HB1286_L.025 SENATE COMMITTEE OF REFERENCE AMENDMENT Committee on <u>Finance</u>. <u>HB21-1286</u> be amended as follows:

- Amend reengrossed bill, page 3, line 5, strike "performance standards"
 and substitute "task force".
- 3 Page 3, strike lines 19 through 21 and substitute:
- 4 "(c) MANY BUILDING OWNERS HAVE MADE PROACTIVE EFFORTS TO
 5 REDUCE THE ENERGY USE AND GREENHOUSE GAS EMISSIONS OF THEIR
 6 BUILDINGS, YET MORE REMAINS TO BE DONE TO HELP THE STATE MEET ITS
 7 GREENHOUSE GAS REDUCTION GOALS;
- 8 (d) BUILDING TENANTS THAT PAY ENERGY BILLS OFTEN LACK THE".
- 9 Reletter succeeding paragraphs accordingly.
- 10 Page 5, line 3, strike "ENACT" and substitute "DEVELOP".
- 11 Page 5, strike lines 18 through 25.
- 12 Reletter succeeding paragraphs accordingly.
- 13 Page 9, strike lines 15 and 16.
- 14 Reletter succeeding paragraphs accordingly.
- 15 Page 9, strike lines 21 through 24 and substitute:

16	"(s) "Performance standards" means standards that the
17	COMMISSION ESTABLISHES BY RULE PURSUANT TO SUBSECTION $(8)(b)$ of
18	THIS SECTION WITH WHICH OWNERS OF COVERED BUILDINGS ARE REQUIRED
19	TO COMPLY.
20	(t) "PUBLIC BUILDING" MEANS A COVERED BUILDING OWNED BY:
21	(I) THE STATE;
22	(II) A LOCAL GOVERNMENT;
23	(III) A DISTRICT OR SPECIAL DISTRICT REGULATED UNDER TITLE
24	32;
25	(IV) A STATE INSTITUTION OF HIGHER EDUCATION;
26	(V)~A private institution of higher education as defined in
27	SECTION 23-18-102 (9);
28	(VI) A school district created pursuant to article 30 of
29	TITLE 22; AND
30	(VII) A CHARTER SCHOOL AUTHORIZED PURSUANT TO PART 1 OF

31 ARTICLE 30.5 OF TITLE 22.".

- 1 Reletter succeeding paragraphs accordingly.
- 2 Page 10, strike lines 8 through 21.
- 3 Reletter succeeding paragraphs accordingly.
- 4 Page 11, strike lines 23 through 27 and substitute:

5 "(II) THE OWNER OF A CORRECTIONAL FACILITY; AND
6 (III) THE OWNER OF A PUBLIC BUILDING THAT IS A COVERED
7 BUILDING.".

8 Page 13, after line 16 insert:

9 "(d) TO MEET THE REQUIREMENTS OF THIS SUBSECTION (4), A 10 QUALIFYING UTILITY THAT IS NOT AN INVESTOR-OWNED UTILITY MAY SEEK 11 AND USE GRANT FUNDING FROM THE COLORADO CLEAN ENERGY FUND, A 12 NONPROFIT CORPORATION, OR THE ENERGY FUND CREATED IN SECTION 13 24-38.5-102.4 (1)(a)(I).".

- Page 16, line 13, after "INCLUDES" insert "THE GREENHOUSE GASEMISSIONS,".
- 16 Page 16, strike lines 20 through 27.
- 17 Strike pages 17 through 21.
- 18 Page 22, strike lines 1 through 16.
- 19 Renumber succeeding subsections accordingly.
- 20 Page 22, line 17, after "implementation -" insert "rules -".
- Page 22, strike lines 21 and 22 and substitute "THE GOVERNOR ON
 PERFORMANCE STANDARDS FOR COVERED BUILDINGS.".
- 23 Page 22, strike lines 25 through 27.
- 24 Page 23, strike lines 1 through 10 and substitute:
- "(II) TO ENSURE THAT THE STATE MAKES PROGRESS TOWARD THE
 GREENHOUSE GAS REDUCTION TARGETS SET FORTH IN SECTION 25-7-102

(2)(g), THE TASK FORCE SHALL DEVELOP RECOMMENDATIONS REGARDING
 THE RULES THAT THE COMMISSION SHALL PROMULGATE PURSUANT TO
 SUBSECTION (8)(b) OF THIS SECTION, FOR:

4 (A) INTERIM PERFORMANCE STANDARDS THAT WOULD ACHIEVE A
5 REDUCTION IN GREENHOUSE GAS EMISSIONS OF SEVEN PERCENT BY 2026
6 AS COMPARED TO 2021 LEVELS AS REPORTED IN 2022 FOR 2021
7 BENCHMARKING DATA;

8 (B) PERFORMANCE STANDARDS THAT WOULD ACHIEVE A 9 REDUCTION IN GREENHOUSE GAS EMISSIONS OF TWENTY PERCENT BY 2030 10 AS COMPARED TO 2021 LEVELS; AND

(C) THE PROCESS FOR ADVISING, SOLICITING PUBLIC INPUT ON, AND
 MAKING RECOMMENDATIONS TO THE COMMISSION ON PERFORMANCE
 STANDARDS FOR 2030 TO 2050.

14 (III) IN DEVELOPING RECOMMENDATIONS, THE TASK FORCE SHALL:

15 (A) SOLICIT FEEDBACK FROM A BROAD RANGE OF INDUSTRIES AND
 BUILDING OWNERS; AND

17 (B) EXAMINE BUILDING TYPES WITH UNIQUE ENERGY NEEDS18 INCLUDING AIRPORTS AND HOSPITALS.

(IV) IN CALCULATING GREENHOUSE GAS REDUCTIONS PURSUANT
TO THIS SUBSECTION (8), THE CALCULATION MUST NOT INCLUDE SAVINGS
FROM STATEWIDE DECARBONIZATION OF ELECTRICITY OR NATURAL GAS
UTILITY GRIDS, BUT MAY INCLUDE SAVINGS FROM UTILITIES' OR LOCAL
GOVERNMENTS' ENERGY EFFICIENCY PROGRAMS.

24 (V) Additionally, the task force may consider making".

25 Renumber succeeding subparagraph accordingly.

26 Page 23, line 18, strike "AND".

Page 23, line 20, strike "COLORADO." and substitute "COLORADO; AND
(E) HOW REGULATIONS AND AGENCY SUPPORT COULD HELP

29 ENSURE BUILDING OWNERS AVOID FINES THROUGH COMPLIANCE WITH30 PERFORMANCE STANDARDS.".

31 Page 24, after line 5 insert:

"(b) ON OR BEFORE OCTOBER 1, 2022, THE TASK FORCE SHALL
DELIVER TO THE DIRECTOR OF THE OFFICE ANY FINAL RECOMMENDATIONS
DEVELOPED. THE DIRECTOR OF THE OFFICE SHALL SEND COPIES OF THE
TASK FORCE'S FINAL RECOMMENDATIONS TO THE COMMISSION, THE
GENERAL ASSEMBLY, AND THE GOVERNOR.".

37 Reletter succeeding paragraphs accordingly.

Page 24, strike lines 8 through 13 and substitute "SUBSECTION (8)(a)(I) OF
THIS SECTION, AND THE DIRECTOR OF THE OFFICE IN CONSULTATION WITH
THE COMMISSION DETERMINES THAT THE RECOMMENDATIONS MEET THE
GREENHOUSE GAS EMISSION REDUCTION REQUIREMENTS SET FORTH IN
SUBSECTION (8)(a)(II) OF THIS SECTION, THE DIVISION SHALL, ON OR
BEFORE NOVEMBER 15, 2022, REQUEST THAT THE COMMISSION".

7 Page 24, strike line 15 and substitute: "IMPLEMENT PERFORMANCE 8 STANDARDS. ON OR BEFORE MAY 1, 2023, THE COMMISSION SHALL 9 PROMULGATE RULES TO DEVELOP PERFORMANCE STANDARDS AND, IN 10 ADOPTING THE RULES, SHALL GIVE CAREFUL CONSIDERATION TO 11 RECOMMENDATIONS OF THE TASK FORCE AS PRESENTED BY THE DIVISION. 12 THE COMMISSION SHALL ALSO ADOPT RULES REGARDING WAIVERS AND 13 EXTENSIONS OF TIME REGARDING THE PERFORMANCE STANDARD REQUIREMENTS. THE COMMISSION'S RULES MUST INCLUDE A PROVISION 14 15 THAT AN OWNER OF A PUBLIC BUILDING NEED ONLY COMPLY WITH 16 PERFORMANCE STANDARDS WITH REGARD TO WORK ON A CONSTRUCTION 17 OR RENOVATION PROJECT THAT:

18 (A) HAS AN ESTIMATED COST OF AT LEAST FIVE HUNDRED19 THOUSAND DOLLARS;

20 (B) IMPACTS AT LEAST TWENTY-FIVE PERCENT OF THE COVERED
21 BUILDING'S SQUARE FOOTAGE; AND

(C) EXCLUDES UPGRADES SUCH AS PAINTING, FLOORING, OR
 TENANT FINISHES THAT DO NOT IMPACT ENERGY USE.".

24 Page 24, strike lines 19 through 27.

Page 25, strike lines 1 through 4 and substitute "FORCE'S 25 26 RECOMMENDATIONS DO NOT MEET THE GREENHOUSE GAS EMISSION 27 REDUCTION REQUIREMENTS SET FORTH IN SUBSECTION (8)(a)(II) OF THIS 28 SECTION, THE COMMISSION, ON OR BEFORE MAY 1, 2023, SHALL, BY RULE, 29 ADOPT PERFORMANCE STANDARDS THAT MEET THE GREENHOUSE GAS 30 EMISSION REDUCTION REQUIREMENTS SET FORTH IN SUBSECTION (8)(a)(II)31 OF THIS SECTION. THE COMMISSION SHALL ALSO ADOPT RULES REGARDING 32 WAIVERS AND EXTENSIONS OF TIME REGARDING THE PERFORMANCE 33 STANDARD REQUIREMENTS. THE COMMISSION'S RULES MUST INCLUDE A 34 PROVISION THAT AN OWNER OF A PUBLIC BUILDING NEED ONLY COMPLY 35 WITH PERFORMANCE STANDARDS WITH REGARD TO WORK ON A 36 CONSTRUCTION OR RENOVATION PROJECT THAT:

37 (A) HAS AN ESTIMATED COST OF AT LEAST FIVE HUNDRED38 THOUSAND DOLLARS;

39 (B) IMPACTS AT LEAST TWENTY-FIVE PERCENT OF THE COVERED40 BUILDING'S SQUARE FOOTAGE; AND

1 (C) EXCLUDES UPGRADES SUCH AS PAINTING, FLOORING, OR 2 TENANT FINISHES THAT DO NOT IMPACT ENERGY USE.

3 (III) THE COMMISSION SHALL, AS NECESSARY, ADOPT RULES TO
4 MODIFY OR CONTINUE THE PERFORMANCE STANDARDS UNTIL 2050 IN
5 ORDER TO ACHIEVE OR EXCEED GREENHOUSE GAS EMISSION REDUCTION
6 TARGETS SET FORTH IN SECTION 25-7-102 (2)(g).".

Page 25, line 13, strike "SYSTEMS OPERATOR;" and substitute "OPERATING
ENGINEER;".

9 Page 26, line 15, after the period add "IN MAKING APPOINTMENTS TO THE

- 10 TASK FORCE, THE DIRECTOR OF THE OFFICE SHALL STRIVE TO ENSURE
- 11 GEOGRAPHIC DIVERSITY.".
- 12 Page 26, strike lines 16 through 27 and substitute:
- 13 "(f) SUBSECTIONS (8)(a), (8)(b), (8)(d), AND (8)(e), AND THIS
 14 SUBSECTION (8)(f) ARE REPEALED, EFFECTIVE JULY 1, 2025.".
- 15 Strike page 27.
- 16 Page 28, strike lines 1 through 14.
- 17 Renumber succeeding subsection accordingly.
- 18 Page 31, strike lines 24 through 27.
- 19 Page 32, strike lines 1 through 6 and substitute:
- "(II) THE OWNER OF A PUBLIC BUILDING IS EXEMPT FROM PAYING
 THE ANNUAL FEE DESCRIBED IN SUBSECTION (1)(e)(I) OF THIS SECTION.".
- 22 Page 32, line 17, strike "(2)(g)." and substitute "(2)(d).".
- Page 32, strike lines 19 and 20 and substitute "BENCHMARKING
 REQUIREMENTS SET FORTH IN SECTION 25-7-142 (3) AND PERFORMANCE
 STANDARD REQUIREMENTS SET BY THE COMMISSION BY RULE PURSUANT
 TO SECTION 25-7-142 (8)(b).".
- 27 Page 32, after line 22 insert:
- 28 "(d) "Commission" means the Air quality control
 29 commission created in Section 25-7-104 (1).".

- 1 Reletter succeeding paragraphs accordingly.
- 2 Page 32, line 24, strike "(2)(m)." and substitute "(2)(j).".
- 3 Page 32, strike line 26 and substitute "(2)(r).".

Page 33, strike lines 12 through 27 and substitute "As PART OF THE
REQUIREMENT THAT THE COMMISSION ADOPT RULES TO ESTABLISH
PERFORMANCE STANDARDS PURSUANT TO SECTION 25-7-142 (8)(b), THE
COMMISSION SHALL ESTABLISH BY RULE, WITH REGARD TO A VIOLATION
OF THE PERFORMANCE STANDARDS, CIVIL PENALTIES IN AN AMOUNT NOT
TO EXCEED TWO THOUSAND DOLLARS FOR A FIRST VIOLATION AND FIVE
THOUSAND DOLLARS FOR A SUBSEQUENT VIOLATION.

(II) THE DIVISION SHALL NOT ASSESS A CIVIL PENALTY FOR A
VIOLATION RELATED TO A PUBLIC BUILDING.".

- 13 Page 34, line 8, strike "(2)(m)." and substitute "(2)(j).".
- 14 Page 34, strike lines 9 and 10.
- 15 Reletter succeeding sub-subparagraph accordingly.
- 16 Page 34, line 12, strike "(2)(v)." and substitute "(2)(r).".
- 17 Page 1, line 104, before "PERFORMANCE" insert "RULES REGARDING".

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