First Regular Session Seventy-third General Assembly STATE OF COLORADO

REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House

LLS NO. 21-0472.02 Thomas Morris x4218

HOUSE BILL 21-1266

HOUSE SPONSORSHIP

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SENATE SPONSORSHIP

Winter and Buckner,

House Committees

Energy & Environment Finance Appropriations

Senate Committees

Finance Appropriations

A BILL FOR AN ACT

101	CONCERNING EFFORTS TO REDRESS THE EFFECTS OF ENVIRONMENTAL
102	INJUSTICE ON DISPROPORTIONATELY IMPACTED COMMUNITIES.
103	AND, IN 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.)

Section 3 of the bill defines "disproportionately impacted community".

Section 4 requires the air quality control commission to promote outreach to and engage with disproportionately impacted communities by creating new ways to gather input from communities across the state,

SENATE Amended 2nd Reading June 7, 2021

HOUSE rd Reading Unamended May 13, 2021

HOUSE Amended 2nd Reading May 12, 2021

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters or bold & italic numbers indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

using multiple languages and multiple formats, and transparently sharing information about adverse effects resulting from its proposed actions.

Section 5 creates the environmental justice action task force (task force) in the department of public health and environment (department), the goal of which is to propose recommendations to the general assembly regarding practical means of addressing environmental justice inequities. The task force will:

- Hold meetings to solicit public comment concerning the development of a state agency-wide environmental justice strategy and a plan to implement that strategy, including ways to address data gaps and data sharing between state agencies and the engagement of disproportionately impacted communities;
- Evaluate and propose recommended revisions to the definition of "disproportionately impacted community" and the state agencies and their proposed actions that are subject to section 3; and
- File a final report by November 14, 2022, regarding its recommendations.

The department will report on the task force during the department's "SMART Act" presentations.

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

2 **SECTION 1. Short title.** The short title of this act is the "Environmental Justice Act".

SECTION 2. Legislative declaration. (1) The general assembly hereby:

(a) Finds that:

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- (I) All people have the right to breathe clean air, drink clean water, participate freely in decisions that affect their environments, live free of dangerous levels of toxic pollution, experience equal protection provided by environmental policies, and share the benefits of a prosperous and vibrant pollution-free economy;
- (II) Certain communities, both in Colorado and internationally, have historically been forced to bear a disproportionate burden of adverse

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1	human health or environmental effects as documented in numerous
2	studies, including the "Toxic Wastes and Race at Twenty, 1987-2007"
3	report by the United Church of Christ Justice & Witness Ministries,
4	federal environmental protection agency annual Environmental Justice
5	Progress Reports, and a 2021 report from the "Mapping for
6	Environmental Justice" project at the Berkeley Public Policy/The
7	Goldman School that shows how the pollution burden is distributed in
8	Colorado, while also facing systemic exclusion from environmental
9	decision-making processes and enjoying fewer environmental benefits;
10	(III) Specifically, communities with residents who are Black,
11	indigenous, Latino, or people of color have faced centuries of genocide,
12	environmental racism, and predatory extraction practices; and
13	(IV) At the same time, environmental justice affects and requires
14	the participation of all Coloradans;
15	(b) Determines that:
16	(I) Federal action to address environmental justice includes the
17	federal environmental protection agency's office of environmental justice,
18	originally established in 1992, and the assignment of EPA regional
19	liaisons to minority, Tribal, and low-income communities pursuant to 42
20	U.S.C. sec. 4370i;
21	(II) States have also addressed environmental justice, with the
22	National Law Review recently noting on October 30, 2020, that "the vast
23	majority of states now address [environmental justice] in some
24	fashion-via legislation, agency policy and guidance, or advisory
25	groups-with fewer than five failing to mention the concept at all";
26	(III) Environmental justice laws that promote outreach to and
2.7	facilitate feedback from disproportionately impacted communities and

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1	require that agencies consider that feedback have been upheld by the
2	courts as a legitimate exercise of legislative authority, such as in Friends
3	of Buckingham v. State Air Pollution Control Bd., 947 F.3d 68 (4th Cir.
4	2020) (vacating the issuance of a permit due to the board's failure to
5	properly consider the permit's environmental justice impacts);
6	(IV) State action to correct environmental injustice is imperative,
7	and state policy can and should improve public health and the
8	environment and improve the overall well-being of all communities;
9	(V) Efforts to right past wrongs and move toward environmental
10	justice must focus on disproportionately impacted communities and the
11	voices of their residents;
12	(VI) Less-burdened communities have benefitted from
13	relationships that impose burdens on other communities, which is a
14	tangible debt that must be repaid through financial reinvestment, and
15	these relatively privileged communities have a responsibility to
16	acknowledge the harms to which they contribute and a duty to find ways
17	to give back what has been taken; and
18	(VII) Environmental justice is not a zero-sum game: The better we
19	take care of all communities, the more we all grow, and by focusing on
20	communities that are hurting the most, all communities will find
21	opportunities to heal and thrive; and
22	(c) Declares that:
23	(I) The state government has a responsibility to achieve
24	environmental justice, health equity, and climate justice for all
25	communities by avoiding and mitigating harm;
26	(II) It is necessary for disproportionately impacted communities
27	to be meaningfully engaged as partners and stakeholders in government

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1 decision-making; 2 (III) Potential environmental and climate threats to communities 3 merit a higher level of engagement, review, and consent; and 4 (IV) This act is necessary to ensure that communities are not 5 forced to bear disproportionate environmental and health impacts. 6 (2) The general assembly also hereby: 7 (a) Finds that prompt action is essential for Colorado to meet its 8 climate goals, given, among other things, the slow turnover of equipment, 9 vehicles, appliances, and other technologies that burn or release fossil 10 fuels. The general assembly further recognizes that climate change is a 11 cumulative emissions problem. This is because long-lived climate 12 pollutants can persist for centuries in the atmosphere, thus committing us 13 to warming for generations to come. As we continue to emit greenhouse 14 gases into the atmosphere over the next decade, and even over the next 15 few years, we will continue to exacerbate the climate damages we are 16 already seeing and increase the risk of catastrophic disruption. Therefore, 17 early action to reduce the pollutants that contribute to climate change, thereby reducing overall atmospheric greenhouse gas concentrations, is 18 19 essential. Colorado needs to secure reductions in pollution over time in 20 amounts that align with the estimated carbon dioxide budgets identified 21 by the United Nations' intergovernmental panel on climate change 22 consistent with limiting the average global warming, in comparison to 23 accepted historical average temperatures, to one and one-half degrees 24 Celsius. 25 (b) Determines that: 26 (I) Due to historical systems and practices that intentionally

targeted Black, Latino, Asian American, and Indigenous people,

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1	communities of color, and low-income communities, there continues to
2	be a racial and socioeconomic inequity in regard to the impacts of climate
3	change and pollution. As documented in multiple peer-reviewed scientific
4	studies, communities with predominantly Black, Latino, Asian American,
5	or Indigenous populations suffer from higher rates of air pollution and
6	damage due to changing and more severe weather and have been
7	systematically excluded from governance and decision making. It is
8	therefore the responsibility of the state to include and engage these
9	communities more fully in policymaking at every level and to ensure that
10	environmental policy works toward restorative justice and benefitting
11	these communities. The general assembly recognizes that the key to
12	addressing these historic wrongs is to rapidly reduce pollution in
13	disproportionately impacted communities, including from electric power,
14	industrial, and manufacturing sources.
15	(II) The public should have a meaningful opportunity to
16	participate in rule-making proceedings before the air quality control
17	commission. This requires that members of the public be provided with
18	timely access to information needed to understand proposed rules and to
19	develop alternative proposals;
20	(III) The commission is encouraged to use language that is
21	understandable to citizens who do not have specialized knowledge of the
22	matters before the commission; and
23	(c) Declares that:
24	(I) Nothing in this act:
25	(A) Alters the greenhouse gas emission reduction goals previously
26	established in section 25-7-102 (2)(g), C.R.S., in either amount or timing;
27	or

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1	(B) Detracts from the commission's existing authority to require
2	more than the minimum greenhouse gas emission reduction goals and
3	deadlines previously established in section 25-7-102 (2)(g), C.R.S.; and
4	(II) This act adds to, but does not otherwise alter, the air quality
5	control commission's authority and obligation to publish and promulgate
6	rules pursuant to sections 25-7-105, 25-7-102 (2)(g), and 25-7-140.
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8	SECTION 3. In Colorado Revised Statutes, add 24-4-109 as
9	follows:
10	24-4-109. State engagement of disproportionately impacted
11	communities - definitions - repeal. (1) Goal. The goal of outreach
12	TO AND ENGAGEMENT OF DISPROPORTIONATELY IMPACTED COMMUNITIES
13	IS TO BUILD TRUST AND TRANSPARENCY, PROVIDE MEANINGFUL
14	OPPORTUNITIES TO INFLUENCE PUBLIC POLICY, AND MODIFY PROPOSED
15	STATE ACTION IN RESPONSE TO RECEIVED PUBLIC INPUT TO DECREASE
16	ENVIRONMENTAL BURDENS OR INCREASE ENVIRONMENTAL BENEFITS FOR
17	EACH DISPROPORTIONATELY IMPACTED COMMUNITY.
18	(2) Definitions. (a) (I) THE ENVIRONMENTAL JUSTICE ACTION
19	TASK FORCE CREATED IN SECTION 25-1-131 WILL RECOMMEND TO THE
20	GENERAL ASSEMBLY POTENTIAL MODIFICATIONS TO THE DEFINITIONS
21	ESTABLISHED IN THIS SUBSECTION (2). THE DEFINITIONS ESTABLISHED IN
22	THIS SUBSECTION (2) APPLY UNLESS AND UNTIL THE GENERAL ASSEMBLY
23	ACTS BY BILL TO MODIFY ONE OR MORE OF THE DEFINITIONS.
24	(II) This subsection $(2)(a)$ is repealed, effective September
25	1, 2024.
26	(b) As used in this section and sections 25-1-131 and
27	25-7-105 (1)(e), UNLESS THE CONTEXT OTHERWISE REQUIRES:

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1	(I) "AGENCY" MEANS THE AIR QUALITY CONTROL COMMISSION
2	CREATED IN SECTION 25-7-104.
3	(II) "DISPROPORTIONATELY IMPACTED COMMUNITY" MEANS A
4	COMMUNITY THAT IS IN A CENSUS BLOCK GROUP, AS DETERMINED IN
5	ACCORDANCE WITH THE MOST RECENT UNITED STATES CENSUS, WHERE
6	THE PROPORTION OF HOUSEHOLDS THAT ARE LOW INCOME IS GREATER
7	THAN FORTY PERCENT, THE PROPORTION OF HOUSEHOLDS THAT IDENTIFY
8	AS MINORITY IS GREATER THAN FORTY PERCENT, OR THE PROPORTION OF
9	HOUSEHOLDS THAT ARE HOUSING COST-BURDENED IS GREATER THAN
10	FORTY PERCENT; OR IS ANY OTHER COMMUNITY AS IDENTIFIED OR
11	APPROVED BY A STATE AGENCY, IF: THE COMMUNITY HAS A HISTORY OF
12	ENVIRONMENTAL RACISM PERPETUATED THROUGH REDLINING,
13	ANTI-INDIGENOUS, ANTI-IMMIGRANT, ANTI-HISPANIC, OR ANTI-BLACK
14	LAWS; OR THE COMMUNITY IS ONE WHERE MULTIPLE FACTORS, INCLUDING
15	SOCIOECONOMIC STRESSORS, DISPROPORTIONATE ENVIRONMENTAL
16	BURDENS, VULNERABILITY TO ENVIRONMENTAL DEGRADATION, AND LACK
17	OF PUBLIC PARTICIPATION, MAY ACT CUMULATIVELY TO AFFECT HEALTH
18	AND THE ENVIRONMENT AND CONTRIBUTE TO PERSISTENT DISPARITIES. AS
19	USED IN THIS SUBSECTION (2)(b)(II), "COST-BURDENED" MEANS A
20	HOUSEHOLD THAT SPENDS MORE THAN THIRTY PERCENT OF ITS INCOME ON
21	HOUSING, AND "LOW INCOME" MEANS THE MEDIAN HOUSEHOLD INCOME IS
22	LESS THAN OR EQUAL TO TWO HUNDRED PERCENT OF THE FEDERAL
23	POVERTY GUIDELINE.
24	(III) "PROPOSED STATE ACTION" MEANS:
25	(A) RULE-MAKING PROCEEDINGS HELD PURSUANT TO SECTION
26	24-4-103;
27	(B) LICENSING PROCEEDINGS, INCLUDING THE ISSUANCE AND

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1	RENEWAL OF PERMITS, HELD PURSUANT TO SECTION 24-4-104; AND
2	(C) ADJUDICATORY HEARINGS HELD PURSUANT TO SECTION
3	24-4-105.
4	(3) Engagement. (a) TO PROMOTE THE GOAL OF STATE
5	ENGAGEMENT OF DISPROPORTIONATELY IMPACTED COMMUNITIES, AN
6	AGENCY SHALL STRIVE TO CREATE NEW WAYS TO GATHER INPUT FROM
7	COMMUNITIES ACROSS THE STATE, USING MULTIPLE LANGUAGES AND
8	MULTIPLE FORMATS AND TRANSPARENTLY SHARING INFORMATION ABOUT
9	ADVERSE ENVIRONMENTAL EFFECTS FROM ITS PROPOSED STATE ACTION.
10	(b) When conducting outreach to and engagement of
11	DISPROPORTIONATELY IMPACTED COMMUNITIES REGARDING A PROPOSED
12	STATE ACTION, THE AGENCY SHALL:
13	(I) SCHEDULE VARIABLE TIMES OF DAY AND DAYS OF THE WEEK
14	FOR OPPORTUNITIES FOR PUBLIC INPUT ON THE PROPOSED STATE ACTION,
15	INCLUDING AT LEAST ONE WEEKEND TIME, ONE EVENING TIME, AND ONE
16	MORNING TIME FOR PUBLIC INPUT;
17	(II) PROVIDE NOTICE AT LEAST THIRTY DAYS BEFORE ANY PUBLIC
18	INPUT OPPORTUNITY OR BEFORE THE START OF ANY PUBLIC COMMENT
19	PERIOD;
20	(III) UTILIZE SEVERAL DIFFERENT METHODS OF OUTREACH AND
21	WAYS TO PUBLICIZE THE PROPOSED STATE ACTION, INCLUDING
22	DISSEMINATING INFORMATION THROUGH SCHOOLS, CLINICS, SOCIAL
23	MEDIA, SOCIAL AND ACTIVITY CLUBS, LOCAL GOVERNMENTS, TRIBAL
24	GOVERNMENTS, LIBRARIES, RELIGIOUS ORGANIZATIONS, CIVIC
25	ASSOCIATIONS, COMMUNITY-BASED ENVIRONMENTAL JUSTICE
26	ORGANIZATIONS, OR OTHER LOCAL SERVICES;
27	(IV) PROVIDE SEVERAL METHODS FOR THE PUBLIC TO GIVE INPUT,

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1	SUCH AS IN-PERSON MEETINGS, VIRTUAL AND ONLINE MEETINGS, ONLINE
2	COMMENT PORTALS OR E-MAIL, AND CALL-IN MEETINGS;
3	(V) CONSIDER USING A VARIETY OF LOCATIONS FOR PUBLIC INPUT
4	ON THE PROPOSED STATE ACTION, INCLUDING MEETING LOCATIONS IN
5	URBAN CENTERS, IN NEIGHBORHOODS WHOSE POPULATIONS ARE
6	PREDOMINANTLY BLACK, INDIGENOUS, OR PEOPLE OF COLOR AND HAVE AN
7	AVERAGE INCOME BELOW THE STATE'S AVERAGE, AND IN RURAL
8	LOCATIONS IN VARIOUS REGIONS OF THE STATE; AND
9	(VI) CREATE OUTREACH MATERIALS CONCERNING THE PROPOSED
10	STATE ACTION IN LAYPERSON'S TERMS, TRANSLATED INTO THE TOP TWO
11	LANGUAGES SPOKEN IN A COMMUNITY, THAT INFORM PEOPLE OF
12	OPPORTUNITIES TO PROVIDE INPUT ON THE PROPOSED STATE ACTION, THEIR
13	RIGHTS, THE POSSIBLE OUTCOMES, AND THE UPCOMING PUBLIC INPUT
14	PROCESS.
15	SECTION 4. In Colorado Revised Statutes, add 25-1-131 as
16	follows:
17	25-1-131. Environmental justice action task force - report -
18	repeal. (1) Creation. (a) There is hereby created in the
19	DEPARTMENT THE ENVIRONMENTAL JUSTICE ACTION TASK FORCE TO
20	RECOMMEND AND PROMOTE STRATEGIES FOR INCORPORATING
21	ENVIRONMENTAL JUSTICE AND EQUITY INTO HOW STATE AGENCIES
22	DISCHARGE THEIR RESPONSIBILITIES.
23	(b) The task force consists of <u>twenty-seven</u> members
24	APPOINTED PURSUANT TO SUBSECTION (1)(c) OF THIS SECTION.
25	(c) The membership of the task force and appointing
26	AUTHORITIES ARE AS FOLLOWS:
27	(I) THE GOVERNOR SHALL APPOINT THE FOLLOWING NINE

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1	MEMBERS:
2	(A) THREE REPRESENTATIVES FROM THE DEPARTMENT OF PUBLIC
3	HEALTH AND ENVIRONMENT, ONE WITH EXPERTISE IN AIR QUALITY, ONE
4	WITH EXPERTISE IN WATER QUALITY, AND ONE WITH EXPERTISE IN HEALTH
5	EQUITY;
6	(B) ONE REPRESENTATIVE OF THE DEPARTMENT OF NATURAL
7	RESOURCES;
8	(C) ONE REPRESENTATIVE OF THE DEPARTMENT OF
9	TRANSPORTATION;
10	(D) ONE REPRESENTATIVE OF THE COLORADO ENERGY OFFICE;
11	(E) ONE REPRESENTATIVE OF THE PUBLIC UTILITIES COMMISSION:
12	(F) ONE REPRESENTATIVE OF THE DEPARTMENT OF AGRICULTURE
13	AND
14	(G) ONE REPRESENTATIVE OF THE GOVERNOR'S OFFICE;
15	(II) TWO MEMBERS, ONE APPOINTED BY THE CHAIR OF THE
16	SOUTHERN UTE INDIAN TRIBE TRIBAL COUNCIL AND ONE APPOINTED BY
17	THE CHAIR OF THE UTE MOUNTAIN UTE TRIBE TRIBAL COUNCIL;
18	(III) <u>Sixteen</u> members appointed by the president of the
19	SENATE, THE MINORITY LEADER OF THE SENATE, THE SPEAKER OF THE
20	HOUSE OF REPRESENTATIVES, AND THE MINORITY LEADER OF THE HOUSE
21	OF REPRESENTATIVES, WITH ONE MEMBER APPOINTED BY EACH
22	APPOINTING AUTHORITY FROM SUBSECTION (1)(c)(III)(A) OF THIS SECTION
23	AND THREE MEMBERS EACH FROM SUBSECTION (1)(c)(III)(B) OF THIS
24	SECTION:
25	(A) FOUR MEMBERS WHO REPRESENT DISPROPORTIONATELY
26	IMPACTED COMMUNITIES LOCATED, TO THE EXTENT PRACTICABLE, IN
2.7	DIFFERENT CONGRESSIONAL DISTRICTS OF THE STATE: AND

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2	ORGANIZATIONS THAT: CARRY OUT INITIATIVES RELATING TO
3	ENVIRONMENTAL JUSTICE, THREE MEMBERS; REPRESENT WORKER
4	INTERESTS IN DISPROPORTIONATELY IMPACTED COMMUNITIES, ONE
5	MEMBER; REPRESENT THE INTEREST OF PEOPLE OF COLOR, FOUR MEMBERS;
6	REPRESENT THE RENEWABLE ENERGY INDUSTRY, ONE MEMBER; REPRESENT
7	THE NONRENEWABLE ENERGY INDUSTRY, ONE MEMBER; REPRESENT LOCAL
8	GOVERNMENT IN DISPROPORTIONATELY IMPACTED COMMUNITIES, ONE
9	MEMBER; AND WORK TO SUPPORT PUBLIC HEALTH, ONE MEMBER, WHO
10	MUST BE AN ENVIRONMENTAL TOXICOLOGIST.
11	(d) THE APPOINTING AUTHORITIES SHALL FILL A VACANCY AS SOON
12	AS POSSIBLE. IN MAKING APPOINTMENTS TO THE TASK FORCE, THE
13	APPOINTING AUTHORITIES SHALL ENSURE THAT THE MEMBERSHIP OF THE
14	TASK FORCE REFLECTS THE RACIAL, ETHNIC, CULTURAL, AND GENDER
15	DIVERSITY OF THE STATE, INCLUDING REPRESENTATION OF ALL AREAS OF
16	THE STATE.
17	(2) Mission of the task force. The mission of the task force
18	IS TO PROPOSE RECOMMENDATIONS TO THE GENERAL ASSEMBLY
19	REGARDING PRACTICAL MEANS OF ADDRESSING ENVIRONMENTAL JUSTICE
20	INEQUITIES BY:
21	(a) PROMOTING ENVIRONMENTAL JUSTICE ACROSS STATE
22	AGENCIES AND IMPROVING COLLABORATION AMONG STATE AGENCIES IN
23	IDENTIFYING AND ADDRESSING THE HUMAN HEALTH AND ENVIRONMENTAL
24	EFFECTS OF PROGRAMS, POLICIES, PRACTICES, AND ACTIVITIES ON
25	DISPROPORTIONATELY IMPACTED COMMUNITIES;
26	(b) IMPROVING COOPERATION ON ENVIRONMENTAL JUSTICE
27	INITIATIVES BETWEEN THE STATE GOVERNMENT, TRIBAL GOVERNMENTS,

(B) THE FOLLOWING NUMBER OF MEMBERS OF DIFFERENT

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1	AND LOCAL GOVERNMENTS;
2	(c) Ensuring meaningful involvement and due process in
3	THE DEVELOPMENT, IMPLEMENTATION, AND ENFORCEMENT OF
4	ENVIRONMENTAL LAWS AND POLICIES; AND
5	(d) ADDRESSING ENVIRONMENTAL HEALTH, POLLUTION, AND
6	PUBLIC HEALTH BURDENS IN DISPROPORTIONATELY IMPACTED
7	COMMUNITIES AND BUILDING HEALTHY, SUSTAINABLE, AND RESILIENT
8	COMMUNITIES.
9	(3) Duties of the task force. The task force shall consider
10	PROPOSING RECOMMENDATIONS CONCERNING THE FOLLOWING:
11	(a) DEVELOPING A STATE AGENCY-WIDE ENVIRONMENTAL JUSTICE
12	STRATEGY AND A PLAN TO IMPLEMENT THAT STRATEGY, WHICH COULD
13	INCLUDE:
14	(I) RECOMMENDATIONS FOR CREATING AND IMPLEMENTING
15	EQUITY ANALYSIS INTO ALL SIGNIFICANT PLANNING, RULE-MAKING,
16	ADJUDICATIONS, ORDERS, PROGRAMMATIC AND POLICY DECISION-MAKING,
17	AND INVESTMENTS;
18	(II) A POTENTIAL REQUIREMENT THAT AGENCIES PREPARE AN
19	ENVIRONMENTAL EQUITY ANALYSIS FOR ANY STATE ACTION THAT HAS THE
20	POTENTIAL TO CAUSE NEGATIVE ENVIRONMENTAL OR PUBLIC HEALTH
21	IMPACTS TO A DISPROPORTIONATELY IMPACTED COMMUNITY, WHICH
22	ANALYSIS COULD INCLUDE A PROCESS FOR IDENTIFYING AND DESCRIBING
23	CUMULATIVE IMPACTS TO THE HEALTH AND ENVIRONMENT OF
24	DISPROPORTIONATELY IMPACTED COMMUNITIES;
25	(III) A POTENTIAL REQUIREMENT THAT FOR ANY STATE ACTION
26	THAT MAY CAUSE ADVERSE ENVIRONMENTAL OR PUBLIC HEALTH IMPACTS
27	TO A DISPROPORTIONATELY IMPACTED COMMUNITY, THE ADVERSE

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1	ENVIRONMENTAL OR PUBLIC HEALTH MUST BE AVOIDED, AND IF THE
2	EFFECTS CANNOT BE AVOIDED, THEY MUST BE MINIMIZED AND MITIGATED;
3	(IV) A POTENTIAL REQUIREMENT THAT PERMITS MUST BE ISSUED
4	AND RENEWED ONLY AFTER AN ENVIRONMENTAL EQUITY ANALYSIS
5	DETERMINES THAT THE TERMS AND CONDITIONS OF THE PERMIT OR
6	RENEWAL ARE SUFFICIENT TO ENSURE, TO A REASONABLE CERTAINTY,
7	THAT ANY HARM TO THE HEALTH AND ENVIRONMENT OF
8	DISPROPORTIONATELY IMPACTED COMMUNITIES IS EITHER:
9	(A) AVOIDED; OR
10	(B) MINIMIZED TO THE EXTENT PRACTICABLE AND, TO THE EXTENT
11	ANY HARM REMAINS, IS MITIGATED;
12	(V) A POTENTIAL REQUIREMENT THAT ALL ENVIRONMENTAL
13	PROJECTS DEVELOPED AS PART OF A SETTLEMENT RELATING TO
14	VIOLATIONS IN A DISPROPORTIONATELY IMPACTED COMMUNITY ARE
15	DEVELOPED IN CONSULTATION WITH AND THROUGH MEANINGFUL
16	PARTICIPATION OF INDIVIDUALS IN THE DISPROPORTIONATELY IMPACTED
17	COMMUNITY AND RESULT IN IMPROVEMENT TO THE HEALTH AND
18	ENVIRONMENT OF THE AFFECTED DISPROPORTIONATELY IMPACTED
19	COMMUNITY; AND
20	$(VI) \ Recommendations for establishing {\tt measurable} \ goals$
21	FOR REDUCING ENVIRONMENTAL HEALTH DISPARITIES FOR
22	DISPROPORTIONATELY IMPACTED COMMUNITIES;
23	(b) ADOPTION OF A PLAN THAT ADDRESSES THE LACK OF DATA AND
24	LACK OF DATA SHARING BETWEEN STATE AGENCIES ABOUT POTENTIAL
25	EXPOSURE TO ENVIRONMENTAL HAZARDS AND IMPROVES RESEARCH AND
26	DATA COLLECTION EFFORTS RELATED TO THE HEALTH AND ENVIRONMENT
27	OF DISPROPORTIONATELY IMPACTED COMMUNITIES, CLIMATE CHANGE,

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2	MANAGEMENT AND USE OF NATURAL RESOURCES;
3	(c) The provisions of section 24-4-109 regarding
4	ENGAGEMENT OF DISPROPORTIONATELY IMPACTED COMMUNITIES, TAKING
5	INTO ACCOUNT BARRIERS TO PARTICIPATION THAT MAY ARISE DUE TO
6	RACE, COLOR, ETHNICITY, RELIGION, INCOME, OR EDUCATION LEVEL; AND
7	(d) EVALUATING AND PROPOSING RECOMMENDATIONS OR
8	REVISIONS TO THE FOLLOWING DEFINITIONS:
9	$(I) \ "Disproportionately impacted community" as defined in \\$
10	SECTION 24-4-109 (2)(b)(II);
11	(II) "PROPOSED STATE ACTION" AS DEFINED IN SECTION 24-4-109
12	(2)(b)(III); AND
13	(III) "AGENCY" AS DEFINED IN SECTION 24-4-109 (2)(b)(I). IN
14	FORMULATING ITS RECOMMENDATION, THE TASK FORCE SHALL CONSIDER
15	INCLUDING WITHIN THE DEFINITION AT LEAST THE STATE ENTITIES
16	SPECIFIED IN SUBSECTION $(1)(c)(I)$ OF THIS SECTION.
17	(4) THE TASK FORCE SHALL:
18	(a) HOLD AT LEAST SIX MEETINGS, WHICH MAY BE ONLINE OR IN
19	PERSON, TO SEEK INPUT FROM, PRESENT ITS WORK PLAN AND PROPOSALS
20	TO, AND RECEIVE FEEDBACK FROM COMMUNITIES THROUGHOUT THE
21	STATE;
22	(b) SUBMIT A FINAL REPORT OF ITS FINDINGS AND
23	RECOMMENDATIONS TO THE GOVERNOR, THE DEPARTMENT, THE HOUSE OF
24	REPRESENTATIVES AGRICULTURE, LIVESTOCK, AND WATER, ENERGY AND
25	ENVIRONMENT, AND HEALTH AND INSURANCE COMMITTEES, AND THE
26	SENATE AGRICULTURE AND NATURAL RESOURCES, HEALTH AND HUMAN
27	SERVICES, AND TRANSPORTATION AND ENERGY COMMITTEES, OR THEIR

AND THE INEQUITABLE DISTRIBUTION OF BURDENS AND BENEFITS OF THE

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1	SUCCESSOR COMMITTEES, BY NOVEMBER 14, 2022; AND
2	(c) Post summaries of its meetings, draft
3	RECOMMENDATIONS, AND THE FINAL REPORT, WHICH MUST BE AVAILABLE
4	AS A PUBLIC RECORD ON THE HOME PAGE OF THE DEPARTMENT'S WEBSITE.
5	(5) THE DEPARTMENT SHALL INCLUDE UPDATES REGARDING THE
6	TASK FORCE'S ACTIVITIES, INCLUDING ITS FINAL REPORT, IN ITS
7	DEPARTMENTAL PRESENTATION TO LEGISLATIVE COMMITTEES OF
8	REFERENCE PURSUANT TO SECTION 2-7-203.
9	(6) This section is repealed, effective September 1, 2024.
10	SECTION 5. In Colorado Revised Statutes, 25-7-105, amend
11	(1)(e)(III) as follows:
12	25-7-105. Duties of commission - rules - legislative declaration
13	- definitions. (1) Except as provided in sections 25-7-130 and 25-7-131,
14	the commission shall promulgate such rules and regulations as are
15	consistent with the legislative declaration set forth in section 25-7-102
16	and necessary for the proper implementation and administration of this
17	article 7, including, but not limited to:
18	(e) (III) The commission will identify AND ENGAGE WITH
19	disproportionately impacted communities In identifying these
20	communities, the commission will consider: Minority, low-income, tribal,
21	or indigenous populations in the state that potentially experience
22	disproportionate environmental harms and risks. This disproportionality
23	can be a result of increased vulnerability to environmental degradation,
24	lack of opportunity for public participation, or other factors. Increased
25	vulnerability may be attributable to an accumulation of negative or lack
26	of positive environmental, health, economic, or social conditions within
27	these populations. "Disproportionately impacted communities" describes

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1	situations where multiple factors, including both environmental and
2	socioeconomic stressors, may act cumulatively to affect health and the
3	environment and contribute to persistent environmental health disparities
4	AS SPECIFIED IN SECTION 24-4-109.
5	SECTION 6. In Colorado Revised Statutes, 25-7-114.1, amend
6	(1), (2), and (3) introductory portion as follows:
7	25-7-114.1. Air pollutant emission notices - rules. (1) (a) No
8	person shall permit emission of air pollutants from, or construction or
9	alteration of, any facility, process, or activity except residential structures
10	from which air pollutants are, or are to be, emitted unless and until an air
11	pollutant emission notice has been filed with the division with respect to
12	such emission. The commission may require that air pollutant
13	EMISSION NOTICES FOR GREENHOUSE GAS, AS DEFINED IN SECTION
14	25-7-140 (6), REPORT THE PREVIOUS CALENDAR YEAR'S EMISSIONS OF
15	GREENHOUSE GAS IN THE FORM OF CARBON DIOXIDE EQUIVALENT. An air
16	pollutant emission notice shall be IS valid for a period of NO MORE THAN
17	five years.
18	(b) WITH REGARD TO THE CHANGES MADE IN 2021 BY HOUSE BILL
19	<u>21-1266:</u>
20	(I) Nothing:
21	(A) ALTERS THE GREENHOUSE GAS EMISSION REDUCTION GOALS
22	PREVIOUSLY ESTABLISHED IN SECTION 25-7-102 (2)(g), IN EITHER AMOUNT
23	OR TIMING; OR
24	(B) DETRACTS FROM THE AIR QUALITY CONTROL COMMISSION'S
25	EXISTING AUTHORITY TO REQUIRE MORE THAN THE MINIMUM GREENHOUSE
26	GAS EMISSION REDUCTION GOALS AND DEADLINES PREVIOUSLY
27	ESTABLISHED IN SECTION 25-7-102 (2)(g); AND

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1	(II) THE CHANGES ADD TO, BUT DO NOT OTHERWISE ALTER, THE
2	AIR QUALITY CONTROL COMMISSION'S AUTHORITY AND OBLIGATION TO
3	PUBLISH AND PROMULGATE RULES PURSUANT TO SECTIONS 25-7-102
4	(2)(g), 25-7-105, AND 25-7-140.
5	(2) All sources existing on or before December 31, 1992, shall file
6	an updated air pollutant emission notice with the division on or before
7	December 31, 1992. In addition, A revised emission notice shall be filed
8	whenever a significant change in emissions, in processes, or in the facility
9	is anticipated or has occurred OR AS THE COMMISSION OTHERWISE
10	DETERMINES TO BE NECESSARY. The revised air pollutant emission notice
11	shall be IS valid for NO MORE THAN five years or until the underlying
12	permit expires. The commission shall exempt those sources or categories
13	of sources which THAT it determines to be of minor significance from the
14	requirement that an air pollutant emission notice be filed.
15	(3) The commission shall promulgate a list of air pollutants which
16	THAT are required to be reported in an air pollutant emission notice. No
17	LATER THAN DECEMBER 31, 2022, THE COMMISSION SHALL INCLUDE
18	GREENHOUSE GAS, AS DEFINED IN SECTION 25-7-140 (6), IN THE LIST OF AIR
19	POLLUTANTS REQUIRED TO BE REPORTED IN AN AIR POLLUTANT EMISSION
20	NOTICE AND SHALL IDENTIFY THE CATEGORIES OF SOURCES FOR WHICH
21	AND THE THRESHOLDS BELOW WHICH GREENHOUSE GAS DOES NOT NEED
22	TO BE REPORTED IN AN AIR POLLUTANT EMISSION NOTICE. AN AIR
23	POLLUTANT EMISSION NOTICE FOR GREENHOUSE GASES NEED NOT BE
24	REQUIRED FOR A FACILITY OR ENTITY THAT IS OTHERWISE EXEMPT FROM
25	REPORTING GREENHOUSE GAS EMISSIONS TO THE DIVISION PURSUANT TO
26	A RULE ADOPTED BY THE COMMISSION. Prior to the commission's
27	promulgation of such a list of air pollutants to be reported in an air

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1	pollutant emission notice, sources shall report any emissions of the
2	following which THAT are in excess of de minimis quantities:
3	SECTION 7. In Colorado Revised Statutes, 25-7-114.4, add (5)
4	as follows:
5	25-7-114.4. Permit applications - contents - rules - definitions.
6	(5) Provisions for permits for sources that affect disproportionately
7	impacted communities. (a) Rules. (I) No Later than June 1, 2023,
8	THE COMMISSION SHALL ADOPT RULES TO IMPLEMENT THE REQUIREMENTS
9	OF THIS SUBSECTION (5).
10	(II) THE COMMISSION MAY SET THRESHOLDS OF AFFECTED
11	POLLUTANTS BELOW WHICH THE REQUIREMENTS OF THIS SECTION DO NOT
12	APPLY.
13	(III) IN ADOPTING RULES TO IMPLEMENT THIS SUBSECTION (5), THE
14	COMMISSION SHALL IDENTIFY DISPROPORTIONATELY IMPACTED
15	<u>COMMUNITIES.</u>
16	(IV) THE COMMISSION SHALL PERIODICALLY, BUT NOT LESS OFTEN
17	THAN EVERY THREE YEARS, REVISIT ITS IDENTIFICATION OF
18	DISPROPORTIONATELY IMPACTED COMMUNITIES AND DETERMINATIONS OF
19	AFFECTED POLLUTANTS.
20	(b) Applicability and requirements. (I) The requirements of
21	THIS SUBSECTION (5)(b) APPLY TO PERMITS FOR SOURCES OF AFFECTED
22	POLLUTANTS IN DISPROPORTIONATELY IMPACTED COMMUNITIES.
23	(II) (A) THE COMMISSION'S RULES MUST PROVIDE FOR ENHANCED
24	MODELING AND MONITORING REQUIREMENTS FOR NEW AND MODIFIED
25	SOURCES OF AFFECTED POLLUTANTS IN DISPROPORTIONATELY IMPACTED
26	COMMUNITIES THAT ARE IDENTIFIED OR APPROVED AT THE TIME OF PERMIT
27	APPLICATION. IN ADOPTING THE RULES, THE COMMISSION SHALL ALSO

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1	CONSIDER REQUIRING ENHANCED MONITORING FOR EXISTING SOURCES OF
2	AFFECTED POLLUTANTS.
3	(B) The commission's rules must identify the types of
4	MONITORING TECHNOLOGY THAT CAN BE USED BY THE SOURCES OF
5	AFFECTED POLLUTANTS AND MUST ALLOW FOR THE USE OF ALTERNATIVE
6	METHODS OF MONITORING AS APPROVED BY THE DIVISION.
7	(c) Fees. Sources of Affected Pollutants subject to the
8	REQUIREMENTS OF THIS SUBSECTION (5) SHALL PAY A PROCESSING FEE IN
9	CONFORMITY WITH SECTION 25-7-114.7 (2)(a)(III) TO COVER THE
10	DIVISION'S AND COMMISSION'S DIRECT AND INDIRECT COSTS OF
11	IMPLEMENTING THE REQUIREMENTS OF THIS SECTION. THESE FEES SHALL
12	BE CREDITED TO THE STATIONARY SOURCES CONTROL FUND IN
13	ACCORDANCE WITH SECTION 25-7-114.7 (2)(b)(I).
14	(d) Definitions. As used in this subsection (5), unless the
15	CONTEXT OTHERWISE REQUIRES:
16	(I) "AFFECTED POLLUTANTS" MEANS THOSE AIR POLLUTANTS AS
17	DETERMINED BY THE COMMISSION WITH THE POTENTIAL TO CAUSE OR
18	CONTRIBUTE TO SIGNIFICANT HEALTH OR ENVIRONMENTAL IMPACTS. THE
19	TERM INCLUDES:
20	(A) VOLATILE ORGANIC COMPOUNDS;
21	(B) OXIDES OF NITROGEN;
22	(C) HAZARDOUS AIR POLLUTANTS AS IDENTIFIED BY THE
23	COMMISSION, INCLUDING BENZENE, TOLUENE, ETHYLBENZENE AND
24	XYLENE; AND
25	(D) PARTICULATE MATTER THAT IS TWO AND ONE-HALF MICRONS
26	OR SMALLER.
27	(II) "COST-BURDENED" MEANS A HOUSEHOLD THAT SPENDS MORE

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1	THAN THIRTY PERCENT OF ITS INCOME ON HOUSING.
2	(III) "DISPROPORTIONATELY IMPACTED COMMUNITY" MEANS A
3	COMMUNITY THAT:
4	(A) Is in a census block group, as determined in
5	ACCORDANCE WITH THE MOST RECENT UNITED STATES CENSUS, WHERE
6	THE PROPORTION OF HOUSEHOLDS THAT ARE LOW INCOME IS GREATER
7	THAN FORTY PERCENT, THE PROPORTION OF HOUSEHOLDS THAT IDENTIFY
8	AS MINORITY IS GREATER THAN FORTY PERCENT, OR THE PROPORTION OF
9	HOUSEHOLDS THAT ARE HOUSING COST-BURDENED IS GREATER THAN
10	FORTY PERCENT; OR
11	(B) Is any other community as identified or approved by a
12	STATE AGENCY, IF THE COMMUNITY: HAS A HISTORY OF ENVIRONMENTAL
13	RACISM PERPETUATED THROUGH REDLINING, ANTI-IMMIGRANT.
14	ANTI-BLACK, ANTI-LATINO, ANTI-ASIAN AMERICAN, OR ANTI-INDIGENOUS
15	LAWS; OR IS ONE IN WHICH MULTIPLE FACTORS, INCLUDING
16	SOCIOECONOMIC STRESSORS, DISPROPORTIONATE ENVIRONMENTAL
17	BURDENS, VULNERABILITY TO ENVIRONMENTAL DEGRADATION, AND LACK
18	OF PUBLIC PARTICIPATION, MAY ACT CUMULATIVELY TO AFFECT HEALTH
19	AND THE ENVIRONMENT AND CONTRIBUTE TO PERSISTENT DISPARITIES.
20	(IV) "LOW INCOME" MEANS THE MEDIAN HOUSEHOLD INCOME IS
21	LESS THAN OR EQUAL TO TWO HUNDRED PERCENT OF THE FEDERAL
22	POVERTY GUIDELINE.
23	(V) "SOURCE OF AFFECTED POLLUTANTS" MEANS A STATIONARY
24	SOURCE THAT EMITS ANY AFFECTED POLLUTANT IN AN AMOUNT SUCH
25	THAT A CONSTRUCTION PERMIT IS REQUIRED UNDER COMMISSION RULES.
26	SECTION 8. In Colorado Revised Statutes, 25-7-114.5, amend
27	(12.5)(a)(I) introductory portion, (12.5)(a)(I)(C), (12.5)(a)(I)(D), and

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1	(12.5)(b); and add (12.5)(a)(I)(E) as follows:
2	25-7-114.5. Application review - public participation.
3	(12.5) (a) (I) Except for sources involved in agricultural, horticultural, or
4	floricultural production such as farming, seasonal crop drying, animal
5	feeding, or pesticide application, upon determination by the division that
6	the criteria set forth in paragraph (b) of this subsection (12.5) SUBSECTION
7	(12.5)(b) OF THIS SECTION applies to a source that is not required to obtain
8	a renewable operating permit, the division may reopen such construction
9	permit for the purpose of imposing any or all of the following additional
10	terms and conditions:
11	(C) Operating and maintenance requirements; and
12	(D) Emission control requirements pursuant to section 25-7-109.3;
13	<u>AND</u>
14	(E) ADDITIONAL MONITORING REQUIREMENTS FOR SOURCES
15	AFFECTING DISPROPORTIONATELY IMPACTED COMMUNITIES.
16	(b) With the exception of those sources involved in agricultural,
17	horticultural, or floricultural production such as farming, seasonal crop
18	drying, animal feeding, and pesticide application, a source's construction
19	permit may be reopened for cause for the purposes of paragraph (a) of
20	this subsection (12.5) SUBSECTION (12.5)(a) OF THIS SECTION only upon
21	a determination by the division that the location of the source is
22	significant in terms of its proximity to residential or business areas OR A
23	DISPROPORTIONATELY IMPACTED COMMUNITY, and one or more of the
24	following criteria apply to the permitted source:
25	(I) The control equipment utilized by the source requires an
26	unusually high degree of maintenance or operational sensitivity when
27	compared to control equipment in general; or

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1	(II) The design characteristics of the source require an unusually
2	high degree of maintenance or operational sensitivity when compared to
3	the design characteristics of all sources in general; or
4	(III) The application of the control equipment utilized is unique
5	or untested; or
6	(IV) The operational variability of the source may impact the
7	effectiveness of the controls; or
8	(V) The emissions from the source will threaten public health, as
9	determined pursuant to section 25-7-109.3; OR
10	(VI) THE EMISSIONS FROM THE SOURCE WILL AFFECT A
11	DISPROPORTIONATELY IMPACTED COMMUNITY AS DEFINED IN SECTION
12	25-7-114.4 (5)(d)(III).
13	SECTION 9. In Colorado Revised Statutes, 25-7-114.7, amend
14	(1)(a)(II), (2)(a)(I) introductory portion, (2)(b)(III) introductory portion,
15	and (2)(b)(III)(G); and add (2)(a)(VII), (2)(b)(III)(I), (2)(b)(III)(J), and
16	(2)(h) as follows:
17	25-7-114.7. Emission fees - fund - rules - definition - repeal.
18	(1) As used in this section, unless the context otherwise requires:
19	(a) Indirect and direct costs include, but are not limited to:
20	(II) Implementing and enforcing the terms and conditions of any
21	such permit OR RULE, not including court costs or other legal costs
22	associated with any enforcement action;
23	(2) (a) (I) EXCEPT AS SPECIFIED IN SUBSECTION (2)(a)(VII) OF THIS
24	SECTION, the commission shall designate by rule those classes of sources
25	of air pollution that are exempt from the requirement to pay an annual
26	emission fee. Every owner or operator of an air pollution source not
27	otherwise exempt in accordance with such commission rules shall pay an

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1	annual fee as follows:
2	(VII) THE COMMISSION SHALL ESTABLISH, BY RULE, A FEE PER TON
3	OF GREENHOUSE GAS, IN THE FORM OF CARBON DIOXIDE EQUIVALENT.
4	THAT WAS REPORTED IN THE MOST RECENT AIR POLLUTANT EMISSION
5	NOTICE ON FILE WITH THE DIVISION IN AN AMOUNT THAT IS SUFFICIENT TO
6	COVER THE INDIRECT AND DIRECT COSTS REQUIRED TO DEVELOP AND
7	ADMINISTER THE PROGRAMS ESTABLISHED PURSUANT TO THIS ARTICLE 7
8	THAT PERTAIN TO EMISSIONS OF GREENHOUSE GAS. THE COMMISSION MAY
9	SET THRESHOLDS OF REPORTED GREENHOUSE GAS BELOW WHICH NO SUCH
10	FEE SHALL BE ASSESSED. NO MORE FREQUENTLY THAN ANNUALLY, THE
11	COMMISSION MAY ADJUST THE FEE FOR GREENHOUSE GAS BY RULE TO
12	COVER THE INDIRECT AND DIRECT COSTS REQUIRED TO DEVELOP AND
13	ADMINISTER THE PROGRAMS ESTABLISHED PURSUANT TO THIS ARTICLE 7
14	THAT PERTAIN TO EMISSIONS OF GREENHOUSE GAS.
15	(b) (III) The division shall expend the portion of the fee revenue
16	collected pursuant to subsections (2)(a)(I)(A), (2)(a)(I)(B), and (2)(a)(III).
17	AND (2)(a)(VII) of this section and section 25-7-114.1 (6)(a) attributable
18	to the increases authorized in 2020 by Senate Bill 20-204 AND IN 2021 BY
19	HOUSE BILL 21-1266 for the following purposes:
20	(G) Expanding the division's capacity to quickly respond to and
21	better understand public health issues that are related to exposure to air
22	toxics, such as benzene and other volatile organic compounds; and
23	(I) Enabling outreach to and engagement of
24	DISPROPORTIONATELY IMPACTED COMMUNITIES; AND
25	(J) PAYING FOR THE ENVIRONMENTAL JUSTICE OMBUDSPERSON
26	CREATED IN SECTION 25-1-132.
27	(h) WITH REGARD TO THE CHANGES MADE IN 2021 BY HOUSE BILL

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1	<u>21-1266:</u>
2	(I) Nothing:
3	(A) ALTERS THE GREENHOUSE GAS EMISSION REDUCTION GOALS
4	PREVIOUSLY ESTABLISHED IN SECTION 25-7-102 (2)(g), IN EITHER AMOUNT
5	OR TIMING; OR
6	(B) DETRACTS FROM THE AIR QUALITY CONTROL COMMISSION'S
7	EXISTING AUTHORITY TO REQUIRE MORE THAN THE MINIMUM GREENHOUSE
8	GAS EMISSION REDUCTION GOALS AND DEADLINES PREVIOUSLY
9	ESTABLISHED IN SECTION 25-7-102 (2)(g); AND
10	(II) THE CHANGES ADD TO, BUT DO NOT OTHERWISE ALTER, THE
11	AIR QUALITY CONTROL COMMISSION'S AUTHORITY AND OBLIGATION TO
12	PUBLISH AND PROMULGATE RULES PURSUANT TO SECTIONS 25-7-102
13	(2)(g), 25-7-105, AND 25-7-140.
14	SECTION 10. In Colorado Revised Statutes, 25-7-115, amend
15	(3)(b) as follows:
16	25-7-115. Enforcement. (3) (b) If, after any such conference, a
17	violation or noncompliance is determined to have occurred, the division
18	shall issue an order requiring the owner or operator or any other
19	responsible person to comply, unless the owner or operator demonstrates
20	that such THE violation occurred during a period of start-up, shutdown, or
21	malfunction and timely notice was given to the division of such THE
22	condition. Such THE order may include termination, modification, or
23	revocation and reissuance of the subject permit, and the assessment of
24	civil penalties in accordance with section 25-7-122, Such AND, IN
25	ADDITION TO CIVIL PENALTIES, A REQUIREMENT TO PERFORM ONE OR MORE
26	PROJECTS TO MITIGATE VIOLATIONS RELATED TO EXCESS EMISSIONS. THE
2.7	order may also require the calculation of a noncompliance penalty under

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1	subsection (5) of this section. Unless enforcement of its order has been
2	stayed as provided in paragraph (b) of subsection (4) SUBSECTION (4)(b)
3	of this section, the division may seek enforcement, pursuant to section
4	25-7-121 or 25-7-122, of the applicable regulation RULE of the
5	commission, order issued pursuant to section 25-7-121 or 25-7-122 of OR
6	the applicable regulation RULE of the commission, order issued pursuant
7	to section 25-7-118, requirement of the state implementation plan,
8	provision of this article ARTICLE 7, or terms or conditions of a permit
9	required pursuant to this article ARTICLE 7 in the district court for the
10	district where the affected air pollution source is located. The court shall
11	issue an appropriate order, which may include a schedule for compliance
12	by the owner or operator of the source.
13	SECTION 11. In Colorado Revised Statutes, add 25-1-132 as
14	<u>follows:</u>
15	25-1-132. Environmental justice - ombudsperson - advisory
16	board - grant program - definitions - repeal. (1) Environmental
17	<u>justice</u> ombudsperson. (a) There is hereby created in the
18	DEPARTMENT THE POSITION OF AN ENVIRONMENTAL JUSTICE
19	OMBUDSPERSON. THE OMBUSDSPERSON REPORTS TO THE EXECUTIVE
20	DIRECTOR OF THE DEPARTMENT. THE DEPARTMENT SHALL PROVIDE
21	ADMINISTRATIVE SUPPORT FOR THE OMBUDSPERSON. THE OMBUDSPERSON
22	OTHERWISE ELIMITIANS INDEPENDENTLY IN EVER CIGING ITS BOWERS
	OTHERWISE FUNCTIONS INDEPENDENTLY IN EXERCISING ITS POWERS.
23	(b) THE GOVERNOR SHALL APPOINT THE OMBUDSPERSON AS SOON
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	(b) THE GOVERNOR SHALL APPOINT THE OMBUDSPERSON AS SOON
24	(b) The governor shall appoint the ombudsperson as soon as practicable but no later than February 1, 2022, and as

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1	GENERAL ASSEMBLY, REPRESENTATIVES OF DISPROPORTIONATELY
2	IMPACTED COMMUNITIES, AND OTHER RELEVANT STAKEHOLDERS
3	REGARDING THE SELECTION OF THE OMBUDSPERSON.
4	(c) The ombudsperson must be qualified by training or
5	EXPERIENCE IN ENVIRONMENTAL JUSTICE, AND SHOULD HAVE BEEN A
6	RESIDENT OF ONE OR MORE DISPROPORTIONATELY IMPACTED
7	COMMUNITIES OR HAVE WORKED TO ADVANCE ENVIRONMENTAL JUSTICE
8	WITHIN DISPROPORTIONATELY IMPACTED COMMUNITIES.
9	(d) THE OMBUDSPERSON SHALL:
10	(I) COLLABORATE WITH THE ADVISORY BOARD ESTABLISHED IN
11	SUBSECTION (2) OF THIS SECTION, FOR THE PURPOSE OF PROMOTING
12	ENVIRONMENTAL JUSTICE FOR THE PEOPLE OF COLORADO;
13	(II) SERVE AS AN ADVOCATE FOR DISPROPORTIONATELY IMPACTED
14	COMMUNITIES AND AS A LIAISON BETWEEN DISPROPORTIONATELY
15	IMPACTED COMMUNITIES AND THE DEPARTMENT, INCLUDING WITH
16	RESPECT TO COMMUNICATIONS REGARDING THE GRANT PROGRAM TO FUND
17	ENVIRONMENTAL MITIGATION PROJECTS;
18	(III) WORK TO IMPROVE THE RELATIONSHIPS AND INTERACTIONS
19	BETWEEN DISPROPORTIONATELY IMPACTED COMMUNITIES AND THE
20	<u>DEPARTMENT;</u>
21	(IV) INCREASE THE FLOW OF INFORMATION BETWEEN THE
22	DEPARTMENT AND DISPROPORTIONATELY IMPACTED COMMUNITIES
23	CONCERNING THE ENVIRONMENT AND DEPARTMENTAL PROGRAMS USING
24	METHODS OF OUTREACH THAT INCLUDE, AT A MINIMUM:
25	(A) DISSEMINATING INFORMATION THROUGH LOCAL SCHOOLS,
26	SOCIAL MEDIA, LOCAL SOCIAL AND ACTIVITY CLUBS, LIBRARIES, OR OTHER
27	LOCAL SERVICES; AND

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I	(B) PRIORITIZING IN-PERSON MEETINGS IN COMMUNITIES WITH
2	POPULATIONS THAT ARE PREDOMINANTLY BLACK, INDIGENOUS, LATINO.
3	OR ASIAN AMERICANS THAT HAVE A MEDIAN INCOME BELOW THE STATE'S
4	AVERAGE, OR THAT ARE IN RURAL LOCATIONS;
5	(V) IDENTIFY WAYS TO ENABLE MEANINGFUL PARTICIPATION BY
6	DISPROPORTIONATELY IMPACTED COMMUNITIES IN THE DECISION-MAKING
7	PROCESSES OF THE DEPARTMENT;
8	(VI) COORDINATE WITH THE OFFICE OF HEALTH EQUITY, CREATED
9	<u>IN SECTION 25-4-2204;</u>
10	(VII) MAINTAIN A TELEPHONE NUMBER, WEBSITE, E-MAIL
11	ADDRESS, AND MAILING ADDRESS FOR THE RECEIPT OF COMPLAINTS AND
12	INQUIRIES FOR MATTERS PERTAINING TO ENVIRONMENTAL JUSTICE;
13	(VIII) ESTABLISH PROCEDURES TO ADDRESS COMPLAINTS
14	PERTAINING TO ENVIRONMENTAL JUSTICE TO THE EXTENT PRACTICABLE:
15	(IX) CONSULT WITH THE DIVISION OF ADMINISTRATION IN
16	REPORTING TO THE AIR QUALITY CONTROL COMMISSION, CREATED IN
17	SECTION 25-7-104, ON EQUITABLE PROGRESS TOWARD THE STATE'S
18	GREENHOUSE GAS REDUCTION GOALS; AND
19	(X) SERVE IN AN ADVISORY CAPACITY, AS REQUESTED, TO OTHER
20	STATE AGENCIES CONDUCTING OUTREACH TO AND ENGAGEMENT OF
21	DISPROPORTIONATELY IMPACTED COMMUNITIES IN LIGHT OF A PROPOSED
22	AGENCY ACTION.
23	(2) Environmental justice advisory board. (a) THERE IS
24	HEREBY CREATED IN THE DEPARTMENT THE ENVIRONMENTAL JUSTICE
25	ADVISORY BOARD.
26	(b) Except as otherwise provided in this subsection (2), the
27	MEMBERS OF THE ADVISORY BOARD ARE APPOINTED BY THE GOVERNOR.

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1	THE GOVERNOR SHALL MAKE THE INITIAL APPOINTMENTS AS SOON AS
2	PRACTICABLE, BUT NO LATER THAN FOUR MONTHS AFTER THE EFFECTIVE
3	DATE OF THIS SECTION. AN APPOINTING AUTHORITY MAY REMOVE A
4	MEMBER OF THE ADVISORY BOARD FOR MALFEASANCE IN OFFICE, FAILURE
5	TO REGULARLY ATTEND MEETINGS, OR ANY CAUSE THAT RENDERS THE
6	MEMBER UNABLE OR UNFIT TO DISCHARGE THE MEMBER'S DUTIES.
7	(c) The advisory board consists of the following twelve
8	MEMBERS WHO, TO THE EXTENT PRACTICABLE, MUST RESIDE IN DIFFERENT
9	GEOGRAPHIC AREAS OF THE STATE, REFLECT THE RACIAL AND ETHNIC
10	DIVERSITY OF THE STATE, AND HAVE EXPERIENCE WITH A RANGE OF
11	ENVIRONMENTAL ISSUES, INCLUDING AIR POLLUTION, WATER
12	CONTAMINATION, AND PUBLIC HEALTH IMPACTS:
13	(I) FOUR VOTING MEMBERS APPOINTED BY THE GOVERNOR, WHO
14	MUST BE OR HAVE BEEN RESIDENTS OF A DISPROPORTIONATELY IMPACTED
15	<u>COMMUNITY;</u>
16	(II) THREE VOTING MEMBERS APPOINTED BY THE GOVERNOR, ONE
17	OF WHOM MUST BE FROM A NONGOVERNMENTAL ORGANIZATION THAT
18	REPRESENTS STATEWIDE INTERESTS TO ADVANCE RACIAL JUSTICE, ONE OF
19	WHOM MUST BE FROM A NONGOVERNMENTAL ORGANIZATION THAT
20	REPRESENTS STATEWIDE INTERESTS TO ADVANCE ENVIRONMENTAL
21	JUSTICE, AND ONE OF WHOM MUST REPRESENT WORKER INTERESTS IN
22	DISPROPORTIONATELY IMPACTED COMMUNITIES;
23	(III) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, OR THE
24	EXECUTIVE DIRECTOR'S DESIGNEE, AS A NONVOTING MEMBER; AND
25	(IV) FOUR VOTING MEMBERS APPOINTED BY THE EXECUTIVE
26	DIRECTOR OF THE DEPARTMENT.
27	(d) (I) Except as provided in subsection (2)(d)(II) of this

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1	SECTION, EACH MEMBER'S TERM OF APPOINTMENT IS FOUR YEARS. VOTING
2	MEMBERS MAY SERVE NO MORE THAN TWO TERMS. THE GOVERNOR SHALL
3	FILL ANY VACANCIES ON THE ADVISORY BOARD, INCLUDING FOR THE
4	REMAINDER OF ANY UNEXPIRED TERM. A MEMBER APPOINTED TO FILL A
5	VACANCY MAY SERVE THE REMAINDER OF THE UNEXPIRED TERM OF THE
6	MEMBER WHOSE VACANCY IS BEING FILLED, AND THIS REMAINDER COUNTS
7	AS ONE TERM FOR THAT APPOINTEE.
8	(II) IN ORDER TO ENSURE STAGGERED TERMS OF OFFICE, THE
9	INITIAL TERM OF TWO MEMBERS APPOINTED BY THE GOVERNOR PURSUANT
10	TO SUBSECTION (2)(c)(I) OF THIS SECTION, AS SPECIFIED BY THE
11	GOVERNOR, AND TWO MEMBERS APPOINTED PURSUANT TO SUBSECTION
12	(2)(c)(IV) OF THIS SECTION AS SPECIFIED BY THE EXECUTIVE DIRECTOR OF
13	THE DEPARTMENT IS TWO YEARS.
14	(e) (I) EACH VOTING MEMBER OF THE ADVISORY BOARD APPOINTED
15	PURSUANT TO SUBSECTION (2)(c) OF THIS SECTION IS ENTITLED TO RECEIVE
16	A PER DIEM OF TWO HUNDRED DOLLARS FOR ATTENDANCE AT REGULARLY
17	SCHEDULED MEETINGS OF THE BOARD DURING THE 2021-22 STATE FISCAL
18	YEAR. FOR EACH STATE FISCAL YEAR THEREAFTER, THE PER DIEM AMOUNT
19	SHALL BE ANNUALLY ADJUSTED FOR INFLATION BASED ON THE
20	PERCENTAGE CHANGE IN THE UNITED STATES DEPARTMENT OF LABOR'S
21	BUREAU OF LABOR STATISTICS CONSUMER PRICE INDEX FOR
22	Denver-Aurora-Lakewood for all items paid by all urban
23	CONSUMERS, OR ITS APPLICABLE SUCCESSOR INDEX. VOTING MEMBERS OF
24	THE BOARD ARE ALSO ENTITLED TO RECEIVE REIMBURSEMENT FOR ACTUAL
25	AND NECESSARY EXPENSES INCURRED WHILE PERFORMING OFFICIAL
26	<u>DUTIES.</u>
27	(II) THE NONVOTING MEMBER OF THE ADVISORY BOARD MAY NOT

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1	RECEIVE A PER DIEM, BUT MAY BE REIMBURSED FOR ACTUAL AND
2	NECESSARY EXPENSES INCURRED WHILE PERFORMING OFFICIAL DUTIES.
3	(f) THE ADVISORY BOARD SHALL ELECT A CHAIR FROM AMONG ITS
4	MEMBERS EVERY YEAR. THE ADVISORY BOARD SHALL MEET AT LEAST
5	ONCE EVERY QUARTER. THE CHAIR MAY SCHEDULE ALL SUCH ADDITIONAL
6	MEETINGS AS ARE NECESSARY FOR THE ADVISORY BOARD TO COMPLETE
7	ITS DUTIES.
8	(g) THE ADVISORY BOARD SHALL:
9	(I) SERVE IN AN ADVISORY CAPACITY TO THE OMBUDSPERSON IN
10	THE PERFORMANCE OF THE DUTIES OF THE OMBUDSPERSON;
11	(II) HOLD A PORTION OF ADVISORY BOARD MEETINGS FOR THE
12	OMBUDSPERSON TO JOINTLY RECEIVE STAKEHOLDER INPUT INTO THE
13	ACTIVITIES AND PRIORITIES OF THE OMBUDSPERSON;
14	(III) DEVELOP A PUBLIC COMPLAINT PROCESS RELATED TO THE
15	PERFORMANCE OF THE OMBUDSPERSON;
16	(IV) DEVELOP RECOMMENDATIONS TO ADDRESS ANY OTHER
17	MATTERS RELATING TO ADVERSE ENVIRONMENTAL EFFECTS ON
18	DISPROPORTIONATELY IMPACTED COMMUNITIES AS REFERRED TO THE
19	ADVISORY BOARD BY THE GOVERNOR OR THE EXECUTIVE DIRECTOR OF THE
20	<u>DEPARTMENT;</u>
21	(V) DEVELOP POLICIES AS ARE NECESSARY FOR THE CONDUCT OF
22	ITS AFFAIRS AND ITS MEETINGS, AND POST ALL POLICIES ON ITS WEBSITE,
23	INCLUDING A CONFLICT OF INTEREST POLICY FOR ITS MEMBERS, WHICH
24	MUST REQUIRE THE DISCLOSURE OF ANY POTENTIAL FINANCIAL INTEREST
25	OF ANY MEMBER OR RELATIVE OF ANY MEMBER IN A PROPOSED
26	ENVIRONMENTAL MITIGATION PROJECT. A BOARD MEMBER WHO HAS A
27	PERSONAL OR FINANCIAL INTEREST IN AN ENVIRONMENTAL MITIGATION

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1	PROJECT UNDER CONSIDERATION SHALL RECUSE THE BUARD MEMBER
2	FROM ANY VOTE ON THAT PROJECT.
3	(VI) Advise the department on matters to enable the
4	DEPARTMENT TO INTERACT WITH DISPROPORTIONATELY IMPACTED
5	COMMUNITIES IN THE BEST MANNER POSSIBLE;
6	(VII) SUPPORT THE IMPLEMENTATION OF A GRANT PROGRAM TO
7	FUND ENVIRONMENTAL MITIGATION PROJECTS FROM THE COMMUNITY
8	IMPACT CASH FUND CREATED IN SECTION 25-7-129 IN ACCORDANCE WITH
9	THIS SUBSECTION (2)(g)(VII) BY PERFORMING THE FOLLOWING DUTIES:
10	(A) THE ADVISORY BOARD SHALL DEVELOP GUIDELINES FOR A
11	GRANT PROGRAM TO FUND ENVIRONMENTAL MITIGATION PROJECTS, WITH
12	INPUT FROM THE DEPARTMENT. THE GUIDELINES MUST INCLUDE:
13	PROCEDURES FOR APPLICANTS TO SUBMIT APPLICATIONS TO THE BOARD,
14	AND FOR SELECTION OF ENVIRONMENTAL MITIGATION PROJECTS TO FUND;
15	PROVISIONS TO ENSURE THAT THE APPLICATIONS ARE CONCISE,
16	STRAIGHTFORWARD, OBJECTIVE, INCLUSIVE, AND ACCESSIBLE TO ALL
17	INTERESTED PARTIES; A REQUIREMENT THAT THE APPLICANT DISCLOSE
18	ANY CONFLICT OF INTEREST, SUCH AS A PERSONAL OR FINANCIAL
19	RELATIONSHIP WITH ANY MEMBER OF THE ADVISORY BOARD; AND
20	IDENTIFICATION OF ANY INFORMATION NECESSARY TO BE INCLUDED IN AN
21	APPLICATION TO ENSURE THE ADVISORY BOARD CAN PREPARE THE REPORT
22	REQUIRED BY SUBSECTION (2)(g)(VII)(C) OF THIS SECTION.
23	(B) THE ADVISORY BOARD SHALL REVIEW EACH APPLICATION THAT
24	IT RECEIVES AND MAY AWARD GRANTS, SUBJECT TO APPROPRIATIONS AND
25	AVAILABLE FUNDING, TO APPLICANTS TO FUND ENVIRONMENTAL
26	MITIGATION PROJECTS IN DISPROPORTIONATELY IMPACTED COMMUNITIES.
27	(C) THE ADVISORY BOARD SHALL COMPILE AN ANNUAL REPORT

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1	THAT DETAILS INFORMATION ABOUT THE ENVIRONMENTAL MITIGATION
2	PROJECTS THAT ARE AWARDED GRANTS, INCLUDING: DETAILS ABOUT THE
3	DISPROPORTIONATELY IMPACTED COMMUNITY IN WHICH THE PROJECT WILL
4	TAKE PLACE, INCLUDING INFORMATION ABOUT POLLUTION LEVELS.
5	HEALTH DISPARITIES, AND DEMOGRAPHICS; THE RELATIONSHIP BETWEEN
6	THE COMMUNITY, THE PROJECT, AND ANY VIOLATIONS THAT GAVE RISE TO
7	PENALTIES PAID INTO THE COMMUNITY IMPACT CASH FUND CREATED IN
8	SECTION 25-7-129; THE STATUS OF THE PROJECT, THE ENGAGEMENT
9	BETWEEN THE PROJECT AND THE COMMUNITY, AND THE REACTION OF THE
10	DISPROPORTIONATELY IMPACTED COMMUNITY TO THE PROJECT; AND
11	OTHER DETAILS AS THE ADVISORY BOARD DEEMS APPROPRIATE. THE
12	ANNUAL REPORT SHALL BE MADE PUBLICLY ACCESSIBLE, INCLUDING ON
13	THE ADVISORY BOARD'S WEBSITE.
14	(h) This subsection (2) is repealed, effective September 1.
15	2027. BEFORE THE REPEAL, THE ADVISORY BOARD AND ITS FUNCTIONS ARE
16	SCHEDULED FOR REVIEW IN ACCORDANCE WITH SECTION 2-3-1203.
17	(3) Records and meetings. The advisory board and the
18	OMBUDSPERSON ARE SUBJECT TO ALL THE APPLICABLE REQUIREMENTS OF
19	THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE
20	24, AND THE OPEN MEETINGS LAW CONTAINED IN PART 4 OF ARTICLE 6 OF
21	<u>TITLE 24.</u>
22	(4) Definitions. As used in this section, unless the context
23	OTHERWISE REQUIRES:
24	(a) "ADVISORY BOARD" MEANS THE ENVIRONMENTAL JUSTICE
25	ADVISORY BOARD CREATED IN SUBSECTION (2) OF THIS SECTION.
26	(b) "Environmental mitigation project" means any project
27	THAT AVOIDS, MINIMIZES, MEASURES, OR MITIGATES ADVERSE

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1	ENVIRONMENTAL IMPACTS IN A DISPROPORTIONATELY IMPACTED
2	COMMUNITY, INCLUDING, WITHOUT LIMITATION, HEALTH EFFECTS, HEALTH
3	DISPARITIES, AND OTHER ENVIRONMENTAL IMPACTS OR THAT PROMOTES
4	EQUITABLE PARTICIPATION IN A RULE-MAKING PROCEEDING THAT MAY
5	AFFECT A DISPROPORTIONATELY IMPACTED COMMUNITY.
6	(c) "Ombudsperson" means the environmental justice
7	OMBUDSPERSON APPOINTED PURSUANT TO SUBSECTION (1) OF THIS
8	SECTION.
9	SECTION 12. In Colorado Revised Statutes, amend 25-7-129 as
10	<u>follows:</u>
11	25-7-129. Disposition of fines - community impact cash fund
12	- repeal. (1) There is hereby created in the state treasury the
13	COMMUNITY IMPACT CASH FUND, REFERRED TO IN THIS SECTION AS THE
14	"FUND". THE FUND CONSISTS OF MONEY CREDITED TO THE FUND PURSUANT
15	TO SUBSECTION (2) OF THIS SECTION, AND ANY OTHER MONEY THAT THE
16	GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. THE
17	STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED
18	FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE FUND TO THE
19	FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING IN THE
20	FUND AT THE END OF ANY FISCAL YEAR REMAINS IN THE FUND.
21	(2) (a) All receipts from penalties or fines collected under the
22	provisions of sections 25-7-115, 25-7-122, and 25-7-123 shall be credited
23	to the general fund of the state IN THE FOLLOWING MANNER:
24	(I) FOR STATE FISCAL YEAR 2021-22, TWENTY PERCENT OF THE
25	RECEIPTS FROM PENALTIES OR FINES COLLECTED DURING THE FISCAL YEAR
26	SHALL BE CREDITED TO THE FUND, AND EIGHTY PERCENT TO THE GENERAL
27	ELIND:

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1	(II) For state fiscal year 2022-23, forty percent of the
2	RECEIPTS FROM PENALTIES OR FINES COLLECTED DURING THE FISCAL YEAR
3	SHALL BE CREDITED TO THE FUND, AND SIXTY PERCENT TO THE GENERAL
4	<u>FUND;</u>
5	(III) FOR STATE FISCAL YEAR 2023-24, SIXTY PERCENT OF THE
6	RECEIPTS FROM PENALTIES OR FINES COLLECTED DURING THE FISCAL YEAR
7	SHALL BE CREDITED TO THE FUND, AND FORTY PERCENT TO THE GENERAL
8	<u>FUND;</u>
9	(IV) FOR STATE FISCAL YEAR 2024-25, EIGHTY PERCENT OF THE
10	RECEIPTS FROM PENALTIES OR FINES COLLECTED DURING THE FISCAL YEAR
11	SHALL BE CREDITED TO THE FUND, AND TWENTY PERCENT TO THE GENERAL
12	FUND; AND
13	(V) FOR STATE FISCAL YEAR 2025-26 AND ANY STATE FISCAL YEAR
14	THEREAFTER, ONE HUNDRED PERCENT OF THE RECEIPTS FROM PENALTIES
15	OR FINES COLLECTED DURING THE FISCAL YEAR SHALL BE CREDITED TO
16	THE FUND.
17	(b) This subsection (2)(b) and subsections (2)(a)(I), (2)(a)(II),
18	(2)(a)(III), AND (2)(a)(IV) OF THIS SECTION ARE REPEALED, EFFECTIVE
19	<u>SEPTEMBER 1, 2027.</u>
20	(3) (a) Beginning in fiscal year 2022-23, the department
21	MAY EXPEND MONEY FROM THE FUND TO PROVIDE GRANTS FOR
22	ENVIRONMENTAL MITIGATION PROJECTS PURSUANT TO SECTION 25-1-132
23	<u>(2)(g)(VII).</u>
24	(b) Money in the fund may also pay for the direct and
25	INDIRECT COSTS OF THE ENVIRONMENTAL JUSTICE ADVISORY BOARD
26	CREATED IN SECTION 25-1-132 (2), INCLUDING PER DIEM AND EXPENSES OF
27	THE ADVISORY BOARD, AND THE DEPARTMENT'S COSTS FOR

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1	ADMINISTERING THE GRANT PROGRAM CREATED IN SECTION 25-1-132
2	<u>(2)(g)(VII).</u>
3	(c) Money in the fund is exempt from section 24-75-402 (3).
4	(d) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS,
5	GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE
6	PURPOSES SET FORTH IN THIS SUBSECTION (3).
7	(e) Money in the fund is continuously appropriated to the
8	DEPARTMENT TO ACCOMPLISH THE PURPOSES SET FORTH IN THIS
9	SUBSECTION (3).
10	SECTION 13. In Colorado Revised Statutes, 25-7-105, amend
11	(1) introductory portion, (1)(e)(I), and (1)(e)(VII); and add (1)(d.5),
12	(1)(e)(VIII)(G), (1)(e)(VIII)(H), (1)(e)(VIII)(I), (1)(e)(VIII)(J),
13	(1)(e)(VIII.5), (1)(e)(XI)(B.5), (1)(e)(XII), (1)(e)(XIII), (1)(f), and (1)(g)
14	as follows:
15	25-7-105. Duties of commission - rules - legislative declaration
16	- definitions. (1) Except as provided in sections 25-7-130 and 25-7-131,
17	the commission shall promulgate such rules and regulations as are
18	consistent with the legislative declaration set forth in section 25-7-102
19	and necessary for the proper implementation and administration of this
20	article 7, including, but not limited to:
21	(d.5) ADDITIONAL PERMITTING REQUIREMENTS FOR SOURCES THAT
22	AFFECT DISPROPORTIONATELY IMPACTED COMMUNITIES AS DEFINED IN
23	SECTION 25-7-114.4 (5)(d)(III) IN CONFORMITY WITH SECTION 25-7-114.4
24	<u>(5).</u>
25	(e) (I) Statewide greenhouse gas pollution abatement. As THE
26	COMMISSION ADOPTS RULES PURSUANT TO THIS SUBSECTION (1)(e), IT
27	SHALL PURSUE NEAR-TERM REDUCTIONS IN GREENHOUSE GAS EMISSIONS

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1	AS PART OF THE EFFORT TO REDUCE TOTAL CUMULATIVE EMISSIONS OVER
2	TIME.
3	(VII) Notwithstanding section 24-1-136 (11)(a)(I), the division,
4	at the direction of the commission, shall report to the general assembly
5	every odd-numbered year after May 30, 2019, regarding: Progress toward
6	the goals set forth in section 25-7-102 (2)(g); any newly available, final
7	cost-benefit or regulatory analysis, developed under section 24-4-103
8	(2.5) or (4.5), for rules adopted to attain the goals; RECOMMENDATIONS
9	ON FUTURE COMMISSION RULES OR POLICIES TO REDUCE GREENHOUSE GAS
10	EMISSIONS SUFFICIENT TO ACHIEVE THE GOALS SET FORTH IN SECTION
11	25-7-102 (2)(g); and any recommendations on future legislative action to
12	address climate change, such as INCLUDING implementation of climate
13	adaptation policies or accelerating deployment of cleaner technologies.
14	THE DIVISION SHALL MAKE ITS PROPOSED REPORT AVAILABLE FOR PUBLIC
15	REVIEW PRIOR TO PRESENTATION TO THE GENERAL ASSEMBLY. BEGINNING
16	WITH THE REPORT IN 2023, IF THE REPORT INDICATES THAT EMISSION
17	REDUCTIONS REQUIRED BY SUBSECTIONS (1)(e)(XII) AND (1)(e)(XIII) OF
18	THIS SECTION. ARE NOT BEING MET, THE DIVISION SHALL DEVELOP AND
19	PROPOSE ADDITIONAL REQUIREMENTS TO THE COMMISSION, NO LATER
20	THAN SIX MONTHS FROM THE SUBMISSION OF THE REPORT TO THE GENERAL
21	ASSEMBLY, WHICH REQUIREMENTS MUST ADDRESS ANY SHORTFALL
22	BETWEEN THE EMISSION REDUCTIONS ACHIEVED AND THE EMISSION
23	REDUCTIONS NECESSARY TO MEET THE REQUIREMENTS OF SUBSECTIONS
24	(1)(e)(XII) AND (1)(e)(XIII) OF THIS SECTION. IN EVEN-NUMBERED YEARS
25	WHEN A REPORT IS NOT MADE PURSUANT TO THIS SUBSECTION (1)(e)(VII),
26	THE DIVISION SHALL PROVIDE AN UPDATE TO THE COMMISSION ON
27	PROGRESS TOWARD THE EMISSION REDUCTION REQUIREMENTS IN

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1	SUBSECTIONS (1)(e)(XII) AND (1)(e)(XIII) OF THIS SECTION BASED ON
2	ANNUAL DATA REPORTED TO THE DIVISION.
3	(VIII) (G) THE COMMISSION IS ENCOURAGED TO PURSUE
4	PROGRAMS AND POLICIES THAT ARE CONSISTENT WITH THIS SUBSECTION
5	(1)(e)(VIII) AND THAT INCENTIVIZE VOLUNTARY ADDITIONAL NEAR-TERM
6	GREENHOUSE GAS REDUCTIONS FROM ELECTRIC UTILITIES WITH THE AIM
7	OF REDUCING GREENHOUSE GAS EMISSIONS FROM ELECTRIC UTILITIES BY
8	AT LEAST FORTY-EIGHT PERCENT BY 2025 AND EIGHTY PERCENT BY 2030,
9	INCLUDING EMISSIONS ASSOCIATED WITH IMPORTED ELECTRICITY, AS
10	COMPARED TO A 2005 BASELINE AND ACCELERATING NEAR-TERM
11	REDUCTIONS IN GREENHOUSE GAS EMISSIONS TO INCREASE CUMULATIVE
12	REDUCTIONS FROM ELECTRIC UTILITIES. NOTHING IN THIS SUBSECTION
13	(1)(e)(VIII)(G) LIMITS THE AUTHORITY OF THE PUBLIC UTILITIES
14	<u>COMMISSION.</u>
15	(H) IN VERIFYING CLEAN ENERGY PLANS OR A WHOLESALE
16	GENERATION AND TRANSMISSION COOPERATIVE ELECTRIC RESOURCE PLAN
17	SUBMITTED IN ACCORDANCE WITH SUBSECTION (1)(e)(VIII)(I) OF THIS
18	SECTION, THE DIVISION SHALL PREVENT DOUBLE COUNTING OF EMISSION
19	REDUCTIONS AMONG UTILITIES AND SHALL CONSIDER ELECTRICITY
20	GENERATED BY RENEWABLE ENERGY RESOURCES AS HAVING ZERO
21	GREENHOUSE GAS EMISSIONS ONLY IF: THE ELECTRICITY IS ACCOMPANIED
22	BY ANY ASSOCIATED RENEWABLE ENERGY CREDIT, AND THE RENEWABLE
23	ENERGY CREDIT IS RETIRED ON BEHALF OF THE UTILITY'S CUSTOMERS IN
24	THE YEAR GENERATED; OR THE ELECTRICITY IS GENERATED BY RETAIL
25	DISTRIBUTED GENERATION, AS DEFINED IN SECTIONS 40-2-124 (1)(a)(VIII)
26	AND 40-2-127 (2)(b)(I)(A) AND (2)(b)(I)(B) AND THE RETAIL CUSTOMER
27	RETAINS THE RENEWABLE ENERGY CREDIT AS PART OF A VOLUNTARY

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1	<u>RENEWABLE ENERGY PROGRAM.</u>
2	(I) EACH WHOLESALE GENERATION AND TRANSMISSION ELECTRIC
3	COOPERATIVE SHALL FILE WITH THE PUBLIC UTILITIES COMMISSION AND
4	THE DIVISION AN ELECTRIC RESOURCE PLAN THAT WILL ACHIEVE AT LEAST
5	AN EIGHTY PERCENT REDUCTION OF GREENHOUSE GAS EMISSIONS
6	ASSOCIATED WITH THE COOPERATIVE'S SALES OF ELECTRICITY TO
7	CUSTOMERS WITHIN COLORADO BY 2030, RELATIVE TO 2005 LEVELS.
8	(J) AN ELECTRIC UTILITY THAT IS NOT A QUALIFYING RETAIL
9	UTILITY AS DEFINED IN SECTION 40-2-125.5 (2)(c)(I) THAT IS REQUIRED TO
10	SUBMIT A CLEAN ENERGY PLAN OR A WHOLESALE GENERATION AND
11	TRANSMISSION COOPERATIVE THAT IS REQUIRED TO FILE AN ELECTRIC
12	RESOURCE PLAN PURSUANT TO THIS SUBSECTION (1)(e) SHALL PROVIDE
13	WRITTEN NOTICE TO THE DIVISION OF INTENT TO FILE A CLEAN ENERGY
14	PLAN BY AUGUST 1, 2021. AN INVESTOR-OWNED UTILITY THAT HAS NOT
15	ALREADY FILED A CLEAN ENERGY PLAN AND THAT INDICATES AN INTENT
16	TO FILE A CLEAN ENERGY PLAN SHALL FILE A CLEAN ENERGY PLAN WITH
17	THE PUBLIC UTILITIES COMMISSION WITH ITS NEXT RESOURCE PLAN FILING.
18	THE DIVISION SHALL VERIFY EMISSION REDUCTIONS AS PART OF THE
19	PUBLIC UTILITIES COMMISSION PROCEEDING THAT REVIEWS THE RESOURCE
20	PLAN. A UTILITY OTHER THAN AN INVESTOR-OWNED UTILITY OR A
21	WHOLESALE GENERATION AND TRANSMISSION COOPERATIVE UTILITY THAT
22	PROVIDED WRITTEN NOTICE OF INTENT TO FILE A VOLUNTARY CLEAN
23	ENERGY PLAN PURSUANT TO THIS SUBSECTION (1)(e)(VIII)(J) SHALL
24	PROVIDE ALL INFORMATION THE DIVISION DEEMS NECESSARY TO
25	EVALUATE AND VERIFY THE EMISSION REDUCTIONS CLAIMED AS PART OF
26	A CLEAN ENERGY PLAN NO LATER THAN DECEMBER 31, 2021. THE
27	DIVISION SHALL, IN CONSULTATION WITH THE PUBLIC UTILITIES

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1	COMMISSION, FULLY EVALUATE AND VERIFY THE CLEAN ENERGY PLAN.
2	THE UTILITY MUST SUBMIT THE VERIFIED CLEAN ENERGY PLAN TO THE
3	PUBLIC UTILITIES COMMISSION IN ACCORDANCE WITH SECTION 40-2-125.5
4	(5)(g)(I) NO LATER THAN JULY 1, 2022.
5	(VIII.5)(A) THIS SUBSECTION (1)(e)(VIII.5)(A) AND SUBSECTIONS
6	(1)(e)(VIII.5)(B), AND (1)(e)(VIII.5)(C) OF THIS SECTION APPLY ONLY TO
7	AN ELECTRIC UTILITY THAT SERVES AT LEAST FIFTY THOUSAND COLORADO
8	RETAIL CUSTOMERS AND OBTAINS LESS THAN EIGHTY PERCENT OF THE
9	LOAD NECESSARY TO SERVE COLORADO RETAIL CUSTOMERS FROM AN
10	ELECTRIC UTILITY THAT HAS FILED A CLEAN ENERGY PLAN AND OWNS OR
11	PLANS TO INVEST IN, IN WHOLE OR IN PART, AN ELECTRIC GENERATING
12	UNIT WITH A NAMEPLATE CAPACITY LARGER THAN FIFTY MEGAWATTS
13	THAT DIRECTLY EMITS GREENHOUSE GASES INTO THE ATMOSPHERE,
14	INCLUDING GENERATING UNITS THAT BURN OIL, GAS, OR COAL. THE
15	REQUIREMENTS OF SUBSECTIONS (1)(e)(VIII.5)(B) AND (1)(e)(VIII.5)(C)
16	OF THIS SECTION BECOME APPLICABLE IF AN ELECTRIC UTILITY SATISFIES
17	THE CRITERIA SPECIFIED IN THIS SUBSECTION (1)(e)(VIII.5)(A) UPON
18	LEAVING A PROVIDER WHO HAS FILED A CLEAN ENERGY PLAN. THE
19	ELECTRIC UTILITY SHALL PROVIDE NOTICE OF INTENT TO FILE A CLEAN
20	ENERGY PLAN TO THE DIVISION WITHIN SIX MONTHS AFTER BECOMING
21	SUBJECT TO THIS SUBSECTION (1)(e)(VIII.5). THE ELECTRIC UTILITY SHALL
22	FILE A CLEAN ENERGY PLAN PURSUANT TO SUBSECTION (1)(e)(VIII) OF
23	THIS SECTION WITHIN ONE YEAR AFTER BECOMING SUBJECT TO THIS
24	SUBSECTION (1)(e)(VIII.5).
25	(B) IF AN ELECTRIC UTILITY DOES NOT PROVIDE WRITTEN NOTICE
26	OF INTENT TO FILE A CLEAN ENERGY PLAN WITH THE DIVISION OR DOES
27	NOT SUBMIT A CLEAN ENERGY PLAN AFTER EXPRESSING WRITTEN INTENT

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1	TO FILE A PLAN, THE COMMISSION SHALL, WITHIN FIFTEEN MONTHS AFTER
2	THE ELECTRIC UTILITY'S FAILURE TO PROVIDE WRITTEN NOTICE OR SUBMIT
3	A PLAN, ADOPT A RULE TO REDUCE GREENHOUSE GAS EMISSIONS CAUSED
4	BY THE ELECTRIC UTILITY'S COLORADO RETAIL ELECTRICITY SALES OF AT
5	LEAST FORTY-EIGHT PERCENT BY 2025 AND EIGHTY PERCENT BY 2030.
6	INCLUDING EMISSIONS ASSOCIATED WITH IMPORTED ELECTRICITY, AS
7	COMPARED TO A 2005 BASELINE. THE COMMISSION SHALL DESIGN THE
8	RULES TO ACCELERATE NEAR-TERM REDUCTIONS IN GREENHOUSE GAS
9	EMISSIONS IN ORDER TO REDUCE TOTAL CUMULATIVE EMISSIONS BETWEEN
10	THE DATE OF ADOPTION AND 2030.
11	(C) CLEAN ENERGY PLAN FILINGS MUST INCLUDE PROJECTED
12	EMISSIONS FOR EACH CALENDAR YEAR THROUGH 2030 TO INFORM THE
13	STATEWIDE GREENHOUSE GAS PLANNING PROCESS. THE DIVISION SHALL
14	EVALUATE THE REPORTED EMISSIONS AND SUPPLEMENTAL INFORMATION
15	IN THE ELECTRIC UTILITY'S ANNUAL GREENHOUSE GAS REPORTING DATA
16	SUBMISSION MADE PURSUANT TO THE COMMISSION'S RULES TO DETERMINE
17	WHETHER AN ELECTRIC UTILITY IS PROGRESSING CONSISTENT WITH THE
18	ANNUAL EMISSIONS PROJECTED BY THE PLAN AND REMAINS ON TRACK TO
19	ACHIEVE THE REDUCTIONS OF THE CLEAN ENERGY PLAN BY 2030. IF THE
20	DIVISION DETERMINES THAT THE ELECTRIC UTILITY IS NOT PROGRESSING
21	AS PLANNED, THE ELECTRIC UTILITY'S ANNUAL GREENHOUSE GAS
22	EMISSIONS EXCEED ANNUAL EMISSIONS PROJECTED AS PART OF AN
23	APPROVED CLEAN ENERGY PLAN FOR TWO CONSECUTIVE YEARS, OR THE
24	ELECTRIC UTILITY'S ANNUAL GREENHOUSE GAS EMISSION REDUCTIONS ARE
25	NOT ON TRACK TO ACHIEVE AT LEAST AN EIGHTY PERCENT REDUCTION
26	BELOW 2005 LEVELS IN GREENHOUSE GAS EMISSIONS BY 2030, THE
27	DIVISION SHALL INCLUDE THIS INFORMATION IN THE NEXT GREENHOUSE

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1	GAS PROGRESS BRIEFING TO THE COMMISSION AND THE COMMISSION
2	SHALL, WITHIN NINE MONTHS AFTER RECEIVING THE BRIEFING FROM THE
3	DIVISION, ADOPT RULES THAT REQUIRE AN UPDATED CLEAN ENERGY PLAN
4	TO BE FILED THAT DEMONSTRATES ACHIEVEMENT OF THE 2030 TARGETS
5	AND THE CUMULATIVE EMISSION REDUCTIONS THAT WERE PROJECTED IN
6	THE INITIAL CLEAN ENERGY PLAN. THE UPDATED CLEAN ENERGY PLAN,
7	ONCE VERIFIED BY THE DIVISION, BECOMES THE OPERATIVE PLAN FOR
8	PURPOSES OF SUBSECTION (1)(e)(VIII) OF THIS SECTION REGARDING THE
9	COMMISSION'S REGULATORY REQUIREMENTS.
10	(D) NOTWITHSTANDING SUBSECTIONS (1)(e)(VIII.5)(A) TO
11	(1)(e)(VIII.5)(C) OF THIS SECTION, A QUALIFIED RETAIL UTILITY WITH A
12	CLEAN ENERGY PLAN THAT HAS BEEN APPROVED AND VERIFIED IN
13	ACCORDANCE WITH SECTION 40-2-125.5 AND SUBSECTION (1)(e)(VIII)(C)
14	OF THIS SECTION AND A WHOLESALE GENERATION AND TRANSMISSION
15	COOPERATIVE WITH AN ELECTRIC RESOURCE PLAN THAT HAS BEEN FILED
16	IN ACCORDANCE WITH SUBSECTION (1)(e)(VIII)(I) OF THIS SECTION AND
17	HAVE BEEN APPROVED ARE NOT SUBJECT TO SUBSECTIONS
18	(1)(e)(VIII.5)(A) TO (1)(e)(VIII.5)(C) OF THIS SECTION. PROGRESS OF
19	EMISSION REDUCTIONS FOR AN ELECTRIC UTILITY THAT IS AN
20	INVESTOR-OWNED RETAIL UTILITY WITH A CLEAN ENERGY PLAN THAT HAS
21	BEEN APPROVED AND VERIFIED IN ACCORDANCE WITH SECTION 40-2-125.5
22	AND SUBSECTION (1)(e)(VIII)(C) OF THIS SECTION OR A WHOLESALE
23	GENERATION AND TRANSMISSION COOPERATIVE WITH AN ELECTRIC
24	RESOURCE PLAN THAT HAS BEEN FILED IN ACCORDANCE WITH SUBSECTION
25	(1)(e)(VIII)(I) OF THIS SECTION AND HAVE BEEN APPROVED SHALL BE
26	ASSESSED THROUGH THE RECURRING RESOURCE PLANNING PROCESS AT
27	THE PUBLIC UTILITIES COMMISSION.

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1	(XI) As used in this subsection (1)(e):
2	(B.5) "INDUSTRIAL AND MANUFACTURING SECTOR" MEANS
3	ENERGY COMBUSTION AND ENERGY USE BY INDUSTRY, INCLUDING
4	COMBUSTION FROM COAL, DIESEL, GASOLINE, HEAT, LIQUIFIED PETROLEUM
5	GAS, NATURAL GAS, REFINERY FEEDSTOCKS, AND RESIDUAL FUEL OIL; AND
6	INDUSTRIAL PROCESSES, INCLUDING CEMENT MANUFACTURE, ELECTRIC
7	TRANSMISSION AND DISTRIBUTION EQUIPMENT, IRON AND STEEL
8	PRODUCTION, LIME MANUFACTURE, LIMESTONE AND DOLOMITE USE.
9	OZONE DEPLETING SUBSTANCES SUBSTITUTES, SEMICONDUCTOR
10	MANUFACTURE, SODA ASH, AND UREA CONSUMPTION. THE TERM DOES NOT
11	INCLUDE OIL AND GAS EXPLORATION, PRODUCTION, PROCESSING
12	TRANSMISSION, AND STORAGE OPERATIONS OTHER THAN ENERGY
13	COMBUSTION EMISSIONS THAT ARE INCLUDED IN THE INDUSTRIAL AND
14	MANUFACTURING SECTOR.
15	(XII) NO LATER THAN JANUARY 1, 2022, THE COMMISSION SHALL
16	ADOPT, AND THE DIVISION SHALL BEGIN IMPLEMENTING, COMPREHENSIVE
17	RULES THAT WILL REDUCE STATEWIDE GREENHOUSE GAS EMISSIONS FROM
18	OIL AND GAS EXPLORATION, PRODUCTION, PROCESSING, TRANSMISSION.
19	AND STORAGE OPERATIONS IN THE STATE BELOW THE 2005 BASELINE
20	ESTABLISHED FOR THE OIL AND GAS EMISSIONS COVERED BY THE "OIL AND
21	GAS FUGITIVE EMISSIONS" CATEGORY IN THE INITIAL INVENTORY
22	DEVELOPED BY THE DIVISION PURSUANT TO SECTION 25-7-140 (2)(a)(II)
23	TAKING INTO ACCOUNT SUBSECTIONS (1)(e)(II) TO (1)(e)(VI) OF THIS
24	SECTION, BY AT LEAST THIRTY-SIX PERCENT BY 2025 AND SIXTY PERCENT
25	BY 2030. THE COMMISSION SHALL DESIGN THE RULES TO PRIORITIZE
26	NEAR-TERM REDUCTIONS IN GREENHOUSE GAS EMISSIONS. THE RULES
27	MUST INCLUDE:

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1	(A) PROTECTIONS FOR DISPROPORTIONATELY IMPACTED
2	COMMUNITIES, ACHIEVING REDUCTION OF GREENHOUSE GASES AND
3	CO-POLLUTANTS; AND
4	(B) More robust monitoring, leak detection, and repair
5	REQUIREMENTS, REPORTING, AND RECORD-KEEPING REQUIREMENTS TO
6	ENSURE THAT THE DIVISION CAN ACCURATELY QUANTIFY GREENHOUSE
7	GAS EMISSIONS DURING ALL OPERATING CONDITIONS, INCLUDING
8	EQUIPMENT MALFUNCTIONS; AND
9	(C) ADDITIONAL DIRECT EMISSION REDUCTION CONTROLS.
10	(XIII) IN IMPLEMENTING THIS SUBSECTION (1)(e), THE
11	COMMISSION SHALL ADOPT RULES TO REDUCE STATEWIDE GREENHOUSE
12	GAS EMISSIONS FROM THE INDUSTRIAL AND MANUFACTURING SECTOR IN
13	THE STATE BY AT LEAST TWENTY PERCENT BY 2030 BELOW THE 2015
14	BASELINE ESTABLISHED PURSUANT TO SECTION 25-7-140 (2)(a)(II),
15	TAKING INTO ACCOUNT THE FACTORS SET OUT IN SUBSECTIONS (1)(e)(II)
16	TO (1)(e)(VI) OF THIS SECTION. THE RULES MUST INCLUDE PROTECTIONS
17	FOR DISPROPORTIONATELY IMPACTED COMMUNITIES AND PRIORITIZE
18	EMISSION REDUCTIONS THAT WILL REDUCE EMISSIONS OF CO-POLLUTANTS
19	THAT ADVERSELY AFFECT DISPROPORTIONATELY IMPACTED COMMUNITIES,
20	BE DESIGNED TO ACCELERATE NEAR-TERM REDUCTIONS, AND SECURE
21	MEANINGFUL EMISSION REDUCTIONS FROM THIS SECTOR TO BE REALIZED
22	BEGINNING NO LATER THAN SEPTEMBER 30, 2024. THE RULES MUST:
23	(A) BE CONSISTENT WITH THE REQUIREMENTS OF SUBSECTION
24	(1)(e)(IX) OF THIS SECTION; AND
25	(B) REQUIRE A FIVE PERCENT REDUCTION IN THE GREENHOUSE GAS
26	EMISSIONS ASSOCIATED WITH ENERGY-INTENSIVE, TRADE-EXPOSED
2.7	MANUFACTURING SOURCES THAT CURRENTLY EMPLOY BEST AVAILABLE

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1	EMISSION CONTROL TECHNOLOGIES FOR GREENHOUSE GAS EMISSIONS AND
2	BEST AVAILABLE ENERGY EFFICIENCY PRACTICES, AS DETERMINED BY THE
3	COMMISSION, PURSUANT TO SUBSECTION (1)(e)(IX)(A) OF THIS SECTION.
4	(f) (I) Definitions. The definitions in subsection (1)(e)(XI) of
5	THIS SECTION APPLY TO THIS SUBSECTION (1)(f). AS USED IN THIS
6	SUBSECTION (1)(f), UNLESS THE CONTEXT REQUIRES OTHERWISE:
7	(A) "GHG CREDIT" MEANS A TRADEABLE COMPLIANCE
8	INSTRUMENT IN A PHYSICAL OR ELECTRONIC FORMAT, THE USE OF WHICH
9	IS AUTHORIZED PURSUANT TO A REGULATORY PROGRAM ADOPTED BY THE
10	COMMISSION THAT REPRESENTS THE REDUCTION OF ONE METRIC TON OF
11	CARBON-DIOXIDE EQUIVALENT OF GREENHOUSE GAS BY A REGULATED
12	SOURCE.
13	(B) "REGULATED SOURCE" MEANS A SOURCE OF GREENHOUSE GAS
14	THAT IS SUBJECT TO A RULE ADOPTED BY THE COMMISSION UNDER
15	SUBSECTION (1)(e) OF THIS SECTION THAT IMPOSES SPECIFIC AND
16	QUANTIFIABLE GREENHOUSE GAS REDUCTION OBLIGATIONS UPON THAT
17	SOURCE OR GROUP OF SOURCES.
18	(C) "Trading program" means a commission-adopted
19	REGULATORY PROGRAM THAT ALLOWS FOR REGULATED SOURCES TO MEET
20	THEIR GREENHOUSE GAS COMPLIANCE OBLIGATIONS UNDER SUBSECTION
21	(1)(e) OF THIS SECTION THROUGH THE CREATION, PURCHASE, ACQUISITION,
22	OR EXCHANGE OF, OR OTHER COMMERCIAL-TYPE TRANSACTION
23	INVOLVING, A GHG CREDIT WITH OTHER REGULATED SOURCES.
24	(II) Greenhouse gas accounting system. Except as specified in
25	SUBSECTION (1)(f)(III) OF THIS SECTION, BEFORE THE COMMISSION ADOPTS
26	A RULE OR PROGRAM THAT PROVIDES FOR THE USE OF A TRADING
27	PROGRAM, THE COMMISSION SHALL ADOPT A RULE THAT DIRECTS THE

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1	DIVISION TO CREATE A COMPREHENSIVE AND CENTRALIZED ACCOUNTING
2	SYSTEM TO TRACK EMISSIONS FROM, AT A MINIMUM, ALL REGULATED
3	SOURCES IN THE STATE COVERED BY OR THAT MAY OTHERWISE
4	PARTICIPATE IN THAT TRADING PROGRAM, WHICH SYSTEM MUST:
5	(A) ENABLE THE DIVISION AND THE PUBLIC TO TRACK EMISSION
6	REDUCTIONS, TRADES, AND OTHER TRANSACTIONS BY SOURCES UTILIZING
7	GHG CREDITS OR OTHERWISE PARTICIPATING IN A TRADING PROGRAM.
8	AND TO TRACK ANY TRANSACTIONS THAT TAKE PLACE CONSISTENT WITH
9	THE REQUIREMENTS SET FORTH IN THIS SUBSECTION (1)(f), INCLUDING ALL
10	RULES PROMULGATED PURSUANT TO THIS SUBSECTION (1)(f):
11	(B) Enable the division to prevent double-counting of
12	GREENHOUSE GAS EMISSION REDUCTIONS; AND
13	(C) IDENTIFY REGULATED SOURCES THAT ADVERSELY AFFECT
14	DISPROPORTIONATELY IMPACTED COMMUNITIES THROUGH THEIR
15	EMISSIONS OF LOCALLY HARMFUL AIR POLLUTANTS.
16	(III) THE COMMISSION MAY ADOPT A TRADING PROGRAM AMONG
17	REGULATED SOURCES AS NECESSARY TO TIMELY IMPLEMENT SUBSECTION
18	(1)(e)(IX) OF THIS SECTION IF THAT PROGRAM:
19	(A) IS ULTIMATELY INTEGRATED INTO THE COMPREHENSIVE AND
20	CENTRALIZED ACCOUNTING SYSTEM DEVELOPED PURSUANT TO
21	SUBSECTION (1)(f)(II) OF THIS SECTION;
22	(B) Enables the division to track the emissions of, and
23	EMISSION REDUCTIONS, TRADES, AND OTHER TRANSACTIONS BY, ALL
24	REGULATED SOURCES PARTICIPATING IN THE TRADING PROGRAM;
25	(C) Enables the division to prevent double counting of
26	GREENHOUSE GAS EMISSION REDUCTIONS; AND
27	(D) Identifies regulated sources that adversely affect

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1	DISPROPORTIONATELY IMPACTED COMMUNITIES THROUGH THEIR
2	EMISSIONS OF LOCALLY HARMFUL AIR POLLUTANTS.
3	(g) WITH REGARD TO THE CHANGES MADE IN 2021 BY HOUSE BILL
4	<u>21-1266:</u>
5	(I) NOTHING:
6	(A) ALTERS THE GREENHOUSE GAS EMISSION REDUCTION GOALS
7	PREVIOUSLY ESTABLISHED IN SECTION 25-7-102 (2)(g), IN EITHER AMOUNT
8	OR TIMING; OR
9	(B) DETRACTS FROM THE AIR QUALITY CONTROL COMMISSION'S
10	EXISTING AUTHORITY TO REQUIRE MORE THAN THE MINIMUM GREENHOUSE
1	GAS EMISSION REDUCTION GOALS AND DEADLINES PREVIOUSLY
12	ESTABLISHED IN SECTION 25-7-102 (2)(g); AND
13	(II) THE CHANGES ADD TO, BUT DO NOT OTHERWISE ALTER, THE
14	AIR QUALITY CONTROL COMMISSION'S AUTHORITY AND OBLIGATION TO
15	PUBLISH AND PROMULGATE RULES PURSUANT TO THIS SECTION AND
16	SECTIONS 25-7-102 (2)(g) AND 25-7-140.
17	SECTION 14. In Colorado Revised Statutes, 25-7-109.3, amendo
18	(2) as follows:
19	25-7-109.3. Colorado hazardous air pollutant control and
20	reduction program - rules. (2) Except as provided in Section
21	25-7-114.4(5), the commission may only promulgate regulations RULES
22	pertaining to hazardous air pollutants as defined in section 25-7-103 (13)
23	in accordance with this section. In order to minimize additional regulatory
24	and compliance costs to the state's economy, any program created by the
25	commission pursuant to this section shall MUST contain a provision which
26	THAT exempts those sources or categories of sources which THAT is
27	determines to be of minor significance from the requirements of the

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1	program. Consistent with the provisions of section 25-/-105.1, the
2	commission shall authorize synthetic minor sources of hazardous air
3	pollutants by the issuance of construction permits or prohibitory OR
4	OTHER rules. or other regulations. Such permits OR rules or regulations
5	shall MUST only be as stringent as necessary to establish synthetic minor
6	status. The commission shall expeditiously implement this subsection (2)
7	to assure that all sources may be able to timely qualify as a synthetic
8	minor source, thereby avoiding the costs of the operating permit program.
9	SECTION 15. In Colorado Revised Statutes, 25-7-110.5, amend
10	(4)(e); and add (4)(f) and (4)(g) as follows:
11	25-7-110.5. Required analysis of proposed air quality rules.
12	(4) (e) EXCEPT AS PROVIDED IN SUBSECTION (4)(f) OF THIS SECTION, the
13	economic impact analysis required by this subsection (4) shall MUST not
14	consist of an analysis of any nonmarket costs or external costs asserted to
15	occur notwithstanding compliance by a source with applicable
16	environmental regulations.
17	(f) FOR A RULE THAT IMPLEMENTS SECTION 25-7-105 (1)(e) THAT
18	MAY MATERIALLY AFFECT GREENHOUSE GAS EMISSIONS, THE ECONOMIC
19	IMPACT ANALYSIS REQUIRED BY THIS SUBSECTION (4) MUST INCLUDE AN
20	ANALYSIS OF THE SOCIAL COST OF GREENHOUSE GASES RELATED TO THE
21	ESTIMATED EMISSION REDUCTIONS FROM THE PROPOSED RULE. THE
22	ANALYSIS MUST USE THE MOST RECENT ASSESSMENT OF THE SOCIAL COST
23	FOR THOSE GREENHOUSE GASES FOR WHICH THE FEDERAL GOVERNMENT
24	HAS DETERMINED THE COST, AND THE CONSIDERATION OF THE SOCIAL
25	COST OF GREENHOUSE GASES MUST BE CONSISTENT WITH EXISTING LAW
26	AND INCLUDE USE OF A DISCOUNT RATE OF NO MORE THAN TWO AND
27	ONE-HALF PERCENT; EXCEPT THAT THE SOCIAL COST OF GREENHOUSE

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GASES THAT IS USED MAY NOT BE LOWER THAN THAT ESTABLISHED IN
2016, USING A TWO AND ONE-HALF PERCENT DISCOUNT RATE, BY THE
FEDERAL INTERAGENCY WORKING GROUP ON THE SOCIAL COST OF CARBON
OR THAN THE FINAL SOCIAL COST OF GREENHOUSE GASES, USING A TWO
AND ONE-HALF PERCENT OR LOWER EFFECTIVE DISCOUNT RATE,
ESTABLISHED BY THE FEDERAL INTERAGENCY WORKING GROUP ON THE
SOCIAL COST OF GREENHOUSE GASES PURSUANT TO FEDERAL EXECUTIVE
ORDER 13990, DATED JANUARY 20, 2021, WHICHEVER IS HIGHER.
(g) WITH REGARD TO THE CHANGES MADE IN 2021 BY HOUSE BILL
<u>21-1266:</u>
(I) Nothing:
(A) ALTERS THE GREENHOUSE GAS EMISSION REDUCTION GOALS
PREVIOUSLY ESTABLISHED IN SECTION 25-7-102 (2)(g), IN EITHER AMOUNT
OR TIMING; OR
(B) DETRACTS FROM THE AIR QUALITY CONTROL COMMISSION'S
EXISTING AUTHORITY TO REQUIRE MORE THAN THE MINIMUM GREENHOUSE
GAS EMISSION REDUCTION GOALS AND DEADLINES PREVIOUSLY
ESTABLISHED IN SECTION 25-7-102 (2)(g); AND
(II) THE CHANGES ADD TO, BUT DO NOT OTHERWISE ALTER, THE
AIR QUALITY CONTROL COMMISSION'S AUTHORITY AND OBLIGATION TO
PUBLISH AND PROMULGATE RULES PURSUANT TO SECTIONS 25-7-102
(2)(g), 25-7-105, AND 25-7-140.
SECTION 16. In Colorado Revised Statutes, 25-7-140, amend
(2)(a)(I) and (2)(a)(II); and add (2)(a)(IV) as follows:
25-7-140. Greenhouse gas emissions - data collection -
legislative declaration - rules - reporting - forecasting - public
information - definitions. (2) Rules. (a) The commission shall:

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By June 1, 2020, Adopt rules requiring greenhouse gas-emitting entities to monitor and publicly report their emissions as the commission deems appropriate to support Colorado's greenhouse gas emission inventory efforts and to facilitate implementation of rules that will timely achieve Colorado's greenhouse gas emission reduction goals. The commission shall consider what information is already being publicly reported by the federal environmental protection agency and tailor new reporting requirements to fill any gaps in data, as it determines is appropriate, to allow for maintaining and updating state inventories that are sufficiently comprehensive and robust. The rules must include requirements for providers of retail or wholesale electric service in the state of Colorado to track and report emissions from all generation sources within the state and elsewhere that electricity consumption by their customers in this state causes to be emitted. The commission may require emitting entities to report the amount of emissions of each of the seven individual components of greenhouse gases as well as the carbon dioxide equivalent of those emissions.

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(II) Direct the division to update the statewide inventory of greenhouse gas emissions by sector, up to on an annual basis as determined by the commission, but in no event less frequently than every two years. The division shall update the inventory in a manner that allows reasonable tracking of progress in reducing greenhouse gas emissions over time. The commission shall take reasonable steps to ensure that emission abatement that counts toward meeting the state's greenhouse gas emission reduction goals is durable and rigorously tracked. The inventory must include a forecast of Colorado's greenhouse gas emissions for the milestone year of 2025, as well as 2030, 2035, 2040, and 2045. THE

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I	DIVISION SHALL MAKE PUBLICLY AVAILABLE THE DATA UPON WHICH
2	PROJECTIONS ARE BASED, INCLUDING THE SOURCES OF THAT DATA, THE
3	INPUTS FOR ANY MODEL USED, AND A DESCRIPTION OF THE ANALYSIS
4	UNDERLYING THE PROJECTIONS. THE FORECAST MUST INCLUDE AT LEAST
5	ONE SCENARIO THAT DOES NOT INCLUDE EMISSION REDUCTIONS
6	PROJECTED TO OCCUR FROM ANY FEDERAL, STATE, OR LOCAL LAW, RULE,
7	REGULATION, POLICY, OR PROGRAM THAT IS NOT IN PLACE AS OF THE DATE
8	OF PUBLICATION OF THE INVENTORY. The initial inventory required under
9	this subsection (2) must include a recalculation of Colorado's 2005
10	greenhouse gas emissions to serve as a baseline for measuring progress
11	against Colorado's greenhouse gas emission reduction goals.
12	(IV) WITH REGARD TO THE CHANGES MADE IN 2021 BY HOUSE
13	<u>Bill 21-1266:</u>
14	(A) NOTHING ALTERS THE GREENHOUSE GAS EMISSION REDUCTION
15	GOALS PREVIOUSLY ESTABLISHED IN SECTION 25-7-102 (2)(g), IN EITHER
16	AMOUNT OR TIMING, OR DETRACTS FROM THE AIR QUALITY CONTROL
17	COMMISSION'S EXISTING AUTHORITY TO REQUIRE MORE THAN THE
18	MINIMUM GREENHOUSE GAS EMISSION REDUCTION GOALS AND DEADLINES
19	PREVIOUSLY ESTABLISHED IN SECTION 25-7-102 (2)(g); AND
20	(B) THE CHANGES ADD TO, BUT DO NOT OTHERWISE ALTER, THE
21	AIR QUALITY CONTROL COMMISSION'S AUTHORITY AND OBLIGATION TO
22	PUBLISH AND PROMULGATE RULES PURSUANT TO THIS SECTION AND
23	SECTIONS 25-7-102 (2)(g), AND 25-7-105.
24	SECTION 17. In Colorado Revised Statutes, 2-3-1203, add
25	(18.5)(a)(II) as follows:
26	2-3-1203. Sunset review of advisory committees - legislative
27	declaration - definition - repeal. (18.5) (a) The following statutory

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1	authorizations for the designated advisory committees will repeal on
2	<u>September 1, 2027:</u>
3	(II) THE ENVIRONMENTAL JUSTICE ADVISORY BOARD CREATED IN
4	<u>SECTION 25-1-132 (2).</u>
5	SECTION 18. In Colorado Revised Statutes, 8-83-503, add (7)
6	as follows:
7	8-83-503. Just transition office - advisory committee - repeal.
8	(7) The office, in consultation with the advisory committee,
9	SHALL DEVELOP A PROPOSED LONG-TERM BUDGET TO ADEQUATELY
10	FINANCE THE JUST TRANSITION PLAN. THE OFFICE SHALL SUBMIT THE
11	PROPOSED BUDGET TO THE EXECUTIVE DIRECTOR OF THE DEPARTMENT NO
12	LATER THAN JULY 1, 2022. THE BUDGET MUST INCLUDE FINANCING
13	OPTIONS FROM STATE, FEDERAL, AND OTHER SOURCES. THE DEPARTMENT
14	SHALL CONSIDER THE PROPOSED BUDGET AS PART OF ITS BUDGET
15	PROPOSAL FOR STATE FISCAL YEAR 2023-24.
16	SECTION 19. In Colorado Revised Statutes, repeal and reenact,
17	with amendments, 24-38.5-101 as follows:
18	24-38.5-101. Colorado energy office - creation. (1) There is
19	HEREBY CREATED WITHIN THE OFFICE OF THE GOVERNOR THE COLORADO
20	ENERGY OFFICE, THE HEAD OF WHICH IS THE DIRECTOR OF THE COLORADO
21	ENERGY OFFICE. THE DIRECTOR OF THE OFFICE SHALL BE ASSISTED BY A
22	DEPUTY DIRECTOR AND A STAFF TO FULFILL THE OFFICE'S MISSION TO:
23	(a) SUPPORT COLORADO'S TRANSITION TO A MORE EQUITABLE,
24	LOW-CARBON, AND CLEAN ENERGY ECONOMY AND PROMOTE RESOURCES
25	THAT REDUCE AIR POLLUTION AND GREENHOUSE GAS EMISSIONS,
26	INCLUDING POLLUTION AND EMISSIONS FROM ELECTRICITY GENERATION,
27	BUILDINGS, INDUSTRY, AGRICULTURE, AND TRANSPORTATION;

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1	(b) Promote economic development and high quality jobs
2	IN COLORADO THROUGH ADVANCING CLEAN ENERGY, TRANSPORTATION
3	ELECTRIFICATION, AND OTHER TECHNOLOGIES THAT REDUCE AIR
4	POLLUTION AND GREENHOUSE GAS EMISSIONS, INCLUDING HELPING TO
5	FINANCE THOSE INVESTMENTS;
6	(c) Promote energy efficiency;
7	(d) PROMOTE AN EQUITABLE TRANSITION TOWARD ZERO EMISSION
8	BUILDINGS;
9	(e) Promote an equitable transition to transportation
10	ELECTRIFICATION, ZERO EMISSION VEHICLES, TRANSPORTATION SYSTEMS.
11	AND LAND USE PATTERNS THAT REDUCE ENERGY USE AND GREENHOUSE
12	GAS EMISSIONS;
13	(f) Increase energy security;
14	(g) SUPPORT LOWER LONG-TERM CONSUMER COSTS AND SUPPORT
15	REDUCED ENERGY COST BURDEN FOR LOWER-INCOME COLORADANS; AND
16	(h) PROTECT THE ENVIRONMENT AND PUBLIC HEALTH.
17	SECTION 20. In Colorado Revised Statutes, 24-75-402, add
18	(5)(tt) as follows:
19	24-75-402. Cash funds - limit on uncommitted reserves -
20	reduction in the amount of fees - exclusions. (5) Notwithstanding any
21	provision of this section to the contrary, the following cash funds are
22	excluded from the limitations specified in this section:
23	(tt) The community impact cash fund created in section
24	<u>25-7-129 (1).</u>
25	SECTION 21. In Colorado Revised Statutes, 40-2-129, add (4)
26	as follows:
2.7	40-2-129. New resource acquisitions - factors in determination

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1	- local employment - "best value" metrics. (4) (a) The State Auditor
2	SHALL CONDUCT OR CAUSE TO BE CONDUCTED A PERFORMANCE AUDIT OF
3	THE COMMISSION'S IMPLEMENTATION OF THE "BEST VALUE" EMPLOYMENT
4	METRICS REQUIREMENTS OF THIS SECTION, INCLUDING REVIEW OF:
5	(I) THE PROJECTS SUBJECT TO SUBSECTION (1)(a) OF THIS SECTION
6	THAT HAVE BEEN APPROVED IN THE PREVIOUS TEN YEARS;
7	(II) WHETHER THE WORK DONE USED CONTRACTORS THAT MET
8	THE CRITERIA SPECIFIED IN THIS SECTION;
9	(III) ANY SHORTFALLS IN ENFORCEMENT CAPACITY OR
10	IMPLEMENTATION BY THE COMMISSION;
11	(IV) CURRENT ENFORCEMENT PROCEDURES FOR INVESTOR-OWNED
12	UTILITIES, INDEPENDENT POWER PRODUCERS, AND WHOLESALE
13	GENERATION AND TRANSMISSION ELECTRIC COOPERATIVES; AND
14	(V) WHETHER AND HOW DELAYED RULE-MAKING PROCEEDINGS
15	HAVE PREVENTED THE "BEST VALUE" EMPLOYMENT METRICS
16	REQUIREMENTS OF THIS SECTION FROM BEING IMPLEMENTED.
17	(b) THE GOVERNOR'S OFFICE, THE COMMISSION, AND COMMISSION
18	STAFF SHALL COOPERATE WITH STAKEHOLDERS AND THE STATE AUDITOR
19	IN CONDUCTING THE AUDIT AND MAKING RECOMMENDATIONS FOR
20	REFORMS OF, OR POTENTIAL ALTERNATIVES TO, THE IMPLEMENTATION AND
21	ENFORCEMENT OF "BEST VALUE" EMPLOYMENT METRICS.
22	(c) Upon completion of a performance audit, the state
23	AUDITOR SHALL SUBMIT A WRITTEN REPORT TO THE LEGISLATIVE AUDIT
24	COMMITTEE, TOGETHER WITH ANY FINDINGS AND RECOMMENDATIONS.
25	SECTION 22. Appropriation. (1) For the 2021-22 state fiscal
26	year, \$2,550,218 is appropriated to the department of public health and
27	environment. This appropriation consists of \$2,172,376 from the general

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1	fund and \$377,842 from the community impact cash fund created in
2	section 25-7-129 (1), C.R.S To implement this act, the department may
3	use this appropriation as follows:
4	(a) \$1,417,544, which consists of \$1,070,172 from the general
5	fund and \$347,372 from the community impact cash fund for use by the
6	air pollution control division for personal services related to stationary
7	sources, which amount is based on an assumption that the division will
8	require an additional 20.4 FTE;
9	(b) \$510,353, which consists of \$479,882 from the general fund
10	and \$30,470 from the community impact cash fund for use by the air
11	pollution control division for operating costs related to stationary sources;
12	(c) \$382,680 from the general fund for the purchase of legal
13	services; and
14	(d) \$239,642 from the general fund for the purchase of
15	information technology services.
16	(2) For the 2021-22 state fiscal year, \$382,680 is appropriated to
17	the department of law. This appropriation is from reappropriated funds
18	received from the department of public health and environment under
19	subsection (1)(c) of this section and is based on an assumption that the
20	department of law will require an additional 2.0 FTE. To implement this
21	act, the department of law may use this appropriation to provide legal
22	services for the department of public health and environment.
23	(3) For the 2021-22 state fiscal year, \$239,642 is appropriated to
24	the office of the governor for use by the office of information technology.
25	This appropriation is from reappropriated funds received from the
26	department of public health and environment under subsection (1)(d) of
27	this section. To implement this act, the office may use this appropriation

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1	to provide information technology services for the department of public
2	health and environment.
3	(4) For the 2021-22 state fiscal year, \$146,703 is appropriated to
4	the office of the governor for use by the Colorado energy office. This
5	appropriation is from the general fund and is based on an assumption that
6	the office will require an additional 1.8 FTE. To implement this act, the
7	office may use this appropriation for program costs.
8	SECTION 23. Applicability. This act applies to conduct
9	occurring on or after the effective date of this act.
10	SECTION 24. Safety clause. The general assembly hereby finds,
11	determines, and declares that this act is necessary for the immediate
12	preservation of the public peace, health, or safety.

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