH ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
5 MEASURES, AND ENERGY UPGRADES ARE INSTALLED AT A PARTICIPATING
6 CUSTOMER'S PREMISES, THE FINANCING OF WHICH IS REPAID THROUGH
7 MONTHLY UTILITY BILL PAYMENTS.

8 (o) "ON-BILL PROGRAM ADMINISTRATION CASH FUND" OR
9 "ADMINISTRATION FUND" MEANS THE ON-BILL PROGRAM ADMINISTRATION
10 CASH FUND CREATED IN SUBSECTION (8) OF THIS SECTION.

11 (p) "ON-BILL PROGRAM ADMINISTRATION FEE" OR
12 "ADMINISTRATION FEE" MEANS THE FEE PAID BY A UTILITY OR ITS
13 UTILITY-DESIGNATED ADMINISTRATOR SEEKING TO ESTABLISH OR EXPAND
14 ITS ON-BILL PROGRAM PURSUANT TO SECTION 24-38.5-606.

15 (q) "PARTICIPATING UTILITY" HAS THE MEANING SET FORTH IN
16 SECTION 24-38.5-602 (9).

17 (r) "PERFORMANCE STANDARDS" HAS THE MEANING SET FORTH IN
18 SECTION 25-7-142 (2)(s).

19 (s) "UTILITY" HAS THE MEANING SET FORTH IN SECTION
20 24-38.5-602 (13).

21 (3) **Enterprise created - loan from the office - repayment.**

22 (a) THE BUILDING DECARBONIZATION ENTERPRISE IS CREATED IN THE
23 OFFICE AND EXERCISES ITS POWERS AND PERFORMS ITS DUTIES AND
24 FUNCTIONS AS A GOVERNMENT-OWNED BUSINESS IN THE OFFICE TO
25 EXECUTE ITS BUSINESS PURPOSES SET FORTH IN THIS SUBSECTION (3). THE
26 ENTERPRISE IS CREATED FOR THE PURPOSES OF:

27 (I) IMPOSING AND ASSESSING A BUILDING DECARBONIZATION FEE

1 ON OWNERS OF COVERED BUILDINGS;

2 (II) PROVIDING TECHNICAL ASSISTANCE, FINANCING, AND OTHER
3 PROGRAMMATIC SUPPORT FOR COVERED BUILDING OWNERS' BUILDING
4 DECARBONIZATION MEASURES, INCLUDING, BUT NOT LIMITED TO,
5 CONDUCTING BUILDING ENERGY AUDITS, DEVELOPING ANALYSES TO HELP
6 BUILDING OWNERS EVALUATE THE BEST STRATEGIES FOR ACHIEVING
7 FUTURE PERFORMANCE STANDARD TARGETS, CONSULTING BUILDING
8 ENGINEERS, PURCHASING ENERGY USE TRACKING SOFTWARE, AND
9 PROVIDING TRAINING ON SUCH SOFTWARE;

10 (III) HAVING AND EXERCISING ALL RIGHTS AND POWERS
11 NECESSARY OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS
12 AND DUTIES GRANTED UNDER THIS SECTION;

13 (IV) ENSURING THAT THE BUILDING DECARBONIZATION FEE PAID
14 BY COVERED BUILDING OWNERS IS USED SOLELY TO SUPPORT PROGRAMS,
15 TECHNICAL ASSISTANCE, AND FINANCIAL ASSISTANCE FOR THE COVERED
16 BUILDING OWNERS THAT PAY THE BUILDING DECARBONIZATION FEE;

17 (V) IMPOSING AND ASSESSING AN ON-BILL PROGRAM
18 ADMINISTRATION FEE ON UTILITIES OR UTILITY-DESIGNATED
19 ADMINISTRATORS THAT SEEK FINANCING FROM THE ON-BILL CASH FUND
20 TO DEVELOP OR EXPAND THEIR ON-BILL PROGRAMS;

21 (VI) PROVIDING TECHNICAL ASSISTANCE AND OTHER
22 PROGRAMMATIC SUPPORT, AS NECESSARY, TO PARTICIPATING UTILITIES
23 SEEKING TO ESTABLISH OR EXPAND AN ON-BILL PROGRAM. THE AMOUNT
24 OF TECHNICAL ASSISTANCE AND OTHER PROGRAMMATIC SUPPORT
25 PROVIDED IS COMMENSURATE WITH THE AMOUNT OF FINANCIAL SUPPORT
26 LOANED TO A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
27 ADMINISTRATOR FROM THE ON-BILL CASH FUND AND INCLUDES:

1 (A) DEVELOPING A FULL SET OF ON-BILL PROGRAM MODELS,
2 INCLUDING MODELS THAT ARE RUN BY THIRD-PARTY OPT-IN PROGRAMS
3 THAT PARTICIPATING UTILITIES ADOPT;

4 (B) ASSISTING UTILITIES IN MEETING REPORTING OBLIGATIONS;

5 (C) PROVIDING TECHNICAL ASSISTANCE FOR THE IMPLEMENTATION
6 AND ADMINISTRATION OF ON-BILL PROGRAMS; AND

7 (D) PROVIDING CONSUMER EDUCATION AND MARKETING SUPPORT
8 TO INCREASE CUSTOMER PARTICIPATION IN THE PARTICIPATING UTILITIES'
9 ON-BILL PROGRAMS; AND

10 (VII) ENSURING THAT THE ON-BILL PROGRAM ADMINISTRATION
11 FEE THAT A UTILITY OR ITS UTILITY-DESIGNATED ADMINISTRATOR PAYS IS
12 USED SOLELY TO SUPPORT ON-BILL PROGRAM DESIGNS AND TECHNICAL
13 ASSISTANCE FOR THE PARTICIPATING UTILITIES THAT PAY THE
14 ADMINISTRATION FEE.

15 (b) THE BOARD, IN CONSULTATION WITH THE OFFICE, SHALL
16 ADMINISTER THE ENTERPRISE IN ACCORDANCE WITH THIS SECTION.

17 (c) (I) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR
18 PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO
19 LONG AS IT RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND
20 RECEIVES LESS THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS, AS
21 DEFINED IN SECTION 24-77-102 (7), FROM ALL COLORADO STATE AND
22 LOCAL GOVERNMENTS COMBINED. SO LONG AS IT CONSTITUTES AN
23 ENTERPRISE, THE ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE
24 X OF THE STATE CONSTITUTION.

25 (II) THE ENTERPRISE IS AUTHORIZED TO ISSUE REVENUE BONDS FOR
26 THE EXPENSES OF THE ENTERPRISE, SECURED BY REVENUE OF THE
27 ENTERPRISE.

1 (d) (I) THE OFFICE MAY TRANSFER MONEY FROM ANY LEGALLY
2 AVAILABLE SOURCE TO THE ENTERPRISE FOR THE PURPOSE OF DEFRAYING
3 EXPENSES INCURRED BY THE ENTERPRISE BEFORE IT RECEIVES FEE
4 REVENUE. THE ENTERPRISE MAY ACCEPT AND EXPEND ANY MONEY SO
5 TRANSFERRED, AND, NOTWITHSTANDING ANY STATE FISCAL RULE OR
6 GENERALLY ACCEPTED ACCOUNTING PRINCIPLE THAT COULD OTHERWISE
7 BE INTERPRETED TO REQUIRE A CONTRARY CONCLUSION, SUCH A
8 TRANSFER IS A LOAN FROM THE OFFICE TO THE ENTERPRISE THAT IS
9 REQUIRED TO BE REPAID AND IS NOT A GRANT FOR PURPOSES OF SECTION
10 20 (2)(d) OF ARTICLE X OF THE STATE CONSTITUTION OR AS DEFINED IN
11 SECTION 24-77-102 (7).

12 (II) AS THE ENTERPRISE RECEIVES SUFFICIENT REVENUE IN EXCESS
13 OF ITS EXPENSES, THE ENTERPRISE SHALL REIMBURSE THE OFFICE FOR THE
14 PRINCIPAL AMOUNT OF ANY LOAN MADE BY THE OFFICE, PLUS INTEREST AT
15 A RATE AGREED UPON BY THE OFFICE AND THE ENTERPRISE, BUT NOT TO
16 EXCEED THREE PERCENT.

17 (4) **Enterprise board of directors created - membership -**
18 **duties - repeal.** (a) THE ENTERPRISE BOARD OF DIRECTORS IS CREATED TO
19 ADMINISTER THE ENTERPRISE. THE BOARD CONSISTS OF THE FOLLOWING
20 SEVEN MEMBERS:

21 (I) THE FOLLOWING FOUR MEMBERS APPOINTED BY THE GOVERNOR
22 AND CONFIRMED BY THE SENATE:

23 (A) A REPRESENTATIVE OF COVERED BUILDING OWNERS;

24 (B) AN EXPERT IN BUILDING ENERGY EFFICIENCY AND
25 DECARBONIZATION;

26 (C) A LOCAL GOVERNMENT REPRESENTATIVE WITH EXPERTISE IN
27 PLANNING OR ENERGY CODES; AND

1 (D) A UTILITY REPRESENTATIVE;
2 (II) THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S DESIGNEE;
3 (III) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC
4 HEALTH AND ENVIRONMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE;
5 AND
6 (IV) THE DIRECTOR OF THE PUBLIC UTILITIES COMMISSION OR THE
7 DIRECTOR'S DESIGNEE.
8 (b) (I) THE GOVERNOR SHALL APPOINT INITIAL MEMBERS TO THE
9 BOARD PURSUANT TO SUBSECTION (4)(a)(I) OF THIS SECTION ON OR
10 BEFORE SEPTEMBER 1, 2025.
11 (II) THIS SUBSECTION (4)(b) IS REPEALED, EFFECTIVE JULY 1, 2026.
12 (c) (I) BOARD MEMBERS APPOINTED PURSUANT TO SUBSECTION
13 (4)(a)(I) OF THIS SECTION SERVE THREE-YEAR TERMS. A BOARD MEMBER
14 MAY SERVE AN UNLIMITED NUMBER OF TERMS.
15 (II) NOTWITHSTANDING SUBSECTION (4)(c)(I) OF THIS SECTION,
16 THE GOVERNOR SHALL MAKE THE INITIAL TERMS OF TWO OF THE BOARD
17 MEMBERS WHO ARE APPOINTED PURSUANT TO SUBSECTION (4)(a)(I) OF
18 THIS SECTION TWO YEARS.
19 (d) BOARD MEMBERS SERVING PURSUANT TO SUBSECTION (4)(a)(I)
20 OF THIS SECTION MAY RECEIVE COMPENSATION FROM THE ENTERPRISE ON
21 A PER DIEM BASIS FOR REASONABLE EXPENSES ACTUALLY INCURRED IN
22 THE PERFORMANCE OF THEIR DUTIES.
23 (e) (I) THE CHAIR AND VICE-CHAIR OF THE BOARD ARE SELECTED
24 BY THE MEMBERS OF THE BOARD IN ACCORDANCE WITH THE BOARD'S
25 BYLAWS.
26 (II) (A) THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S
27 DESIGNEE SHALL CALL THE FIRST MEETING OF THE BOARD, AND THE BOARD

1 SHALL SELECT THE CHAIR AND VICE-CHAIR AT THAT MEETING IN
2 ACCORDANCE WITH SUBSECTION (4)(e)(I) OF THIS SECTION.

3 (B) THIS SUBSECTION (4)(e)(II) IS REPEALED, EFFECTIVE JULY 1,
4 2026.

5 (5) **Powers and duties of board - building decarbonization fee**
6 **- on-bill program administration fee - rules.** (a) IN ADDITION TO ANY
7 OTHER POWERS AND DUTIES SPECIFIED IN THIS SECTION, THE BOARD HAS
8 THE FOLLOWING POWERS AND DUTIES ON BEHALF OF THE ENTERPRISE:

9 (I) TO ADOPT PROCEDURES FOR CONDUCTING THE BOARD'S
10 AFFAIRS;

11 (II) TO ENGAGE THE SERVICES OF CONTRACTORS, CONSULTANTS,
12 THE DIVISION OF ADMINISTRATION DESCRIBED IN SECTION 25-1-102 (2)(a),
13 AND THE STAFF OF THE OFFICE FOR PROFESSIONAL AND TECHNICAL
14 ASSISTANCE AND ADVICE AND TO SUPPLY OTHER SERVICES RELATED TO
15 THE CONDUCT OF THE AFFAIRS OF THE ENTERPRISE WITHOUT REGARD TO
16 THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24. THE
17 ENTERPRISE SHALL ENGAGE THE ATTORNEY GENERAL'S OFFICE FOR LEGAL
18 SERVICES. THE ENTERPRISE MAY CONTRACT WITH THE OFFICE FOR THE
19 PROVISION OF OFFICE SPACE AND ADMINISTRATIVE STAFF TO THE
20 ENTERPRISE AT A FAIR MARKET RATE.

21 (III) TO ESTABLISH AND ADMINISTER A PROGRAM THROUGH WHICH
22 OWNERS OF COVERED BUILDINGS MAY APPLY FOR, AND THE BOARD MAY
23 REVIEW AND APPROVE APPLICATIONS FOR, FINANCING OR TECHNICAL
24 ASSISTANCE FOR BUILDING DECARBONIZATION MEASURES, INCLUDING, BUT
25 NOT LIMITED TO, PARTICIPATING IN PROGRAMS THAT HELP FINANCE
26 ENERGY EFFICIENCY MEASURES, ELECTRIFICATION MEASURES, AND OTHER
27 ENERGY UPGRADES; CONDUCTING BUILDING ENERGY AUDITS; EMPLOYING

1 OR CONSULTING WITH BUILDING ENGINEERS; AND PURCHASING ENERGY
2 USE TRACKING SOFTWARE AND PROVIDING TRAINING ON SUCH SOFTWARE;
3 (IV) TO IMPOSE THE BUILDING DECARBONIZATION FEE DESCRIBED
4 IN SUBSECTION (5)(b) OF THIS SECTION;
5 (V) IN ACCORDANCE WITH SUBSECTION (5)(c) OF THIS SECTION, TO
6 IMPOSE THE ON-BILL PROGRAM ADMINISTRATION FEE ON UTILITIES OR
7 UTILITY-DESIGNATED ADMINISTRATORS THAT SEEK FINANCING FROM THE
8 ON-BILL CASH FUND TO DEVELOP OR EXPAND THEIR ON-BILL PROGRAMS;
9 (VI) TO SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, AND
10 DONATIONS IN SUPPORT OF SERVICES THAT THE ENTERPRISE PROVIDES TO
11 COVERED BUILDING OWNERS FOR BUILDING DECARBONIZATION MEASURES
12 OR TO PARTICIPATING UTILITIES FOR ON-BILL PROGRAMS;
13 (VII) TO ESTABLISH AND ADMINISTER A PROGRAM THROUGH
14 WHICH PARTICIPATING UTILITIES MAY RECEIVE ASSISTANCE FOR
15 ESTABLISHING OR EXPANDING AN ON-BILL PROGRAM, WHICH PROGRAM
16 INCLUDES:
17 (A) DEVELOPING A FULL SET OF ON-BILL PROGRAM MODELS,
18 INCLUDING MODELS THAT ARE RUN BY THIRD-PARTY OPT-IN ON-BILL
19 PROGRAMS THAT PARTICIPATING UTILITIES ADOPT;
20 (B) ASSISTING UTILITIES IN MEETING REPORTING OBLIGATIONS SET
21 FORTH IN SECTION 24-38.5-603 (5)(a);
22 (C) PROVIDING TECHNICAL ASSISTANCE FOR THE IMPLEMENTATION
23 AND ADMINISTRATION OF ON-BILL PROGRAMS; AND
24 (D) PROVIDING CONSUMER EDUCATION AND MARKETING SUPPORT
25 TO INCREASE CUSTOMER PARTICIPATION IN THE PARTICIPATING UTILITIES'
26 ON-BILL PROGRAMS; AND
27 (VIII) TO HAVE AND EXERCISE ALL RIGHTS AND POWERS

1 NECESSARY OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS
2 AND DUTIES GRANTED BY THIS SECTION.

3 (b) (I) BEGINNING IN STATE FISCAL YEAR 2026-27 AND IN
4 FURTHERANCE OF THE ENTERPRISE'S BUSINESS PURPOSES, THE BOARD
5 SHALL ADOPT RULES FOR THE PURPOSE OF SETTING THE AMOUNT OF THE
6 BUILDING DECARBONIZATION FEE AT THE MAXIMUM AMOUNT AUTHORIZED
7 IN THIS SECTION TO BE IMPOSED UPON ALL COVERED BUILDING OWNERS;
8 EXCEPT THAT THE FEE SHALL NOT BE IMPOSED ON THE OWNER OF A PUBLIC
9 BUILDING, AS DEFINED IN SECTION 25-7-142 (2)(t). THE BOARD SHALL
10 ONLY ADOPT RULES PURSUANT TO THIS SUBSECTION (5)(b)(I) AND
11 SUBSECTION (5)(c)(I) OF THIS SECTION.

12 (II) ON OR BEFORE NOVEMBER 1, 2025, AND ON OR BEFORE
13 NOVEMBER 1 OF EACH YEAR THEREAFTER, AND EXCEPT AS PROVIDED IN
14 SUBSECTION (5)(b)(III) OF THIS SECTION, EACH OWNER OF A COVERED
15 BUILDING SHALL PAY A BUILDING DECARBONIZATION FEE IN AN AMOUNT
16 OF FOUR HUNDRED DOLLARS, WHICH IS REASONABLY RELATED TO THE
17 OVERALL COST OF THE PROVIDED SERVICES FUNDED BY THE BUILDING
18 DECARBONIZATION FEE. THE FEE SHALL BE PAID TO THE OFFICE, WHICH
19 SHALL COLLECT THE BUILDING DECARBONIZATION FEE ON BEHALF OF THE
20 ENTERPRISE.

21 (III) BEGINNING IN STATE FISCAL YEAR 2027-28, THE BOARD MAY
22 INCREASE THE BUILDING DECARBONIZATION FEE FROM THE PREVIOUS
23 YEAR'S BUILDING DECARBONIZATION FEE AMOUNT, AS ADJUSTED FOR
24 INFLATION AND, ON OR BEFORE MARCH 15 OF EACH OF THE STATE FISCAL
25 YEARS THEREAFTER, SHALL NOTIFY THE OFFICE OF THE ADJUSTED AMOUNT
26 OF THE BUILDING DECARBONIZATION FEE, IF THE BUILDING
27 DECARBONIZATION FEE HAS BEEN ADJUSTED. ON OR BEFORE APRIL 15 OF

1 EACH OF THE STATE FISCAL YEARS THEREAFTER, THE ENTERPRISE SHALL
2 PUBLISH THE UPDATED AMOUNT OF THE BUILDING DECARBONIZATION FEE
3 ON THE ENTERPRISE'S WEBSITE.

4 (IV) MONEY COLLECTED AS A BUILDING DECARBONIZATION FEE
5 SHALL BE CREDITED TO THE BUILDING DECARBONIZATION ENTERPRISE
6 CASH FUND.

7 (V) MONEY COLLECTED BY THE OFFICE FOR TRANSFER TO THE
8 BUILDING DECARBONIZATION FUND PURSUANT TO SUBSECTION (5)(b)(IV)
9 OF THIS SECTION:

10 (A) IS COLLECTED FOR THE ENTERPRISE;

11 (B) IS COLLECTED ON BEHALF OF THE ENTERPRISE;

12 (C) IS HELD TEMPORARILY BY THE OFFICE AND THE STATE
13 TREASURER SOLELY FOR THE PURPOSE OF TRANSFERRING THE MONEY TO
14 THE BUILDING DECARBONIZATION FUND FOR USE BY THE ENTERPRISE; AND

15 (D) BASED ON THE ENTERPRISE'S STATUS AS AN ENTERPRISE, IS
16 NOT SUBJECT TO SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION
17 AT ANY TIME DURING THE MONEY'S COLLECTION, TRANSFER, AND USE.

18 (c) (I) BEGINNING IN STATE FISCAL YEAR 2025-26, AND IN
19 FURTHERANCE OF THE ENTERPRISE'S BUSINESS PURPOSES, THE BOARD
20 SHALL ADOPT RULES FOR THE PURPOSE OF SETTING THE AMOUNT OF THE
21 ON-BILL PROGRAM ADMINISTRATION FEE AT OR BELOW THE MAXIMUM
22 AMOUNT AUTHORIZED IN THIS SUBSECTION (5)(c) TO BE IMPOSED ON
23 PARTICIPATING UTILITIES. TO ENSURE THAT THE ON-BILL PROGRAM
24 ADMINISTRATION FEE FOR EACH PARTICIPATING UTILITY IS REASONABLY
25 RELATED TO THE SERVICES PROVIDED BY THE ENTERPRISE, THE BOARD
26 SHALL SET THE ADMINISTRATION FEE WITHIN THE RANGES SPECIFIED IN
27 SUBSECTION (5)(c)(II) OF THIS SECTION BASED ON CRITERIA INCLUDING:

1 (A) THE ANTICIPATED SIZE OF THE PROPOSED ON-BILL PROGRAM;

2 (B) THE NUMBER AND AMOUNT OF SERVICES THAT THE ENTERPRISE
3 INTENDS TO PROVIDE TO PARTICIPATING UTILITIES BASED ON THE SIZE OF
4 THE LOAN;

5 (C) WHETHER THE PARTICIPATING UTILITY IS SEEKING TO
6 ESTABLISH A NEW ON-BILL PROGRAM OR EXPAND AN EXISTING ON-BILL
7 PROGRAM; AND

8 (D) THE ESTIMATED NUMBER OF CUSTOMERS IN EACH RATE CLASS
9 FORECASTED TO PARTICIPATE IN THE ON-BILL PROGRAM.

10 (II) EXCEPT AS PROVIDED IN SUBSECTION (5)(c)(IV) OF THIS
11 SECTION, A PARTICIPATING UTILITY SHALL PAY THE ON-BILL PROGRAM
12 ADMINISTRATION FEE TO THE ENTERPRISE ON OR BEFORE NOVEMBER 1,
13 2025, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR THEREAFTER, SO
14 LONG AS THE PARTICIPATING UTILITY IS ESTABLISHING, MAINTAINING, OR
15 EXPANDING ITS ON-BILL PROGRAM. THE ON-BILL PROGRAM
16 ADMINISTRATION FEE MUST BE BASED ON THE AMOUNT OF THE MONEY
17 LOANED TO THE PARTICIPATING UTILITY OR A UTILITY-DESIGNATED
18 ADMINISTRATOR FROM THE ON-BILL CASH FUND AS FOLLOWS:

19 (A) IF THE PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
20 ADMINISTRATOR BORROWS TEN MILLION DOLLARS OR LESS FROM THE
21 ON-BILL CASH FUND, THE ADMINISTRATION FEE SHALL BE IMPOSED IN AN
22 AMOUNT OF UP TO FIFTY THOUSAND DOLLARS;

23 (B) IF THE PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
24 ADMINISTRATOR BORROWS MORE THAN TEN MILLION DOLLARS BUT
25 TWENTY MILLION DOLLARS OR LESS FROM THE ON-BILL CASH FUND, THE
26 ADMINISTRATION FEE SHALL BE IMPOSED IN AN AMOUNT BETWEEN FIFTY
27 THOUSAND DOLLARS AND SEVENTY-FIVE THOUSAND DOLLARS;

1 (C) IF THE PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
2 ADMINISTRATOR BORROWS MORE THAN TWENTY MILLION DOLLARS BUT
3 FORTY MILLION DOLLARS OR LESS FROM THE ON-BILL CASH FUND, THE
4 ADMINISTRATION FEE SHALL BE IMPOSED IN AN AMOUNT BETWEEN
5 SEVENTY-FIVE THOUSAND DOLLARS AND ONE HUNDRED THOUSAND
6 DOLLARS;

7 (D) IF THE PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
8 ADMINISTRATOR BORROWS MORE THAN FORTY MILLION DOLLARS BUT
9 SIXTY MILLION DOLLARS OR LESS FROM THE ON-BILL CASH FUND, THE
10 ADMINISTRATION FEE SHALL BE IMPOSED IN AN AMOUNT BETWEEN ONE
11 HUNDRED THOUSAND DOLLARS AND TWO HUNDRED THOUSAND DOLLARS;

12 (E) IF A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
13 ADMINISTRATOR BORROWS MORE THAN SIXTY MILLION DOLLARS BUT
14 EIGHTY MILLION DOLLARS OR LESS FROM THE ON-BILL CASH FUND, THE
15 ADMINISTRATION FEE SHALL BE IMPOSED IN AN AMOUNT BETWEEN TWO
16 HUNDRED THOUSAND DOLLARS AND THREE HUNDRED THOUSAND
17 DOLLARS; AND

18 (F) IF A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
19 ADMINISTRATOR BORROWS MORE THAN EIGHTY MILLION DOLLARS FROM
20 THE ON-BILL CASH FUND, THE ADMINISTRATION FEE SHALL BE IMPOSED IN
21 AN AMOUNT BETWEEN THREE HUNDRED THOUSAND DOLLARS AND FOUR
22 HUNDRED THOUSAND DOLLARS.

23 (III) THE FEE RANGES PRESCRIBED IN SUBSECTION (5)(c)(II) OF
24 THIS SECTION ARE REASONABLY RELATED TO THE OVERALL COST OF THE
25 SERVICES PROVIDED. THE COST OF SERVICES TO FEE PAYERS THAT RECEIVE
26 LARGER LOANS IS HIGHER BECAUSE PARTICIPATING UTILITIES THAT
27 RECEIVE LARGER LOANS WILL REQUIRE GREATER SERVICES FROM THE

1 ENTERPRISE, INCLUDING SERVICES FOR TECHNICAL SUPPORT, PROGRAM
2 DEVELOPMENT, AND RATE IMPACT MODELING FOR LARGER AND MORE
3 COMPLEX ON-BILL PROGRAMS.

4 (IV) A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
5 ADMINISTRATOR SHALL BEGIN PAYING THE APPLICABLE ADMINISTRATION
6 FEE TO THE ENTERPRISE ON OR BEFORE THE FIRST NOVEMBER 1 THAT
7 FOLLOWS THE UTILITY'S OR ITS UTILITY-DESIGNATED ADMINISTRATOR'S
8 EXECUTION OF A LOAN AGREEMENT WITH THE OFFICE.

9 (V) BEGINNING IN STATE FISCAL YEAR 2026-27, THE BOARD MAY
10 INCREASE THE ADMINISTRATION FEE FROM THE PREVIOUS YEAR'S
11 ADMINISTRATION FEE IN AN AMOUNT ADJUSTED FOR INFLATION. IN
12 EVALUATING THE FEE, THE BOARD MAY ALSO CONSIDER WHETHER THE
13 ADMINISTRATION FEE SHOULD BE BASED ON THE ORIGINAL LOAN AMOUNT
14 BORROWED OR ON THE PRINCIPAL HELD BY THE UTILITY OR ITS
15 UTILITY-DESIGNATED ADMINISTRATOR. IN MAKING THIS EVALUATION, THE
16 BOARD SHALL CONSIDER THE LEVEL OF FEE NEEDED TO ADMINISTER THE
17 ON-BILL PROGRAM. ON OR BEFORE MARCH 15, 2026, AND ON OR BEFORE
18 MARCH 15 OF EACH YEAR THEREAFTER, THE BOARD SHALL NOTIFY THE
19 OFFICE OF THE ADJUSTED AMOUNT OF THE ADMINISTRATION FEE IF THE
20 ADMINISTRATION FEE HAS BEEN ADJUSTED FOR INFLATION, AND, ON OR
21 BEFORE APRIL 15, 2026, AND ON OR BEFORE APRIL 15 OF EACH YEAR
22 THEREAFTER, THE BOARD SHALL PUBLISH THE UPDATED AMOUNT OF THE
23 ADMINISTRATION FEE ON THE ENTERPRISE'S WEBSITE.

24 (VI) MONEY COLLECTED AS AN ON-BILL PROGRAM
25 ADMINISTRATION FEE SHALL BE CREDITED TO THE ON-BILL PROGRAM
26 ADMINISTRATION CASH FUND.

27 **(6) Building decarbonization enterprise cash fund - creation**

1 **- gifts, grants, and donations - repeal.** (a) THE BUILDING
2 DECARBONIZATION ENTERPRISE CASH FUND IS CREATED IN THE STATE
3 TREASURY. THE BUILDING DECARBONIZATION FUND CONSISTS OF:

4 (I) MONEY RECEIVED FROM A BUILDING DECARBONIZATION FEE
5 IMPOSED PURSUANT TO SUBSECTION (5)(b) OF THIS SECTION;

6 (II) ANY MONEY THAT THE ENTERPRISE RECEIVES AS GIFTS,
7 GRANTS, AND DONATIONS IN SUPPORT OF SERVICES THAT THE ENTERPRISE
8 PROVIDES TO COVERED BUILDING OWNERS FOR BUILDING
9 DECARBONIZATION MEASURES;

10 (III) ANY MONEY RECEIVED FROM THE ISSUANCE OF REVENUE
11 BONDS, AS DESCRIBED IN SUBSECTION (3)(c)(II) OF THIS SECTION; AND

12 (IV) ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY
13 APPROPRIATE OR TRANSFER TO THE FUND.

14 (b) (I) SECTION 24-77-108 DOES NOT APPLY TO THE ENTERPRISE
15 BECAUSE THE TOTAL AMOUNT OF MONEY CREDITED OR APPROPRIATED TO
16 THE BUILDING DECARBONIZATION FUND AND THE ON-BILL PROGRAM
17 ADMINISTRATION CASH FUND AS A FEE SHALL NOT EXCEED ONE HUNDRED
18 MILLION DOLLARS IN THE FIRST FIVE FISCAL YEARS OF THE ENTERPRISE'S
19 EXISTENCE.

20 (II) THIS SUBSECTION (6)(b) IS REPEALED, EFFECTIVE JULY 1, 2031.

21 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
22 ASSEMBLY, THE ENTERPRISE MAY EXPEND MONEY FROM THE BUILDING
23 DECARBONIZATION ENTERPRISE CASH FUND FOR THE PURPOSES SET FORTH
24 IN THIS SECTION AND TO PAY THE ENTERPRISE'S REASONABLE AND
25 NECESSARY OPERATING EXPENSES. THE STATE TREASURER SHALL CREDIT
26 ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT
27 OF MONEY IN THE BUILDING DECARBONIZATION FUND TO THE BUILDING

1 DECARBONIZATION FUND.

2 (d) ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING
3 IN THE BUILDING DECARBONIZATION FUND AT THE END OF A FISCAL YEAR
4 REMAINS IN THE BUILDING DECARBONIZATION FUND AND IS NOT CREDITED
5 OR TRANSFERRED TO THE GENERAL FUND.

6 **(7) Legislative review of building decarbonization enterprise.**

7 ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE ENTERPRISE SHALL
8 SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY DETAILING THE
9 ENTERPRISE'S EXPENDITURES AND PROGRAM OUTCOMES FROM THE
10 PRECEDING YEAR AND THE ENTERPRISE'S FINANCIAL PROJECTIONS FOR THE
11 FOLLOWING YEAR.

12 **(8) On-bill program administration cash fund - creation -**
13 **gifts, grants, and donations - repeal.** (a) THE ON-BILL PROGRAM
14 ADMINISTRATION CASH FUND IS CREATED IN THE STATE TREASURY. THE
15 ADMINISTRATION FUND CONSISTS OF:

16 (I) MONEY RECEIVED FROM AN ON-BILL PROGRAM
17 ADMINISTRATION FEE IMPOSED PURSUANT TO SUBSECTION (5)(c) OF THIS
18 SECTION;

19 (II) ANY MONEY THAT THE ENTERPRISE RECEIVES AS GIFTS,
20 GRANTS, AND DONATIONS IN SUPPORT OF SERVICES THAT THE ENTERPRISE
21 PROVIDES TO PARTICIPATING UTILITIES FOR ON-BILL PROGRAMS;

22 (III) ANY MONEY RECEIVED FROM THE ISSUANCE OF REVENUE
23 BONDS AS DESCRIBED IN SUBSECTION (3)(c)(II) OF THIS SECTION; AND

24 (IV) ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY
25 APPROPRIATE OR TRANSFER TO THE ADMINISTRATION FUND.

26 (b) (I) SECTION 24-77-108 DOES NOT APPLY TO THE ENTERPRISE
27 BECAUSE THE TOTAL AMOUNT OF MONEY CREDITED OR APPROPRIATED TO

1 THE ON-BILL PROGRAM ADMINISTRATION CASH FUND AND THE BUILDING
2 DECARBONIZATION ENTERPRISE CASH FUND SHALL NOT EXCEED ONE
3 HUNDRED MILLION DOLLARS IN THE FIRST FIVE YEARS OF THE ENTERPRISE'S
4 EXISTENCE.

5 (II) THIS SUBSECTION (8)(b) IS REPEALED, EFFECTIVE JULY 1, 2031.

6 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
7 ASSEMBLY, THE ENTERPRISE MAY EXPEND MONEY FROM THE ON-BILL
8 PROGRAM ADMINISTRATION CASH FUND FOR THE PURPOSES SET FORTH IN
9 THIS SECTION AND TO PAY THE ENTERPRISE'S REASONABLE AND
10 NECESSARY OPERATING EXPENSES. THE STATE TREASURER SHALL CREDIT
11 ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT
12 OF MONEY IN THE ON-BILL PROGRAM ADMINISTRATION CASH FUND TO THE
13 ON-BILL PROGRAM ADMINISTRATION FUND.

14 (d) ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING
15 IN THE ON-BILL PROGRAM ADMINISTRATION CASH FUND AT THE END OF A
16 FISCAL YEAR REMAINS IN THE ON-BILL PROGRAM ADMINISTRATION FUND
17 AND IS NOT CREDITED OR TRANSFERRED TO THE GENERAL FUND.

18 **SECTION 5.** In Colorado Revised Statutes, **add 24-36-125** as
19 follows:

20 **24-36-125. On-bill financing tax credits - authorization to**
21 **issue - terms - use of tax credits - carry over - on-bill financing fund**
22 **- creation - definitions - repeal. (1) Definitions.** AS USED IN THIS
23 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

24 (a) "APPLICABLE FORECAST" MEANS EITHER THE QUARTERLY
25 DECEMBER REVENUE FORECAST PREPARED BY LEGISLATIVE COUNCIL
26 STAFF OR THE QUARTERLY DECEMBER REVENUE FORECAST PREPARED BY
27 THE OFFICE OF STATE PLANNING AND BUDGETING IN THE DECEMBER

1 IMMEDIATELY PRECEDING THE APPLICABLE STATE FISCAL YEAR, AS
2 DETERMINED BY WHICH IMMEDIATELY PRECEDING MARCH FORECAST THE
3 JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY USED IN THE
4 PREPARATION OF THE STATE BUDGET.

5 (b) "DEPARTMENT" MEANS THE DEPARTMENT OF THE TREASURY.

6 (c) "FORECAST" MEANS THE QUARTERLY JUNE REVENUE FORECAST
7 PREPARED BY THE OFFICE OF STATE PLANNING AND BUDGETING IN JUNE
8 2025.

9 (d) "NONEXEMPT REVENUE" MEANS, FOR THE APPLICABLE STATE
10 FISCAL YEAR, THE REVENUE THAT IS IDENTIFIED AS NONEXEMPT TABOR
11 REVENUES IN THE ANNUAL COMPREHENSIVE FINANCIAL REPORT PUBLISHED
12 BY THE OFFICE OF THE STATE CONTROLLER.

13 (e) "ON-BILL FINANCING FUND" MEANS THE ON-BILL FINANCING
14 FUND CREATED IN SUBSECTION (7) OF THIS SECTION.

15 (f) "ON-BILL FINANCING TAX CREDIT" OR "TAX CREDIT" MEANS THE
16 TAX CREDIT AUTHORIZED IN SUBSECTION (2) OF THIS SECTION.

17 (g) "PREMIUM TAX LIABILITY" MEANS THE LIABILITY IMPOSED BY
18 SECTION 10-3-209 OR 10-6-128 OR, IN THE CASE OF A REPEAL OR
19 REDUCTION BY THE STATE OF THE LIABILITY IMPOSED BY SECTION
20 10-3-209 OR 10-6-128, ANY OTHER TAX LIABILITY IMPOSED UPON AN
21 INSURANCE COMPANY BY THE STATE.

22 (h) (I) "QUALIFIED TAXPAYER" MEANS AN INSURANCE COMPANY
23 AUTHORIZED TO DO BUSINESS IN COLORADO THAT HAS PREMIUM TAX
24 LIABILITY OWING TO THE STATE AND THAT PURCHASES A TAX CREDIT
25 UNDER THIS SECTION.

26 (II) "QUALIFIED TAXPAYER" INCLUDES AN INSURANCE COMPANY
27 THAT RECEIVES OR ASSUMES A TAX CREDIT TRANSFER.

1 (i) "REF C CAP" MEANS THE LIMIT ON STATE FISCAL YEAR
2 SPENDING FROM SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION,
3 AS MODIFIED BY REFERENDUM C.

4 (j) "TABOR" MEANS SECTION 20 OF ARTICLE X OF THE STATE
5 CONSTITUTION.

6 (k) "TAX CREDIT SALE PROCEEDS" OR "SALE PROCEEDS" MEANS
7 THE MONEY OR OTHER LIQUID ASSET ACCEPTABLE TO THE STATE
8 TREASURER THAT A QUALIFIED TAXPAYER PAYS TO THE DEPARTMENT
9 THAT IS DEPOSITED IN THE ON-BILL FINANCING FUND.

10 (2) **On-bill financing tax credits.** (a) SUBJECT TO SUBSECTIONS
11 (2)(b) AND (2)(c) OF THIS SECTION, A QUALIFIED TAXPAYER MAY
12 PURCHASE ON-BILL FINANCING TAX CREDITS FROM THE DEPARTMENT IN
13 ACCORDANCE WITH THIS SECTION AND MAY APPLY THE TAX CREDITS
14 AGAINST THE QUALIFIED TAXPAYER'S PREMIUM TAX LIABILITY IN
15 ACCORDANCE WITH SUBSECTION (6) OF THIS SECTION.

16 (b) IF THE FORECAST SHOWS THAT THE STATE'S NONEXEMPT
17 REVENUE FOR THE 2025-26 STATE FISCAL YEAR IS AT LEAST FIFTY MILLION
18 DOLLARS UNDER THE REF C CAP:

19 (I) THE DEPARTMENT IS REQUIRED TO ISSUE TAX CREDIT
20 CERTIFICATES TO QUALIFIED TAXPAYERS WITH TOTAL SALE PROCEEDS OF
21 AT LEAST TWENTY-FIVE MILLION DOLLARS IN STATE FISCAL YEAR 2025-26;
22 AND

23 (II) THE TAX CREDIT SALE PROCEEDS DEPOSITED INTO THE ON-BILL
24 FINANCING FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION SHALL BE
25 USED TO FINANCE UTILITIES' ON-BILL PROGRAMS PURSUANT TO PART 6 OF
26 ARTICLE 38.5 OF THIS TITLE 24.

27 (c) IF THE APPLICABLE FORECAST SHOWS THAT THE STATE'S

1 NONEXEMPT REVENUE FOR THE 2026-27 STATE FISCAL YEAR IS AT LEAST
2 FIFTY MILLION DOLLARS UNDER THE REF C CAP:

3 (I) THE DEPARTMENT IS REQUIRED TO ISSUE TAX CREDIT
4 CERTIFICATES TO QUALIFIED TAXPAYERS WITH TOTAL SALE PROCEEDS OF
5 AT LEAST TWENTY-FIVE MILLION DOLLARS IN STATE FISCAL YEAR 2026-27;
6 AND

7 (II) THE TAX CREDIT SALE PROCEEDS DEPOSITED INTO THE ON-BILL
8 FINANCING FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION SHALL BE
9 USED TO FINANCE UTILITIES' ON-BILL PROGRAMS PURSUANT TO PART 6 OF
10 ARTICLE 38.5 OF THIS TITLE 24.

11 (d) THE DEPARTMENT MAY CONTRACT WITH AN INDEPENDENT
12 THIRD PARTY TO CONDUCT OR CONSULT ON A BIDDING PROCESS AMONG
13 QUALIFIED TAXPAYERS TO PURCHASE THE TAX CREDITS.

14 (e) THE DEPARTMENT SHALL CONSULT WITH INSURANCE
15 COMPANIES IN ADVANCE OF ISSUING ANY TAX CREDITS IN ACCORDANCE
16 WITH THIS SECTION.

17 (f) AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN
18 COLORADO SEEKING TO PURCHASE TAX CREDITS MUST APPLY TO THE
19 DEPARTMENT IN THE MANNER PRESCRIBED BY THE DEPARTMENT.

20 (3) **Procedure for obtaining a tax credit certificate.** (a) USING
21 PROCEDURES ADOPTED BY THE DEPARTMENT OR, IF APPLICABLE, BY AN
22 INDEPENDENT THIRD PARTY, EACH INSURANCE COMPANY THAT SUBMITS
23 AN APPLICATION FOR ON-BILL FINANCING TAX CREDITS SHALL MAKE A
24 TIMELY AND IRREVOCABLE OFFER, CONTINGENT ONLY UPON THE
25 DEPARTMENT'S ISSUANCE TO THE INSURANCE COMPANY OF THE TAX
26 CREDIT CERTIFICATES, TO MAKE A SPECIFIED PURCHASE PAYMENT AMOUNT
27 TO THE DEPARTMENT ON DATES SPECIFIED BY THE DEPARTMENT.

1 (b) THE OFFER MUST INCLUDE ALL OF THE FOLLOWING:

2 (I) THE REQUESTED AMOUNT OF TAX CREDITS, WHICH AMOUNT

3 MUST NOT BE LESS THAN ANY MINIMUM AMOUNT ESTABLISHED IN THE

4 DEPARTMENT'S PROCEDURES OR, IF APPLICABLE, THE INDEPENDENT THIRD

5 PARTY'S PROCEDURES;

6 (II) THE QUALIFIED TAXPAYER'S PROPOSED TAX CREDIT PURCHASE

7 AMOUNT FOR EACH TAX CREDIT DOLLAR REQUESTED;

8 (III) THE MINIMUM PROPOSED TAX CREDIT PURCHASE AMOUNT

9 MUST BE EITHER:

10 (A) THE PERCENTAGE OF THE REQUESTED DOLLAR AMOUNT OF TAX

11 CREDITS THAT THE DEPARTMENT OR, IF APPLICABLE, THE INDEPENDENT

12 THIRD PARTY DETERMINES TO BE CONSISTENT WITH MARKET CONDITIONS

13 AS OF THE OFFER DATE; OR

14 (B) IF NO AMOUNT IS ESTABLISHED BY THE DEPARTMENT OR THE

15 INDEPENDENT THIRD PARTY PURSUANT TO SUBSECTION (3)(b)(III)(A) OF

16 THIS SECTION, SEVENTY-FIVE PERCENT OF THE REQUESTED DOLLAR

17 AMOUNT OF TAX CREDITS; AND

18 (IV) ANY OTHER INFORMATION THAT THE DEPARTMENT OR, IF

19 APPLICABLE, THE INDEPENDENT THIRD PARTY REQUIRES.

20 (c) THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO EACH

21 INSURANCE COMPANY THAT SUBMITS AN APPLICATION INDICATING

22 WHETHER THE INSURANCE COMPANY HAS BEEN APPROVED AS A

23 PURCHASER OF TAX CREDITS AND, IF SO, THE AMOUNT OF TAX CREDITS

24 ALLOCATED AND THE DATE BY WHICH PAYMENT OF THE TAX CREDIT SALE

25 PROCEEDS MUST BE MADE.

26 (d) ON RECEIPT OF PAYMENT OF THE SALE PROCEEDS, THE

27 DEPARTMENT SHALL ISSUE TO EACH QUALIFIED TAXPAYER A TAX CREDIT

1 CERTIFICATE. THE TAX CREDIT CERTIFICATE MUST STATE ALL OF THE
2 FOLLOWING:

3 (I) THE TOTAL AMOUNT OF PREMIUM TAX CREDITS THAT THE
4 QUALIFIED TAXPAYER MAY CLAIM;

5 (II) THE AMOUNT THAT THE QUALIFIED TAXPAYER HAS PAID OR
6 AGREED TO PAY IN RETURN FOR THE ISSUANCE OF THE TAX CREDIT
7 CERTIFICATES AND THE DATE OF THE PAYMENT;

8 (III) THE DATES ON WHICH THE TAX CREDITS WILL BE AVAILABLE
9 FOR USE BY THE QUALIFIED TAXPAYER;

10 (IV) ANY PENALTIES OR OTHER REMEDIES FOR NONCOMPLIANCE;

11 (V) THE PROCEDURES TO BE USED FOR TRANSFERRING OR
12 ASSUMING THE TAX CREDITS IN ACCORDANCE WITH SUBSECTION (6)(d) OF
13 THIS SECTION;

14 (VI) THE SERIAL NUMBER OF THE TAX CREDIT CERTIFICATE; AND

15 (VII) ANY OTHER REQUIREMENTS DEEMED NECESSARY BY THE
16 DEPARTMENT AS A CONDITION OF ISSUING THE TAX CREDIT CERTIFICATE.

17 (4) **Defaulted tax credits - reallocation process - penalty.**

18 (a) THE DEPARTMENT SHALL NOT ISSUE A TAX CREDIT CERTIFICATE TO A
19 QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX CREDIT SALE
20 PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES.

21 (b) A QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX
22 CREDIT SALE PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES IS
23 SUBJECT TO A PENALTY EQUAL TO TEN PERCENT OF THE AMOUNT OF THE
24 PURCHASE PRICE THAT REMAINS UNPAID. THE PENALTY SHALL BE PAID TO
25 THE DEPARTMENT WITHIN THIRTY DAYS AFTER DEMAND.

26 (c) THE DEPARTMENT MAY OFFER TO REALLOCATE THE DEFAULTED
27 TAX CREDITS AMONG OTHER QUALIFIED TAXPAYERS SO THAT THE RESULT

1 AFTER REALLOCATION IS THE SAME AS IF THE INITIAL ALLOCATION HAD
2 BEEN PERFORMED WITHOUT CONSIDERING THE TAX CREDIT ALLOCATION
3 TO THE DEFAULTING QUALIFIED TAXPAYER.

4 (d) IF THE REALLOCATION OF TAX CREDITS UNDER SUBSECTION
5 (4)(c) OF THIS SECTION RESULTS IN THE PAYMENT BY ANOTHER QUALIFIED
6 TAXPAYER OF THE AMOUNT OF TAX CREDIT SALE PROCEEDS NOT PAID BY
7 THE DEFAULTING QUALIFIED TAXPAYER, THE DEPARTMENT MAY WAIVE
8 THE PENALTY IMPOSED UNDER SUBSECTION (4)(b) OF THIS SECTION.

9 (e) A QUALIFIED TAXPAYER THAT FAILS TO PAY THE TAX CREDIT
10 SALE PROCEEDS WITHIN THE TIME SPECIFIED MAY AVOID THE IMPOSITION
11 OF THE PENALTY BY TRANSFERRING THE ALLOCATION OF TAX CREDITS TO
12 A NEW OR EXISTING QUALIFIED TAXPAYER WITHIN THIRTY DAYS AFTER THE
13 DUE DATE OF THE DEFAULTED INSTALLMENT. A TRANSFEREE OF AN
14 ALLOCATION OF TAX CREDITS OF A DEFAULTING QUALIFIED TAXPAYER
15 UNDER THIS SUBSECTION (4) SHALL AGREE TO PAY TAX CREDIT SALE
16 PROCEEDS WITHIN FIVE DAYS AFTER THE DATE OF THE TRANSFER.

17 (5) **Deposit of tax credit sale proceeds into fund.** THE STATE
18 TREASURER SHALL DEPOSIT THE TAX CREDIT SALE PROCEEDS PROVIDED BY
19 A QUALIFYING TAXPAYER IN RETURN FOR A TAX CREDIT CERTIFICATE INTO
20 THE ON-BILL FINANCING FUND.

21 (6) **Process for claiming tax credits - carry over authorized -**
22 **tax credits are nonrefundable - transfer and assumption of tax credit.**

23 (a) (I) FOR A TAX CREDIT CERTIFICATE THAT THE DEPARTMENT ISSUES IN
24 STATE FISCAL YEAR 2025-26, THE DEPARTMENT, IN CONSULTATION WITH
25 THE OFFICE OF STATE PLANNING AND BUDGETING, PRIOR TO THE SALE, MAY
26 DETERMINE THE CALENDAR YEARS IN WHICH THE QUALIFIED TAXPAYER
27 MAY CLAIM THEIR CREDIT AGAINST PREMIUM TAX LIABILITY.

1 (II) FOR A TAX CREDIT CERTIFICATE THAT THE DEPARTMENT
2 ISSUES IN STATE FISCAL YEAR 2026-27, THE DEPARTMENT, IN
3 CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING,
4 PRIOR TO THE SALE, MAY DETERMINE THE CALENDAR YEARS IN WHICH THE
5 QUALIFIED TAXPAYER MAY CLAIM THEIR CREDIT AGAINST PREMIUM TAX
6 LIABILITY.

7 (b) THE TOTAL CREDIT THAT A QUALIFIED TAXPAYER MAY APPLY
8 IN ANY ONE YEAR MUST NOT EXCEED THE PREMIUM TAX LIABILITY OF THE
9 QUALIFIED TAXPAYER FOR THE TAXABLE YEAR. IF THE QUALIFIED
10 TAXPAYER CANNOT USE THE ENTIRE AMOUNT OF THE TAX CREDIT FOR THE
11 TAXABLE YEAR IN WHICH THE TAXPAYER IS ELIGIBLE FOR THE TAX CREDIT,
12 THE EXCESS MAY BE CARRIED OVER TO SUCCEEDING TAXABLE YEARS AND
13 USED AS A CREDIT AGAINST THE PREMIUM TAX LIABILITY OF THE
14 TAXPAYER FOR THOSE TAXABLE YEARS; EXCEPT THAT THE CREDIT SHALL
15 NOT BE CARRIED OVER TO ANY TAXABLE YEAR THAT BEGINS AFTER
16 DECEMBER 31, 2035. ANY AMOUNT OF THE TAX CREDIT THAT IS NOT
17 TIMELY CLAIMED EXPIRES AND IS NOT REFUNDABLE.

18 (c) A QUALIFIED TAXPAYER CLAIMING A TAX CREDIT UNDER THIS
19 SECTION SHALL:

20 (I) SUBMIT THE TAX CREDIT CERTIFICATE ISSUED WITH THE
21 QUALIFIED TAXPAYER'S TAX RETURN; AND

22 (II) NOT BE REQUIRED TO PAY ANY ADDITIONAL OR RETALIATORY
23 TAX AS A RESULT OF CLAIMING THE TAX CREDIT.

24 (d) (I) IF A QUALIFIED TAXPAYER HOLDING AN UNCLAIMED TAX
25 CREDIT IS PART OF A MERGER, ACQUISITION, OR LINE OF BUSINESS
26 DIVESTITURE TRANSACTION, THE TAX CREDIT MAY BE TRANSFERRED TO
27 AND ASSUMED BY THE RESULTING ENTITY IF THE RESULTING ENTITY IS AN

1 INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN COLORADO AND
2 HAS PREMIUM TAX LIABILITY.

3 (II) THE QUALIFIED TAXPAYER THAT ORIGINALLY PURCHASED THE
4 TAX CREDIT AND THE RESULTING ENTITY SHALL NOTIFY THE DEPARTMENT
5 IN WRITING OF THE TRANSFER OR ASSUMPTION OF THE TAX CREDIT IN
6 ACCORDANCE WITH PROCEDURES ADOPTED BY THE DEPARTMENT. THE
7 DEPARTMENT SHALL PROVIDE A COPY OF THE NOTICE TO THE DIVISION OF
8 INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES AND SHALL
9 MAINTAIN A RECORD OF THE TRANSFER OR ASSUMPTION OF THE TAX
10 CREDIT. THE TRANSFER OR ASSUMPTION OF THE TAX CREDIT DOES NOT
11 AFFECT THE TIME SCHEDULE FOR CLAIMING THE TAX CREDIT AS PROVIDED
12 IN THIS SECTION.

13 (7) **On-bill financing fund - creation.** THE ON-BILL FINANCING
14 FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF TAX
15 CREDIT SALE PROCEEDS RECEIVED FROM QUALIFIED TAXPAYERS AND
16 DEPOSITED INTO THE FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION.
17 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED
18 FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE ON-BILL FINANCE
19 FUND TO THE FUND.

20 (8) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2038.

21 **SECTION 6.** In Colorado Revised Statutes, 24-75-402, **amend**
22 (5)(jjj) and (5)(kkk); and **add** (5)(lll) as follows:

23 **24-75-402. Cash funds - limit on uncommitted reserves -**
24 **reduction in the amount of fees - exclusions - definitions.**

25 (5) Notwithstanding any provision of this section to the contrary, the
26 following cash funds are excluded from the limitations specified in this
27 section:

1 (jjj) The employee ownership cash fund created in section
2 39-22-542.5 (8); and

3 (kkk) The community revitalization tax credit program cash fund
4 created in section 39-22-569 (13); AND

5 (lll) THE ON-BILL FINANCING FUND CREATED IN SECTION 24-36-125
6 (7).

7 **SECTION 7. Appropriation.** (1) For the 2025-26 state fiscal
8 year, \$200,000 is appropriated to the office of the governor for use by the
9 Colorado energy office. This appropriation is from the on-bill program
10 administration cash fund created in section 24-38.5-123 (8)(a), C.R.S.,
11 and is based on an assumption that the office will require an additional
12 0.8 FTE. To implement this act, the office may use this appropriation for
13 on-bill program administration.

14 (2) For the 2025-26 state fiscal year, \$1,992,000 is appropriated
15 to the office of the governor for use by the Colorado energy office. This
16 appropriation is from the building decarbonization enterprise cash fund
17 created in section 24-38.5-123 (6)(a), C.R.S. To implement this act, the
18 office may use this appropriation for the building decarbonization
19 enterprise.

20 **SECTION 8. Effective date.** This act takes effect upon passage;
21 except that section 5 of this act takes effect only if House Bill 25-1269
22 becomes law, in which case section 5 takes effect upon the effective date
23 of this act or House Bill 25-1269, whichever is later.

24 **SECTION 9. Safety clause.** The general assembly finds,
25 determines, and declares that this act is necessary for the immediate
26 preservation of the public peace, health, or safety or for appropriations for

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.