

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

ENGROSSED

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

LLS NO. 25-0286.03 Jennifer Berman x3286

HOUSE BILL 25-1268

HOUSE SPONSORSHIP

Joseph and Froelich,

SENATE SPONSORSHIP

Mullica and Winter F.,

House Committees

Energy & Environment
Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE FINANCING OF A UTILITY ON-BILL PROGRAM FOR**
102 **CERTAIN ENERGY-RELATED IMPROVEMENTS, AND, IN**
103 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

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

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

HOUSE
Amended 2nd Reading
April 22, 2025

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

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

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

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

PART 6

UTILITY ON-BILL PROGRAM

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

(2) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT:

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

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

(c) UTILITY ON-BILL PROGRAMS THAT ALLOW REPAYMENTS

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

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

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

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

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

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

21 (b) "ELECTRIFICATION" INCLUDES:

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

23 (II) A HEAT PUMP WATER HEATER.

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

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

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

5 (b) "ENERGY EFFICIENCY MEASURE" INCLUDES:

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

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

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

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

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

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

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

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

1 SECTION 24-38.5-101 (1).

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

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

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

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

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

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

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

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

4 (a) AN INVESTOR-OWNED UTILITY;

5 (b) A COOPERATIVE ELECTRIC ASSOCIATION; AND

6 (c) A MUNICIPALLY OWNED UTILITY.

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

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

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

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

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

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

11 (c) A LOAN MADE TO A PARTICIPATING UTILITY OR PROGRAM
12 ADMINISTRATOR FROM THE ON-BILL CASH FUND MUST INCLUDE AN
13 INTEREST RATE OF ONE PERCENT, AND INTEREST PAYMENTS MUST BE
14 CREDITED TO THE UNCLAIMED PROPERTY TRUST FUND IF MONEY IS LOANED
15 FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND
16 PURSUANT TO SECTION 38-13-801 (3.3). IF MONEY IS INSTEAD
17 TRANSFERRED FROM THE ON-BILL FINANCING FUND CREATED IN SECTION
18 24-36-125 (7), THE ONE-PERCENT INTEREST RATE REQUIREMENT DOES NOT
19 APPLY.

20 (3) (a) THE OFFICE MAY ISSUE GUIDANCE ON PROGRAM
21 REQUIREMENTS OR PLACE CONTRACT LIMITATIONS ON THE USE OF LOANS
22 FROM THE FUND, AS APPROPRIATE, FOR DEVELOPMENT, IMPLEMENTATION,
23 AND UPDATES OF CONSUMER PROTECTION AND EQUITY REQUIREMENTS TO
24 ENSURE THE SUCCESS OF THE PROGRAM, WHILE BALANCING:

25 (I) RISK TO LENDERS, UTILITIES, UTILITY-DESIGNATED
26 ADMINISTRATORS, AND CUSTOMERS;

27 (II) EQUITY;

1 (III) REPAYMENT TERMS; AND

2 (IV) UTILITY BILL IMPACTS FOR PROGRAM PARTICIPANTS AND
3 NONPARTICIPANTS.

4 (b) THE OFFICE SHALL CONSULT WITH A PARTICIPATING UTILITY'S
5 UTILITY-DESIGNATED ADMINISTRATOR OR A PROGRAM ADMINISTRATOR
6 SELECTED BY THE OFFICE PURSUANT TO SECTION 24-38.5-604, AS
7 APPROPRIATE, IN DEVELOPING GUIDANCE ON PROGRAM REQUIREMENTS,
8 INCLUDING CONSUMER PROTECTION AND EQUITY REQUIREMENTS, WHICH
9 REQUIREMENTS MAY INCLUDE:

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

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

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

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

22 (V) REQUIREMENTS REGARDING TRANSFERS OF FINANCIAL
23 RESPONSIBILITY WHEN AN OWNER OR TENANT VACATES A BUILDING
24 SUBJECT TO A UTILITY'S ON-BILL PROGRAM, INCLUDING A REQUIREMENT
25 THAT A PROPERTY OWNER THAT IS A PARTICIPATING CUSTOMER OR IS THE
26 OWNER OF A PROPERTY FOR WHICH THERE IS AN EXISTING REPAYMENT
27 OBLIGATION ON THE UTILITY BILL RELATED TO PARTICIPATION IN A

1 PROGRAM SHALL AGREE TO NOTIFY A PROSPECTIVE TENANT OF THE
2 ON-BILL REPAYMENT OBLIGATION, PRIOR TO THE EXECUTION OF A LEASE.

3 (c) FOR CONTRACTS WITH A REGULATED UTILITY OR THE
4 REGULATED UTILITY'S UTILITY-DESIGNATED ADMINISTRATOR, THE FINAL
5 CONTRACT MUST CONFORM WITH ANY FINAL APPROVAL FROM THE
6 COMMISSION.

7 (d) A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
8 ADMINISTRATOR SHALL BE RESPONSIBLE FOR REPAYING THE AMOUNT OF
9 FUNDING PROVIDED FROM THE ON-BILL CASH FUND TO THE UTILITY OR ITS
10 UTILITY-DESIGNATED ADMINISTRATOR.

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

17 (4) WHEN CONTRACTING WITH A PARTICIPATING UTILITY OR
18 PROGRAM ADMINISTRATOR REGARDING AN ON-BILL PROGRAM
19 ESTABLISHED AFTER JULY 1, 2025, THE OFFICE SHALL STRUCTURE THE
20 CONTRACT AS A TARIFFED ON-BILL PROGRAM.

21 (5) THE OFFICE MAY PLACE CONTRACT LIMITATIONS ON THE USE
22 OF LOANS FROM THE FUND, AS APPROPRIATE, FOR THE DEVELOPMENT,
23 IMPLEMENTATION, AND UPDATES OF CONSUMER PROTECTION AND EQUITY
24 REQUIREMENTS TO ENSURE THE SUCCESS OF THE PROGRAM, WHILE
25 BALANCING RISK TO LENDERS, UTILITIES, UTILITY-DESIGNATED
26 ADMINISTRATORS, AND CUSTOMERS; EQUITY; REPAYMENT TERMS; AND
27 UTILITY BILL IMPACTS FOR PROGRAM PARTICIPANTS. THE OFFICE SHALL

1 CONSULT WITH THE PARTICIPATING UTILITY, THE PARTICIPATING UTILITY'S
2 UTILITY-DESIGNATED ADMINISTRATOR, OR A PROGRAM ADMINISTRATOR
3 SELECTED BY THE OFFICE PURSUANT TO SECTION 24-38.5-604, AS
4 APPROPRIATE, IN DEVELOPING THE CONSUMER PROTECTION AND EQUITY
5 REQUIREMENTS, WHICH REQUIREMENTS MAY INCLUDE:

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

1 (6) (a) EXCEPT AS PROVIDED IN SUBSECTION (6)(b) OF THIS
2 SECTION, ON OR BEFORE THE FIRST JANUARY 31 FOLLOWING THE FIFTH
3 COMPLETED YEAR OF PROGRAM IMPLEMENTATION, OR ONCE A UTILITY HAS
4 FINANCED AT LEAST TEN MILLION DOLLARS IN ENERGY EFFICIENCY
5 MEASURES, ELECTRIFICATION MEASURES, OR ENERGY UPGRADES WITH
6 FUNDING FROM THE ON-BILL CASH FUND, WHICHEVER OCCURS FIRST, AND
7 ON OR BEFORE JANUARY 31 OF EACH OF THE THREE YEARS THEREAFTER,
8 A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED ADMINISTRATOR
9 SHALL PREPARE AND SUBMIT TO THE OFFICE A REPORT THAT TRACKS THE
10 TOTAL AMOUNT OF ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
11 MEASURES, AND ENERGY UPGRADES FINANCED; THE NUMBER OF
12 PARTICIPATING CUSTOMERS BROKEN DOWN BY INTEREST RATE, AS
13 APPLICABLE; AND CUMULATIVE PROGRAM PARTICIPATION DEFAULT RATES,
14 UTILITY DISCONNECTIONS, COMPLIANCE WITH LABOR STANDARDS, AND
15 OTHER METRICS THAT THE OFFICE DEEMS RELEVANT TO THE CONSUMER
16 PROTECTION AND EQUITY REQUIREMENTS FOR THE PROGRAM. THE OFFICE
17 SHALL MAKE THE REPORTS PUBLICLY AVAILABLE ON ITS PUBLIC WEBSITE.

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

22 **24-38.5-604. Authority to contract with program**
23 **administrators - selection criteria - program design requirements.**

24 (1) IN ACCORDANCE WITH THE REQUIREMENTS OF THE "PROCUREMENT
25 CODE", ARTICLES 101 TO 112 OF THIS TITLE 24, THE OFFICE MAY
26 CONTRACT WITH ONE OR MORE INDEPENDENT THIRD-PARTY ENTITIES TO
27 SERVE AS PROGRAM ADMINISTRATORS TO FACILITATE AND HELP

1 ADMINISTER UTILITY ON-BILL PROGRAMS FOR PARTICIPATING UTILITIES.
2 THE OFFICE SHALL CONTRACT ONLY WITH ONE OR MORE OF THE
3 FOLLOWING ENTITIES TO SERVE AS PROGRAM ADMINISTRATORS:

4 (a) A BANK;

5 (b) A NONDEPOSITORY COMMUNITY DEVELOPMENT FINANCIAL
6 INSTITUTION;

7 (c) A BUSINESS DEVELOPMENT CORPORATION; OR

8 (d) A NONPROFIT ORGANIZATION.

9 (2) IN SELECTING A PROGRAM ADMINISTRATOR PURSUANT TO THIS
10 SECTION, THE OFFICE SHALL CONSIDER THE ABILITY OF A POTENTIAL
11 PROGRAM ADMINISTRATOR TO EXPAND THE PROGRAM, INCLUDING BY
12 EXPANDING THE CAPITAL AVAILABLE FOR USE IN THE PROGRAM THROUGH
13 PUBLIC AND PRIVATE CAPITAL SOURCES.

14 (3) THE OFFICE, IN CONSULTATION WITH A SELECTED PROGRAM
15 ADMINISTRATOR, MAY DETERMINE THE DESIGN REQUIREMENTS FOR THE
16 PROGRAM, WITH THE GOAL OF OFFERING CUSTOMERS THE LOWEST
17 REASONABLE INTEREST RATES, INCLUDING:

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

26 (b) A REQUIREMENT THAT THE ENERGY EFFICIENCY MEASURES,
27 ELECTRIFICATION MEASURES, AND ENERGY UPGRADES AUTHORIZED FOR

1 A PARTICIPATING UTILITY'S ON-BILL PROGRAM COMPLY WITH PROGRAM
2 REQUIREMENTS;

3 (c) A REQUIREMENT THAT A PROGRAM ADMINISTRATOR PURSUE
4 OTHER SOURCES OF PUBLIC AND PRIVATE CAPITAL, WITH A GOAL OF
5 INCREASING AVAILABLE STATEWIDE FUNDING FOR ON-BILL PROGRAMS TO
6 ONE BILLION DOLLARS BY 2030;

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

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

12 **24-38.5-605. Transfers of financial responsibility - notification**
13 **required - utility's obligation - program administrator's obligation.**

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

23 (a) (I) WHERE THE FINANCING IS ATTACHED TO THE METERED
24 UTILITY SERVICE AND IS NOT A SECURITY INTEREST IN THE PROPERTY, THE
25 OFFICE SHALL ESTABLISH A REQUIREMENT THAT THE PARTICIPATING
26 UTILITY OR PROGRAM ADMINISTRATOR, WITHIN THIRTY DAYS AFTER THE
27 PROVISION OF FINANCING TO A PROGRAM PARTICIPANT, SHALL RECORD A

1 NOTICE OF THE ON-BILL REPAYMENT OBLIGATION, WHICH NOTICE MUST
2 INCLUDE A LEGAL DESCRIPTION OF THE REAL PROPERTY SUBJECT TO THE
3 FINANCING THAT IS ATTACHED TO THE METERED UTILITY SERVICE, THE
4 NAME AND ADDRESS OF THE UTILITY CUSTOMER, THE PRINCIPAL AMOUNT
5 FINANCED, THE TERMS OF REPAYMENT, AND A STATEMENT THAT THE
6 REPAYMENT OBLIGATION DOES NOT CONSTITUTE A LIEN ON THE PROPERTY
7 BUT IS INTENDED TO GIVE A PURCHASER OF THE PROPERTY NOTICE THAT
8 THE PROPERTY IS SUBJECT TO AN ON-BILL REPAYMENT OBLIGATION.

9 (II) THE OFFICE SHALL ALSO ESTABLISH A REQUIREMENT THAT THE
10 PARTICIPATING UTILITY OR PROGRAM ADMINISTRATOR, WITHIN THIRTY
11 DAYS AFTER THE FINANCING HAS BEEN COMPLETELY REPAID, SHALL FILE
12 A NOTICE WITH THE COUNTY CLERK AND RECORDER FOR INCLUSION IN THE
13 PUBLIC RECORDS OF THE COUNTY IN WHICH THE PROPERTY IS LOCATED
14 INDICATING THAT THE FINANCING REPAYMENT IS COMPLETE AND THAT
15 THERE ARE NO FURTHER FINANCIAL OBLIGATIONS.

16 (III) AT THE POINT OF SALE OF THE REAL PROPERTY SUBJECT TO
17 THE ON-BILL REPAYMENT OBLIGATION, THE ON-BILL REPAYMENT
18 OBLIGATION MAY TRANSFER WITH THE METERED UTILITY SERVICE UNLESS
19 OTHERWISE REQUIRED BY FEDERAL LAW OR REGULATION.

20 (b) WHERE THE FINANCING IS A LOAN TO THE PROPERTY OWNER
21 SECURED BY THE REAL PROPERTY, THE PARTICIPATING UTILITY OR
22 PROGRAM ADMINISTRATOR, WITHIN THIRTY DAYS AFTER THE PROVISION
23 OF FINANCING TO A PROGRAM PARTICIPANT, SHALL RECORD A LIEN THAT
24 MUST INCLUDE THE LEGAL DESCRIPTION OF THE REAL PROPERTY SUBJECT
25 TO THE LOAN IN THE PUBLIC RECORDS OF THE COUNTY IN WHICH THE
26 PROPERTY IS LOCATED. THE LIEN DOES NOT ESTABLISH A RIGHT TO
27 FORECLOSE ON THE PROPERTY. THERE SHALL BE A REQUIREMENT THAT

1 THE FINANCING LOAN TO THE PROPERTY OWNER BE PAID OFF AT THE POINT
2 OF SALE OF THE REAL PROPERTY SUBJECT TO THE LOAN. WITHIN THIRTY
3 DAYS AFTER THE FINANCING LOAN HAS BEEN COMPLETELY REPAID, THE
4 PARTICIPATING UTILITY OR PROGRAM ADMINISTRATOR SHALL FILE A
5 RELEASE OF THE LIEN IN THE PUBLIC RECORDS OF THE COUNTY IN WHICH
6 THE PROPERTY IS LOCATED. THIS SUBSECTION (1)(b) DOES NOT APPLY IF
7 A LOAN IS STRUCTURED AS AN UNSECURED LOAN TO AN INDIVIDUAL
8 CUSTOMER, WHICH UNSECURED LOAN CREATES NO RECOURSE AGAINST
9 THE PROPERTY, SUBSEQUENT PROPERTY OWNERS, OR A FUTURE UTILITY
10 CUSTOMER LOCATED AT THE PROPERTY.

11 (2) A COUNTY CLERK AND RECORDER SHALL RECORD A NOTICE
12 FILED PURSUANT TO THIS SECTION IN A MANNER THAT WILL APPEAR IN A
13 TITLE SEARCH OF THE PROPERTY.

14 **24-38.5-606. Participation by utilities - program**
15 **administration.** (1) A UTILITY OR ITS UTILITY-DESIGNATED
16 ADMINISTRATOR MAY SEEK MONEY FROM THE ON-BILL CASH FUND USING
17 A PROCESS APPROVED BY THE OFFICE TO ESTABLISH ITS OWN ON-BILL
18 PROGRAM OR SUPPORT AN EXISTING ON-BILL PROGRAM.

19 (2) A UTILITY PARTICIPATING IN THE PROGRAM PURSUANT TO THIS
20 SECTION MAY DESIGNATE AN ADMINISTRATOR WITH WRITTEN APPROVAL
21 FROM THE OFFICE OR MAY CHOOSE TO DESIGNATE THE PROGRAM
22 ADMINISTRATOR SELECTED BY THE OFFICE AS ITS UTILITY-DESIGNATED
23 ADMINISTRATOR.

24 (3) IF THE OFFICE CONTRACTS WITH A PROGRAM ADMINISTRATOR
25 PURSUANT TO SECTION 24-38.5-604, A UTILITY THAT, ON THE EFFECTIVE
26 DATE OF THIS SECTION, HAS AN EXISTING ON-BILL PROGRAM MAY SEEK
27 WRITTEN APPROVAL FROM THE OFFICE TO TRANSFER THE ADMINISTRATION

1 OF ITS ON-BILL PROGRAM TO THE PROGRAM ADMINISTRATOR.

2 **24-38.5-607. On-bill cash fund - creation.** (1) THE ON-BILL
3 CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
4 MONEY CREDITED TO THE FUND PURSUANT TO SECTION 38-13-801 (3.3)
5 AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE
6 OR TRANSFER TO THE FUND.

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

10 (3) MONEY IN THE ON-BILL CASH FUND IS CONTINUOUSLY
11 APPROPRIATED TO THE OFFICE TO DEFRAY THE COSTS INCURRED BY THE
12 OFFICE IN ADMINISTERING THE PROGRAM AND IN SUPPORTING UTILITY AND
13 BUILDING DECARBONIZATION.

14 (4) (a) A LOAN MADE FROM THE UNCLAIMED PROPERTY TRUST
15 FUND TO A SEPARATE FUND ASSOCIATED WITH A STATE OFFICE IS AN
16 INTERFUND LOAN ACCORDING TO GOVERNMENTAL ACCOUNTING
17 STANDARDS BOARD CODIFICATION 1800.102, MEANING THAT THE LOAN IS
18 NOT CLASSIFIED AS REVENUE AND IS BOOKED AS AN INTERFUND
19 RECEIVABLE OR PAYABLE.

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

27 **SECTION 2.** In Colorado Revised Statutes, add 40-2-140 as

1 follows:

2 **40-2-140. Utility on-bill program - review by commission -**

3 **definitions.** (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT
4 OTHERWISE REQUIRES:

5 (a) "COMBINED FUEL CUSTOMER" MEANS A RESIDENTIAL UTILITY
6 CUSTOMER THAT TAKES BOTH ELECTRIC AND GAS SERVICE FROM THE
7 UTILITY.

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

10 (c) "ON-BILL PROGRAM" HAS THE MEANING SET FORTH IN SECTION
11 24-38.5-602 (8).

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

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

23 (III) IF THE UTILITY PROPOSES TO USE FUNDING FROM THE ON-BILL
24 CASH FUND, THE UTILITY MAY PROPOSE TO USE THE FUNDING BY
25 RECEIVING FUNDING DIRECTLY FROM THE OFFICE, ELECTING TO HAVE A
26 UTILITY-DESIGNATED ADMINISTRATOR RECEIVE FUNDING FROM THE
27 OFFICE, OR BY PARTICIPATING IN A PROGRAM ADMINISTERED BY THE

1 PROGRAM ADMINISTRATOR.

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

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

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

12 (III) DESCRIBE HOW THE UTILITY PROPOSES TO TREAT SITUATIONS
13 INVOLVING INSUFFICIENT REPAYMENT BY PARTICIPATING CUSTOMERS;

14 (IV) DESCRIBE HOW THE UTILITY WILL OFFER THE ON-BILL
15 PROGRAM TO ITS RESIDENTIAL CUSTOMERS;

16 (V) INCLUDE INFORMATION CONCERNING HOW THE UTILITY MAY
17 ALLOW NONPROFIT ORGANIZATIONS, STATE AND LOCAL GOVERNMENTS,
18 MULTIFAMILY DWELLINGS, AND HOMEOWNERS' ASSOCIATIONS TO
19 PARTICIPATE IN THE ON-BILL PROGRAM; AND

20 (VI) DESCRIBE HOW THE UTILITY MAY USE FUNDING FROM THE
21 ON-BILL CASH FUND OR OTHER SOURCES OF FUNDING TO REDUCE INTEREST
22 RATES, ESPECIALLY FOR CUSTOMERS IN LOW- AND MODERATE-INCOME
23 HOUSEHOLDS.

24 (3) A UTILITY WITH MORE THAN FIVE HUNDRED THOUSAND
25 CUSTOMERS IN THE STATE MAY RECOVER ALL ON-BILL PROGRAM COSTS IN
26 ACCORDANCE WITH PART 6 OF ARTICLE 38.5 OF TITLE 24. A UTILITY SHALL
27 RECOVER ADMINISTRATIVE COSTS THROUGH BASE RATES OR AN

1 APPLICABLE RIDER BUT NOT THROUGH THE INTEREST RATE ESTABLISHED
2 FOR MONEY MADE AVAILABLE THROUGH THE ON-BILL PROGRAM. A
3 UTILITY SHALL RECOVER ITS ACTUAL ADMINISTRATIVE COSTS ASSOCIATED
4 WITH ITS ON-BILL PROGRAM AS APPROVED BY THE COMMISSION. A UTILITY
5 MAY RECOVER AN ON-BILL PROGRAM ADMINISTRATION FEE, AS DEFINED
6 IN SECTION 24-38.5-123 (2)(p), AND COSTS ASSOCIATED WITH MANAGING
7 THE RISK OF NONPAYMENT BY PARTICIPANTS THROUGH BASE RATES, AN
8 APPLICABLE RIDER, OR THE RATE ESTABLISHED FOR MONEY MADE
9 AVAILABLE THROUGH THE ON-BILL PROGRAM, AS APPROVED BY THE
10 COMMISSION. A UTILITY MAY PROPOSE OR MAY MAINTAIN A METHOD TO
11 RECOVER APPROVED ADMINISTRATIVE COSTS, INCLUDING THE USE OF AN
12 EXISTING RIDER, AS APPROVED BY THE COMMISSION.

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

18 (5) (a) THE COMMISSION SHALL REVIEW AND APPROVE,
19 DISAPPROVE, OR APPROVE WITH MODIFICATIONS A UTILITY'S APPLICATION
20 SUBMITTED PURSUANT TO SUBSECTION (2) OF THIS SECTION. IN REVIEWING
21 AN APPLICATION, THE COMMISSION SHALL DETERMINE WHETHER THE
22 UTILITY'S PROPOSED PLAN FOR PARTICIPATION IN A UTILITY ON-BILL
23 PROGRAM IS IN THE PUBLIC INTEREST, AND, IF THE COMMISSION
24 DETERMINES THAT THE PROPOSED PLAN IS NOT IN THE PUBLIC INTEREST,
25 THE COMMISSION MAY MODIFY SPECIFIC PORTIONS OF THE PROPOSED PLAN
26 TO BRING THE PROPOSED PLAN INTO ALIGNMENT WITH THE PUBLIC
27 INTEREST.

1 (b) IF THE COMMISSION, PURSUANT TO THIS SECTION OR THROUGH
2 A COMMISSION DECISION, APPROVES PARTICIPATION IN A UTILITY ON-BILL
3 PROGRAM FOR NONPROFIT ORGANIZATIONS OR NONRESIDENTIAL
4 CUSTOMERS, THE REQUIREMENTS OF SECTIONS 40-3.2-105.5 AND
5 40-3.2-105.6 APPLY TO ANY WORK UNDERTAKEN AS PART OF THE ON-BILL
6 PROGRAM.

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

9 **38-13-801. Unclaimed property trust fund - creation -**
10 **payments - interest - appropriations - records - rules - reports -**
11 **legislative declaration.** (1) (b) Except as provided in subsections (2),
12 (3), **(3.3)**, and (3.5) of this section, the principal of the trust fund shall not
13 be expended except to pay claims made pursuant to this article 13. Money
14 constituting the principal of the trust fund is not fiscal year spending of
15 the state for purposes of section 20 of article X of the state constitution
16 and is not subject to appropriation by the general assembly.

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

20 (3.3) (a) ON JULY 1, 2025, THE STATE TREASURER SHALL MAKE AN
21 INTEREST-FREE LOAN IN THE AMOUNT OF FIVE MILLION DOLLARS FROM THE
22 UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND CREATED
23 IN SECTION 24-38.5-607; EXCEPT THAT, IF THE CONDITION DESCRIBED IN
24 SECTION 24-36-125 (2)(b) OCCURS, THE STATE TREASURER SHALL NOT
25 MAKE THE LOAN DESCRIBED IN THIS SUBSECTION (3.3)(a). IF THE
26 CONDITION DESCRIBED IN SECTION 24-36-125 (2)(b) OCCURS, THE STATE
27 TREASURER SHALL TRANSFER TWENTY-FIVE MILLION DOLLARS FROM THE

1 ON-BILL FINANCING FUND CREATED IN SECTION 24-36-125 (7) TO THE
2 ON-BILL CASH FUND CREATED IN SECTION 24-38.5-607 ONCE THE MONEY
3 IN THE ON-BILL FINANCING FUND REACHES TWENTY-FIVE MILLION
4 DOLLARS. THE COLORADO ENERGY OFFICE SHALL:

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

7 (II) ENTER INTO CONTRACTS THAT AUTHORIZE PARTICIPATING
8 UTILITIES AND UTILITY-DESIGNATED ADMINISTRATORS, AS THOSE TERMS
9 ARE DEFINED IN SECTION 24-38.5-602, TO REMIT ANY INTEREST DIRECTLY
10 TO THE UNCLAIMED PROPERTY TRUST FUND; AND

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

17 (b) IF THE LOAN DESCRIBED IN SUBSECTION (3.3)(a) OF THIS
18 SECTION IS MADE ON JULY 1, 2025, THEN, ON MARCH 1, 2026, THE STATE
19 TREASURER SHALL MAKE AN ADDITIONAL INTEREST-FREE LOAN IN THE
20 AMOUNT OF TWENTY MILLION DOLLARS FROM THE UNCLAIMED PROPERTY
21 TRUST FUND TO THE ON-BILL CASH FUND CREATED IN SECTION
22 24-38.5-607. THE COLORADO ENERGY OFFICE SHALL:

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

25 (II) PAY THE LOAN BACK TO THE UNCLAIMED PROPERTY TRUST
26 FUND BY JANUARY 1, 2046. THE LOAN REPAYMENT IS SUBJECT TO FUTURE
27 APPROPRIATION BY THE GENERAL ASSEMBLY AND SHALL NOT BE DEEMED

1 OR CONSTRUED AS CREATING INDEBTEDNESS OF THE STATE WITHIN THE
2 MEANING OF THE STATE CONSTITUTION OR THE LAW OF THE STATE
3 CONCERNING LIMITING THE CREATION OF INDEBTEDNESS BY THE STATE.

4 (c) ON JULY 1, 2026, THE STATE TREASURER SHALL MAKE AN
5 INTEREST-FREE LOAN IN THE AMOUNT OF TWENTY-FIVE MILLION DOLLARS
6 FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND
7 CREATED IN SECTION 24-38.5-607; EXCEPT THAT, IF THE CONDITION
8 DESCRIBED IN SECTION 24-36-125 (2)(c) OCCURS, THE STATE TREASURER
9 SHALL NOT MAKE THE LOAN DESCRIBED IN THIS SUBSECTION (3.3)(c). IF
10 THE CONDITION DESCRIBED IN SECTION 24-36-125 (2)(c) OCCURS, THE
11 STATE TREASURER SHALL TRANSFER TWENTY-FIVE MILLION DOLLARS
12 FROM THE ON-BILL FINANCING FUND CREATED IN SECTION 24-36-125 (7)
13 TO THE ON-BILL CASH FUND CREATED IN SECTION 24-38.5-607 ONCE THE
14 MONEY IN THE ON-BILL FINANCING FUND REACHES TWENTY-FIVE MILLION
15 DOLLARS. THE COLORADO ENERGY OFFICE SHALL:

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

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

24 (d) ON OR BEFORE DECEMBER 31, 2025, AND ON OR BEFORE
25 DECEMBER 31 OF EACH YEAR THEREAFTER, THE COLORADO ENERGY
26 OFFICE SHALL SUBMIT A REPORT TO THE STATE TREASURER AND THE STATE
27 CONTROLLER SUMMARIZING THE STATUS OF LOANS MADE TO UTILITIES OR

1 UTILITY-DESIGNATED ADMINISTRATORS FROM THE MONEY LOANED FROM
2 THE UNCLAIMED PROPERTY TRUST FUND TO THE ON-BILL CASH FUND
3 CREATED IN SECTION 24-38.5-607. THE ANNUAL REPORT MUST INCLUDE
4 INFORMATION REGARDING THE NUMBER OF LOANS MADE TO
5 PARTICIPATING UTILITIES OR UTILITY-DESIGNATED ADMINISTRATORS TO
6 DATE AND THE AMOUNTS LOANED TO EACH UTILITY OR
7 UTILITY-DESIGNATED ADMINISTRATOR TO DATE.

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

10 **24-38.5-123. Building decarbonization enterprise - creation -**
11 **membership - powers and duties - building decarbonization**
12 **enterprise cash fund - on-bill program administration cash fund -**
13 **legislative declaration - definitions - rules - report - repeal.**

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

15 (I) REDUCING GREENHOUSE GAS EMISSIONS FROM COMBUSTION
16 DEVICES IN RESIDENTIAL AND COMMERCIAL BUILDINGS:

17 (A) IS NECESSARY TO HELP THE STATE ACHIEVE ITS STATEWIDE
18 GREENHOUSE GAS EMISSION REDUCTION GOALS SET FORTH IN SECTION
19 25-7-102 (2)(g), INCLUDING THE GOAL TO REACH NET-ZERO GREENHOUSE
20 GAS EMISSIONS BY 2050; AND

21 (B) PRESENTS SIGNIFICANT OPPORTUNITIES TO LOWER AND
22 STABILIZE ENERGY BILLS, PROVIDE FOR MORE COMFORTABLE LIVING AND
23 WORKING SPACES, AND REDUCE LOCAL AIR POLLUTION THAT CONTRIBUTES
24 TO GROUND-LEVEL OZONE;

25 (II) COVERED BUILDING OWNERS ARE REQUIRED TO COMPLY WITH
26 BENCHMARKING REQUIREMENTS AND PERFORMANCE STANDARD
27 REQUIREMENTS AND WOULD BENEFIT FROM ADDITIONAL FINANCIAL AND

1 TECHNICAL ASSISTANCE TO MEET OR EXCEED THOSE REQUIREMENTS;
2 (III) WITH ADDITIONAL FINANCIAL AND TECHNICAL ASSISTANCE,
3 COVERED BUILDING OWNERS MAY MORE EFFECTIVELY AND EFFICIENTLY
4 IMPLEMENT BUILDING DECARBONIZATION MEASURES, INCLUDING, BUT NOT
5 LIMITED TO, PROGRAMS THAT PROVIDE ASSISTANCE FOR CONDUCTING
6 BUILDING ENERGY AUDITS, DEVELOPING ANALYSES TO HELP BUILDING
7 OWNERS EVALUATE THE BEST STRATEGIES FOR ACHIEVING FUTURE
8 PERFORMANCE STANDARD TARGETS, EMPLOYING OR CONSULTING WITH
9 BUILDING ENGINEERS, PURCHASING ENERGY USE TRACKING SOFTWARE FOR
10 COVERED BUILDING OWNERS TO MORE EFFECTIVELY TRACK ENERGY USE,
11 AND PROVIDING TRAINING ON SUCH SOFTWARE;

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

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

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

20 (I) IT IS IN THE BEST INTEREST OF COVERED BUILDING OWNERS AND
21 PARTICIPATING UTILITIES TO CREATE AN ENTERPRISE WITHIN THE OFFICE
22 THAT IS COMMITTED TO FINANCING AND PROVIDING TECHNICAL AND
23 OTHER SUPPORT FOR THE IMPLEMENTATION OF BUILDING
24 DECARBONIZATION MEASURES AND FOR THE ESTABLISHMENT OF UTILITY
25 ON-BILL PROGRAMS;

26 (II) THE ACTIVITIES OF THE ENTERPRISE SHALL BE FUNDED BY
27 REVENUE GENERATED FROM A BUILDING DECARBONIZATION FEE PAID BY

1 COVERED BUILDING OWNERS AND ANY GIFTS, GRANTS, AND DONATIONS
2 RECEIVED;

3 (III) IT IS APPROPRIATE THAT COVERED BUILDING OWNERS SHOULD
4 PAY A BUILDING DECARBONIZATION FEE, AS COVERED BUILDING OWNERS
5 ARE THE DIRECT BENEFICIARIES OF SERVICES PROVIDED BY THE
6 ENTERPRISE, WHICH SERVICES INCLUDE THE FINANCING AND TECHNICAL
7 ASSISTANCE PROVIDED FOR THE BUILDING DECARBONIZATION MEASURES
8 DESCRIBED IN SUBSECTION (1)(a)(III) OF THIS SECTION;

9 (IV) COVERED BUILDING OWNERS BENEFIT FROM THE
10 IMPLEMENTATION OF BUILDING DECARBONIZATION MEASURES BECAUSE
11 SUCH MEASURES CAN REDUCE COVERED BUILDING OWNERS' LONG-TERM
12 COSTS RELATED TO ENERGY USE;

13 (V) IT IS IN THE BEST INTEREST OF COVERED BUILDING OWNERS TO
14 CREATE A BUILDING DECARBONIZATION ENTERPRISE CASH FUND WITHIN
15 THE BUILDING DECARBONIZATION ENTERPRISE, THE USE OF WHICH IS
16 DEDICATED TO FINANCING THE PROVISION OF TECHNICAL SUPPORT FOR
17 COVERED BUILDING OWNERS SEEKING TO IMPLEMENT ENERGY EFFICIENCY
18 MEASURES AND BUILDING DECARBONIZATION MEASURES;

19 (VI) THE ACTIVITIES OF THE ENTERPRISE ARE FUNDED BY REVENUE
20 GENERATED FROM AN ON-BILL PROGRAM ADMINISTRATION FEE PAID BY
21 PARTICIPATING UTILITIES AND ANY GIFTS, GRANTS, AND DONATIONS
22 RECEIVED;

23 (VII) IT IS APPROPRIATE THAT PARTICIPATING UTILITIES SHOULD
24 PAY AN ON-BILL PROGRAM ADMINISTRATION FEE BECAUSE PARTICIPATING
25 UTILITIES ARE THE DIRECT BENEFICIARIES OF SERVICES THAT THE
26 ENTERPRISE PROVIDES, WHICH SERVICES INCLUDE TECHNICAL ASSISTANCE
27 AND OTHER PROGRAMMATIC SUPPORT FOR ON-BILL PROGRAMS DESCRIBED

1 IN SUBSECTION (1)(a)(III) OF THIS SECTION;

2 (VIII) PARTICIPATING UTILITIES BENEFIT FROM THE

3 IMPLEMENTATION OF ON-BILL PROGRAMS BECAUSE:

4 (A) UTILITY ON-BILL PROGRAMS CAN REDUCE ENERGY

5 CONSUMPTION AND PEAK DEMAND;

6 (B) UTILITY CUSTOMERS BENEFIT FROM HAVING ACCESS TO

7 SIGNIFICANT AMOUNTS OF PUBLIC AND PRIVATE CAPITAL FOR LOW-COST

8 FINANCING SOLUTIONS FOR ENERGY-RELATED IMPROVEMENTS, INCLUDING

9 END-OF-LIFE EQUIPMENT REPLACEMENT; AND

10 (C) UTILITY ON-BILL PROGRAMS THAT ALLOW REPAYMENTS

11 THROUGH UTILITY BILL PAYMENTS COULD EXPAND THE OPPORTUNITIES

12 FOR ELIGIBLE RETAIL UTILITY CUSTOMERS TO PURSUE ENERGY EFFICIENCY

13 MEASURES AND ELECTRIFICATION MEASURES, ENABLING UTILITY

14 CUSTOMERS TO PAY BACK THE UP-FRONT COSTS OF THE UPGRADES AND

15 MEASURES OVER TIME THROUGH THEIR UTILITY BILL PAYMENTS AT OR

16 BELOW INTEREST RATES THAT MAY BE AVAILABLE FROM OTHER SOURCES;

17 (IX) IT IS IN THE BEST INTEREST OF PARTICIPATING UTILITIES TO

18 CREATE AN ON-BILL CASH FUND WITHIN THE BUILDING DECARBONIZATION

19 ENTERPRISE, THE USE OF WHICH IS DEDICATED TO TECHNICAL ASSISTANCE

20 AND OTHER PROGRAMMATIC SUPPORT FOR ON-BILL PROGRAMS FOR

21 PARTICIPATING UTILITIES;

22 (X) CONSISTENT WITH THE DETERMINATION OF THE COLORADO

23 SUPREME COURT IN *NICHOLL V. E-470 PUBLIC HIGHWAY AUTHORITY*, 896

24 P.2d 859 (COLO. 1995), THAT THE POWER TO IMPOSE TAXES IS

25 INCONSISTENT WITH ENTERPRISE STATUS UNDER SECTION 20 OF ARTICLE

26 X OF THE STATE CONSTITUTION, THE GENERAL ASSEMBLY CONCLUDES

27 THAT THE BUILDING DECARBONIZATION FEE AND THE ON-BILL PROGRAM

1 ADMINISTRATION FEE ARE BOTH FEES, NOT TAXES, AND THE ENTERPRISE
2 OPERATES AS A BUSINESS BECAUSE THE BUILDING DECARBONIZATION FEE
3 AND ON-BILL PROGRAM ADMINISTRATION FEE ARE:

4 (A) IN THE CASE OF THE BUILDING DECARBONIZATION FEE,
5 IMPOSED FOR THE SPECIFIC BUSINESS PURPOSES OF PROVIDING FINANCING
6 AND TECHNICAL ASSISTANCE TO COVERED BUILDING OWNERS TO MORE
7 EFFECTIVELY AND EFFICIENTLY IMPLEMENT BUILDING DECARBONIZATION
8 MEASURES, INCLUDING FEASIBILITY ANALYSES AND IMPROVEMENTS THAT
9 WILL REDUCE ENERGY USE AND EMISSIONS, AND COLLECTED AT A RATE
10 THAT IS REASONABLY RELATED TO THE OVERALL COST OF THE BUSINESS
11 SERVICES BEING PROVIDED; AND

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

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

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

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

7 (b) "BOARD" MEANS THE BOARD OF DIRECTORS OF THE ENTERPRISE
8 APPOINTED PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION.

9 (c) "BUILDING DECARBONIZATION ENTERPRISE CASH FUND" OR
10 "BUILDING DECARBONIZATION FUND" MEANS THE BUILDING
11 DECARBONIZATION ENTERPRISE CASH FUND CREATED IN SUBSECTION
12 (6)(a) OF THIS SECTION.

13 (d) "BUILDING DECARBONIZATION FEE" MEANS THE FEE PAID BY
14 THE OWNER OF A COVERED BUILDING PURSUANT TO SUBSECTION (5)(b) OF
15 THIS SECTION.

16 (e) "COVERED BUILDING" HAS THE MEANING SET FORTH IN SECTION
17 25-7-142 (2)(j).

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

20 (g) "ELECTRIFICATION" HAS THE MEANING SET FORTH IN SECTION
21 24-38.5-602 (3).

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

24 (i) "ENERGY UPGRADE" HAS THE MEANING SET FORTH IN SECTION
25 24-38.5-602 (5).

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

1 (k) "INFLATION" MEANS THE ANNUAL PERCENTAGE CHANGE IN THE
2 IN THE UNITED STATES DEPARTMENT OF LABOR'S BUREAU OF LABOR
3 STATISTICS CONSUMER PRICE INDEX, OR A SUCCESSOR INDEX, FOR
4 DENVER-AURORA-LAKEWOOD FOR ALL ITEMS PAID FOR BY URBAN
5 CONSUMERS.

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

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

10 (n) "ON-BILL PROGRAM" MEANS A UTILITY'S ON-BILL PROGRAM
11 THROUGH WHICH ENERGY EFFICIENCY MEASURES, ELECTRIFICATION
12 MEASURES, AND ENERGY UPGRADES ARE INSTALLED AT A PARTICIPATING
13 CUSTOMER'S PREMISES, THE FINANCING OF WHICH IS REPAID THROUGH
14 MONTHLY UTILITY BILL PAYMENTS.

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

18 (p) "ON-BILL PROGRAM ADMINISTRATION FEE" OR
19 "ADMINISTRATION FEE" MEANS THE FEE PAID BY A UTILITY OR ITS
20 UTILITY-DESIGNATED ADMINISTRATOR SEEKING TO ESTABLISH OR EXPAND
21 ITS ON-BILL PROGRAM PURSUANT TO SECTION 24-38.5-606.

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

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

26 (s) "UTILITY" HAS THE MEANING SET FORTH IN SECTION
27 24-38.5-602 (13).

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

2 **(a) THE BUILDING DECARBONIZATION ENTERPRISE IS CREATED IN THE**
3 **OFFICE AND EXERCISES ITS POWERS AND PERFORMS ITS DUTIES AND**
4 **FUNCTIONS AS A GOVERNMENT-OWNED BUSINESS IN THE OFFICE TO**
5 **EXECUTE ITS BUSINESS PURPOSES SET FORTH IN THIS SUBSECTION (3). THE**
6 **ENTERPRISE IS CREATED FOR THE PURPOSES OF:**

7 **(I) IMPOSING AND ASSESSING A BUILDING DECARBONIZATION FEE**
8 **ON OWNERS OF COVERED BUILDINGS;**

9 **(II) PROVIDING TECHNICAL ASSISTANCE, FINANCING, AND OTHER**
10 **PROGRAMMATIC SUPPORT FOR COVERED BUILDING OWNERS' BUILDING**
11 **DECARBONIZATION MEASURES, INCLUDING, BUT NOT LIMITED TO,**
12 **CONDUCTING BUILDING ENERGY AUDITS, DEVELOPING ANALYSES TO HELP**
13 **BUILDING OWNERS EVALUATE THE BEST STRATEGIES FOR ACHIEVING**
14 **FUTURE PERFORMANCE STANDARD TARGETS, CONSULTING BUILDING**
15 **ENGINEERS, PURCHASING ENERGY USE TRACKING SOFTWARE, AND**
16 **PROVIDING TRAINING ON SUCH SOFTWARE;**

17 **(III) HAVING AND EXERCISING ALL RIGHTS AND POWERS**
18 **NECESSARY OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS**
19 **AND DUTIES GRANTED UNDER THIS SECTION;**

20 **(IV) ENSURING THAT THE BUILDING DECARBONIZATION FEE PAID**
21 **BY COVERED BUILDING OWNERS IS USED SOLELY TO SUPPORT PROGRAMS,**
22 **TECHNICAL ASSISTANCE, AND FINANCIAL ASSISTANCE FOR THE COVERED**
23 **BUILDING OWNERS THAT PAY THE BUILDING DECARBONIZATION FEE;**

24 **(V) IMPOSING AND ASSESSING AN ON-BILL PROGRAM**
25 **ADMINISTRATION FEE ON UTILITIES OR UTILITY-DESIGNATED**
26 **ADMINISTRATORS THAT SEEK FINANCING FROM THE ON-BILL CASH FUND**
27 **TO DEVELOP OR EXPAND THEIR ON-BILL PROGRAMS;**

1 (VI) PROVIDING TECHNICAL ASSISTANCE AND OTHER
2 PROGRAMMATIC SUPPORT, AS NECESSARY, TO PARTICIPATING UTILITIES
3 SEEKING TO ESTABLISH OR EXPAND AN ON-BILL PROGRAM. THE AMOUNT
4 OF TECHNICAL ASSISTANCE AND OTHER PROGRAMMATIC SUPPORT
5 PROVIDED IS COMMENSURATE WITH THE AMOUNT OF FINANCIAL SUPPORT
6 LOANED TO A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
7 ADMINISTRATOR FROM THE ON-BILL CASH FUND AND INCLUDES:

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

11 (B) ASSISTING UTILITIES IN MEETING REPORTING OBLIGATIONS;

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

14 (D) PROVIDING CONSUMER EDUCATION AND MARKETING SUPPORT
15 TO INCREASE CUSTOMER PARTICIPATION IN THE PARTICIPATING UTILITIES'
16 ON-BILL PROGRAMS; AND

17 (VII) ENSURING THAT THE ON-BILL PROGRAM ADMINISTRATION
18 FEE THAT A UTILITY OR ITS UTILITY-DESIGNATED ADMINISTRATOR PAYS IS
19 USED SOLELY TO SUPPORT ON-BILL PROGRAM DESIGNS AND TECHNICAL
20 ASSISTANCE FOR THE PARTICIPATING UTILITIES THAT PAY THE
21 ADMINISTRATION FEE.

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

24 (c) (I) THE ENTERPRISE CONSTITUTES AN ENTERPRISE FOR
25 PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION SO
26 LONG AS IT RETAINS THE AUTHORITY TO ISSUE REVENUE BONDS AND
27 RECEIVES LESS THAN TEN PERCENT OF ITS TOTAL REVENUES IN GRANTS, AS

1 DEFINED IN SECTION 24-77-102 (7), FROM ALL COLORADO STATE AND
2 LOCAL GOVERNMENTS COMBINED. SO LONG AS IT CONSTITUTES AN
3 ENTERPRISE, THE ENTERPRISE IS NOT SUBJECT TO SECTION 20 OF ARTICLE
4 X OF THE STATE CONSTITUTION.

5 (II) THE ENTERPRISE IS AUTHORIZED TO ISSUE REVENUE BONDS FOR
6 THE EXPENSES OF THE ENTERPRISE, SECURED BY REVENUE OF THE
7 ENTERPRISE.

8 (d) (I) THE OFFICE MAY TRANSFER MONEY FROM ANY LEGALLY
9 AVAILABLE SOURCE TO THE ENTERPRISE FOR THE PURPOSE OF DEFRAYING
10 EXPENSES INCURRED BY THE ENTERPRISE BEFORE IT RECEIVES FEE
11 REVENUE. THE ENTERPRISE MAY ACCEPT AND EXPEND ANY MONEY SO
12 TRANSFERRED, AND, NOTWITHSTANDING ANY STATE FISCAL RULE OR
13 GENERALLY ACCEPTED ACCOUNTING PRINCIPLE THAT COULD OTHERWISE
14 BE INTERPRETED TO REQUIRE A CONTRARY CONCLUSION, SUCH A
15 TRANSFER IS A LOAN FROM THE OFFICE TO THE ENTERPRISE THAT IS
16 REQUIRED TO BE REPAID AND IS NOT A GRANT FOR PURPOSES OF SECTION
17 20 (2)(d) OF ARTICLE X OF THE STATE CONSTITUTION OR AS DEFINED IN
18 SECTION 24-77-102 (7).

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

24 **(4) Enterprise board of directors created - membership -**
25 **duties - repeal.** (a) THE ENTERPRISE BOARD OF DIRECTORS IS CREATED TO
26 ADMINISTER THE ENTERPRISE. THE BOARD CONSISTS OF THE FOLLOWING
27 SEVEN MEMBERS:

1 (I) THE FOLLOWING FOUR MEMBERS APPOINTED BY THE GOVERNOR
2 AND CONFIRMED BY THE SENATE:

3 (A) A REPRESENTATIVE OF COVERED BUILDING OWNERS;

4 (B) AN EXPERT IN BUILDING ENERGY EFFICIENCY AND
5 DECARBONIZATION;

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

8 (D) A UTILITY REPRESENTATIVE;

9 (II) THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S DESIGNEE;

10 (III) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC
11 HEALTH AND ENVIRONMENT OR THE EXECUTIVE DIRECTOR'S DESIGNEE;
12 AND

13 (IV) THE DIRECTOR OF THE PUBLIC UTILITIES COMMISSION OR THE
14 DIRECTOR'S DESIGNEE.

15 (b) (I) THE GOVERNOR SHALL APPOINT INITIAL MEMBERS TO THE
16 BOARD PURSUANT TO SUBSECTION (4)(a)(I) OF THIS SECTION ON OR
17 BEFORE SEPTEMBER 1, 2025.

18 (II) THIS SUBSECTION (4)(b) IS REPEALED, EFFECTIVE JULY 1, 2026.

19 (c) (I) BOARD MEMBERS APPOINTED PURSUANT TO SUBSECTION
20 (4)(a)(I) OF THIS SECTION SERVE THREE-YEAR TERMS. A BOARD MEMBER
21 MAY SERVE AN UNLIMITED NUMBER OF TERMS.

22 (II) NOTWITHSTANDING SUBSECTION (4)(c)(I) OF THIS SECTION,
23 THE GOVERNOR SHALL MAKE THE INITIAL TERMS OF TWO OF THE BOARD
24 MEMBERS WHO ARE APPOINTED PURSUANT TO SUBSECTION (4)(a)(I) OF
25 THIS SECTION TWO YEARS.

26 (d) BOARD MEMBERS SERVING PURSUANT TO SUBSECTION (4)(a)(I)
27 OF THIS SECTION MAY RECEIVE COMPENSATION FROM THE ENTERPRISE ON

1 A PER DIEM BASIS FOR REASONABLE EXPENSES ACTUALLY INCURRED IN
2 THE PERFORMANCE OF THEIR DUTIES.

3 (e) (I) THE CHAIR AND VICE-CHAIR OF THE BOARD ARE SELECTED
4 BY THE MEMBERS OF THE BOARD IN ACCORDANCE WITH THE BOARD'S
5 BYLAWS.

6 (II) (A) THE DIRECTOR OF THE OFFICE OR THE DIRECTOR'S
7 DESIGNEE SHALL CALL THE FIRST MEETING OF THE BOARD, AND THE BOARD
8 SHALL SELECT THE CHAIR AND VICE-CHAIR AT THAT MEETING IN
9 ACCORDANCE WITH SUBSECTION (4)(e)(I) OF THIS SECTION.

10 (B) THIS SUBSECTION (4)(e)(II) IS REPEALED, EFFECTIVE JULY 1,
11 2026.

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

16 (I) TO ADOPT PROCEDURES FOR CONDUCTING THE BOARD'S
17 AFFAIRS;

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

1 (III) TO ESTABLISH AND ADMINISTER A PROGRAM THROUGH WHICH
2 OWNERS OF COVERED BUILDINGS MAY APPLY FOR, AND THE BOARD MAY
3 REVIEW AND APPROVE APPLICATIONS FOR, FINANCING OR TECHNICAL
4 ASSISTANCE FOR BUILDING DECARBONIZATION MEASURES, INCLUDING, BUT
5 NOT LIMITED TO, PARTICIPATING IN PROGRAMS THAT HELP FINANCE
6 ENERGY EFFICIENCY MEASURES, ELECTRIFICATION MEASURES, AND OTHER
7 ENERGY UPGRADES; CONDUCTING BUILDING ENERGY AUDITS; EMPLOYING
8 OR CONSULTING WITH BUILDING ENGINEERS; AND PURCHASING ENERGY
9 USE TRACKING SOFTWARE AND PROVIDING TRAINING ON SUCH SOFTWARE;

10 (IV) TO IMPOSE THE BUILDING DECARBONIZATION FEE DESCRIBED
11 IN SUBSECTION (5)(b) OF THIS SECTION;

12 (V) IN ACCORDANCE WITH SUBSECTION (5)(c) OF THIS SECTION, TO
13 IMPOSE THE ON-BILL PROGRAM ADMINISTRATION FEE ON UTILITIES OR
14 UTILITY-DESIGNATED ADMINISTRATORS THAT SEEK FINANCING FROM THE
15 ON-BILL CASH FUND TO DEVELOP OR EXPAND THEIR ON-BILL PROGRAMS;

16 (VI) TO SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, AND
17 DONATIONS IN SUPPORT OF SERVICES THAT THE ENTERPRISE PROVIDES TO
18 COVERED BUILDING OWNERS FOR BUILDING DECARBONIZATION MEASURES
19 OR TO PARTICIPATING UTILITIES FOR ON-BILL PROGRAMS;

20 (VII) TO ESTABLISH AND ADMINISTER A PROGRAM THROUGH
21 WHICH PARTICIPATING UTILITIES MAY RECEIVE ASSISTANCE FOR
22 ESTABLISHING OR EXPANDING AN ON-BILL PROGRAM, WHICH PROGRAM
23 INCLUDES:

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

27 (B) ASSISTING UTILITIES IN MEETING REPORTING OBLIGATIONS SET

1 FORTH IN SECTION 24-38.5-603 (6)(a);

2 (C) PROVIDING TECHNICAL ASSISTANCE FOR THE IMPLEMENTATION

3 AND ADMINISTRATION OF ON-BILL PROGRAMS; AND

4 (D) PROVIDING CONSUMER EDUCATION AND MARKETING SUPPORT

5 TO INCREASE CUSTOMER PARTICIPATION IN THE PARTICIPATING UTILITIES'

6 ON-BILL PROGRAMS; AND

7 (VIII) TO HAVE AND EXERCISE ALL RIGHTS AND POWERS

8 NECESSARY OR INCIDENTAL TO OR IMPLIED FROM THE SPECIFIC POWERS

9 AND DUTIES GRANTED BY THIS SECTION.

10 (b) (I) BEGINNING IN STATE FISCAL YEAR 2026-27 AND IN

11 FURTHERANCE OF THE ENTERPRISE'S BUSINESS PURPOSES, THE BOARD

12 SHALL ADOPT RULES FOR THE PURPOSE OF SETTING THE AMOUNT OF THE

13 BUILDING DECARBONIZATION FEE AT THE MAXIMUM AMOUNT AUTHORIZED

14 IN THIS SUBSECTION (5) TO BE IMPOSED UPON ALL COVERED BUILDING

15 OWNERS; EXCEPT THAT THE FEE SHALL NOT BE IMPOSED ON THE OWNER OF

16 A PUBLIC BUILDING, AS DEFINED IN SECTION 25-7-142 (2)(t). THE BOARD

17 SHALL ONLY ADOPT RULES PURSUANT TO THIS SUBSECTION (5)(b)(I) AND

18 SUBSECTION (5)(c)(I) OF THIS SECTION.

19 (II) ON OR BEFORE NOVEMBER 1, 2025, AND ON OR BEFORE

20 NOVEMBER 1 OF EACH YEAR THEREAFTER, AND EXCEPT AS PROVIDED IN

21 SUBSECTION (5)(b)(III) OF THIS SECTION, EACH OWNER OF A COVERED

22 BUILDING SHALL PAY A BUILDING DECARBONIZATION FEE IN AN AMOUNT

23 OF FOUR HUNDRED DOLLARS, WHICH IS REASONABLY RELATED TO THE

24 OVERALL COST OF THE PROVIDED SERVICES FUNDED BY THE BUILDING

25 DECARBONIZATION FEE. THE FEE SHALL BE PAID TO THE OFFICE, WHICH

26 SHALL COLLECT THE BUILDING DECARBONIZATION FEE ON BEHALF OF THE

27 ENTERPRISE.

1 (III) BEGINNING IN STATE FISCAL YEAR 2027-28, THE BOARD MAY
2 INCREASE THE BUILDING DECARBONIZATION FEE FROM THE PREVIOUS
3 YEAR'S BUILDING DECARBONIZATION FEE AMOUNT, AS ADJUSTED FOR
4 INFLATION AND, ON OR BEFORE MARCH 15 OF EACH OF THE STATE FISCAL
5 YEARS THEREAFTER, SHALL NOTIFY THE OFFICE OF THE ADJUSTED AMOUNT
6 OF THE BUILDING DECARBONIZATION FEE, IF THE BUILDING
7 DECARBONIZATION FEE HAS BEEN ADJUSTED. ON OR BEFORE APRIL 15 OF
8 EACH OF THE STATE FISCAL YEARS THEREAFTER, THE ENTERPRISE SHALL
9 PUBLISH THE UPDATED AMOUNT OF THE BUILDING DECARBONIZATION FEE
10 ON THE ENTERPRISE'S WEBSITE.

11 (IV) NOTWITHSTANDING SUBSECTION (5)(b)(I) OF THIS SECTION,
12 THE BOARD SHALL NOT SET THE BUILDING DECARBONIZATION FEE IN AN
13 AMOUNT HIGHER THAN THAT AUTHORIZED BY SUBSECTIONS (5)(b)(II) AND
14 (5)(b)(III) OF THIS SECTION.

15 (V) MONEY COLLECTED AS A BUILDING DECARBONIZATION FEE
16 SHALL BE CREDITED TO THE BUILDING DECARBONIZATION ENTERPRISE
17 CASH FUND.

18 (VI) MONEY COLLECTED BY THE OFFICE FOR TRANSFER TO THE
19 BUILDING DECARBONIZATION FUND PURSUANT TO SUBSECTION (5)(b)(V)
20 OF THIS SECTION:

21 (A) IS COLLECTED ON BEHALF OF THE ENTERPRISE;

22 (B) IS HELD TEMPORARILY BY THE OFFICE AND THE STATE
23 TREASURER SOLELY FOR THE PURPOSE OF TRANSFERRING THE MONEY TO
24 THE BUILDING DECARBONIZATION FUND FOR USE BY THE ENTERPRISE; AND

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

1 (c) (I) BEGINNING IN STATE FISCAL YEAR 2025-26, AND IN
2 FURTHERANCE OF THE ENTERPRISE'S BUSINESS PURPOSES, THE BOARD
3 SHALL ADOPT RULES FOR THE PURPOSE OF SETTING THE AMOUNT OF THE
4 ON-BILL PROGRAM ADMINISTRATION FEE AT OR BELOW THE MAXIMUM
5 AMOUNT AUTHORIZED IN THIS SUBSECTION (5)(c) TO BE IMPOSED ON
6 PARTICIPATING UTILITIES. TO ENSURE THAT THE ON-BILL PROGRAM
7 ADMINISTRATION FEE FOR EACH PARTICIPATING UTILITY IS REASONABLY
8 RELATED TO THE SERVICES PROVIDED BY THE ENTERPRISE, THE BOARD
9 SHALL SET THE ADMINISTRATION FEE WITHIN THE RANGES SPECIFIED IN
10 SUBSECTION (5)(c)(II) OF THIS SECTION BASED ON CRITERIA INCLUDING:
11 (A) THE ANTICIPATED SIZE OF THE PROPOSED ON-BILL PROGRAM;
12 (B) THE NUMBER AND AMOUNT OF SERVICES THAT THE ENTERPRISE
13 INTENDS TO PROVIDE TO PARTICIPATING UTILITIES BASED ON THE SIZE OF
14 THE LOAN;
15 (C) WHETHER THE PARTICIPATING UTILITY IS SEEKING TO
16 ESTABLISH A NEW ON-BILL PROGRAM OR EXPAND AN EXISTING ON-BILL
17 PROGRAM; AND
18 (D) THE ESTIMATED NUMBER OF CUSTOMERS IN EACH RATE CLASS
19 FORECASTED TO PARTICIPATE IN THE ON-BILL PROGRAM.
20 (II) EXCEPT AS PROVIDED IN SUBSECTION (5)(c)(IV) OF THIS
21 SECTION, A PARTICIPATING UTILITY SHALL PAY THE ON-BILL PROGRAM
22 ADMINISTRATION FEE TO THE ENTERPRISE ON OR BEFORE NOVEMBER 1,
23 2025, AND ON OR BEFORE NOVEMBER 1 OF EACH YEAR THEREAFTER, SO
24 LONG AS THE PARTICIPATING UTILITY IS ESTABLISHING, MAINTAINING, OR
25 EXPANDING ITS ON-BILL PROGRAM. THE ON-BILL PROGRAM
26 ADMINISTRATION FEE MUST BE BASED ON THE AMOUNT OF THE MONEY
27 LOANED TO THE PARTICIPATING UTILITY OR A UTILITY-DESIGNATED

1 ADMINISTRATOR FROM THE ON-BILL CASH FUND AS FOLLOWS:

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

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

11 (C) IF THE PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
12 ADMINISTRATOR BORROWS MORE THAN TWENTY MILLION DOLLARS BUT
13 FORTY MILLION DOLLARS OR LESS FROM THE ON-BILL CASH FUND, THE
14 ADMINISTRATION FEE SHALL BE IMPOSED IN AN AMOUNT BETWEEN
15 SEVENTY-FIVE THOUSAND DOLLARS AND ONE HUNDRED THOUSAND
16 DOLLARS;

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

22 (E) IF A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
23 ADMINISTRATOR BORROWS MORE THAN SIXTY MILLION DOLLARS BUT
24 EIGHTY MILLION DOLLARS OR LESS FROM THE ON-BILL CASH FUND, THE
25 ADMINISTRATION FEE SHALL BE IMPOSED IN AN AMOUNT BETWEEN TWO
26 HUNDRED THOUSAND DOLLARS AND THREE HUNDRED THOUSAND
27 DOLLARS; AND

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

6 (III) THE FEE RANGES PRESCRIBED IN SUBSECTION (5)(c)(II) OF
7 THIS SECTION ARE REASONABLY RELATED TO THE OVERALL COST OF THE
8 SERVICES PROVIDED. THE COST OF SERVICES TO FEE PAYERS THAT RECEIVE
9 LARGER LOANS IS HIGHER BECAUSE PARTICIPATING UTILITIES THAT
10 RECEIVE LARGER LOANS WILL REQUIRE GREATER SERVICES FROM THE
11 ENTERPRISE, INCLUDING SERVICES FOR TECHNICAL SUPPORT, PROGRAM
12 DEVELOPMENT, AND RATE IMPACT MODELING FOR LARGER AND MORE
13 COMPLEX ON-BILL PROGRAMS.

14 (IV) A PARTICIPATING UTILITY OR ITS UTILITY-DESIGNATED
15 ADMINISTRATOR SHALL BEGIN PAYING THE APPLICABLE ADMINISTRATION
16 FEE TO THE ENTERPRISE ON OR BEFORE THE FIRST NOVEMBER 1 THAT
17 FOLLOWS THE UTILITY'S OR ITS UTILITY-DESIGNATED ADMINISTRATOR'S
18 EXECUTION OF A LOAN AGREEMENT WITH THE OFFICE.

19 (V) BEGINNING IN STATE FISCAL YEAR 2026-27, THE BOARD MAY
20 INCREASE THE ADMINISTRATION FEE FROM THE PREVIOUS YEAR'S
21 ADMINISTRATION FEE IN AN AMOUNT ADJUSTED FOR INFLATION. IN
22 EVALUATING THE FEE, THE BOARD MAY ALSO CONSIDER WHETHER THE
23 ADMINISTRATION FEE SHOULD BE BASED ON THE ORIGINAL LOAN AMOUNT
24 BORROWED OR ON THE PRINCIPAL HELD BY THE UTILITY OR ITS
25 UTILITY-DESIGNATED ADMINISTRATOR. IN MAKING THIS EVALUATION, THE
26 BOARD SHALL CONSIDER THE LEVEL OF FEE NEEDED TO ADMINISTER THE
27 ON-BILL PROGRAM. ON OR BEFORE MARCH 15, 2026, AND ON OR BEFORE

1 MARCH 15 OF EACH YEAR THEREAFTER, THE BOARD SHALL NOTIFY THE
2 OFFICE OF THE ADJUSTED AMOUNT OF THE ADMINISTRATION FEE IF THE
3 ADMINISTRATION FEE HAS BEEN ADJUSTED FOR INFLATION, AND, ON OR
4 BEFORE APRIL 15, 2026, AND ON OR BEFORE APRIL 15 OF EACH YEAR
5 THEREAFTER, THE BOARD SHALL PUBLISH THE UPDATED AMOUNT OF THE
6 ADMINISTRATION FEE ON THE ENTERPRISE'S WEBSITE.

7 (VI) MONEY COLLECTED AS AN ON-BILL PROGRAM
8 ADMINISTRATION FEE SHALL BE CREDITED TO THE ON-BILL PROGRAM
9 ADMINISTRATION CASH FUND.

10 (6) **Building decarbonization enterprise cash fund - creation**
11 **- gifts, grants, and donations - repeal.** (a) THE BUILDING
12 DECARBONIZATION ENTERPRISE CASH FUND IS CREATED IN THE STATE
13 TREASURY. THE BUILDING DECARBONIZATION FUND CONSISTS OF:

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

16 (II) ANY MONEY THAT THE ENTERPRISE RECEIVES AS GIFTS,
17 GRANTS, AND DONATIONS IN SUPPORT OF SERVICES THAT THE ENTERPRISE
18 PROVIDES TO COVERED BUILDING OWNERS FOR BUILDING
19 DECARBONIZATION MEASURES;

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

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

24 (b) (I) SECTION 24-77-108 DOES NOT APPLY TO THE ENTERPRISE
25 BECAUSE THE TOTAL AMOUNT OF MONEY CREDITED OR APPROPRIATED TO
26 THE BUILDING DECARBONIZATION FUND AND THE ON-BILL PROGRAM
27 ADMINISTRATION CASH FUND AS A FEE SHALL NOT EXCEED ONE HUNDRED

1 MILLION DOLLARS IN THE FIRST FIVE FISCAL YEARS OF THE ENTERPRISE'S
2 EXISTENCE.

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

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

12 (d) ANY UNEXPENDED AND UNENCUMBERED MONEY REMAINING
13 IN THE BUILDING DECARBONIZATION FUND AT THE END OF A FISCAL YEAR
14 REMAINS IN THE BUILDING DECARBONIZATION FUND AND IS NOT CREDITED
15 OR TRANSFERRED TO THE GENERAL FUND.

16 (7) **Legislative review of building decarbonization enterprise.**
17 ON OR BEFORE DECEMBER 1 OF EACH YEAR, THE ENTERPRISE SHALL
18 SUBMIT AN ANNUAL REPORT TO THE GENERAL ASSEMBLY DETAILING THE
19 ENTERPRISE'S EXPENDITURES AND PROGRAM OUTCOMES FROM THE
20 PRECEDING YEAR AND THE ENTERPRISE'S FINANCIAL PROJECTIONS FOR THE
21 FOLLOWING YEAR.

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

26 (I) MONEY RECEIVED FROM AN ON-BILL PROGRAM
27 ADMINISTRATION FEE IMPOSED PURSUANT TO SUBSECTION (5)(c) OF THIS

1 SECTION;

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

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

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

9 (b) (I) SECTION 24-77-108 DOES NOT APPLY TO THE ENTERPRISE
10 BECAUSE THE TOTAL AMOUNT OF MONEY CREDITED OR APPROPRIATED TO
11 THE ON-BILL PROGRAM ADMINISTRATION CASH FUND AND THE BUILDING
12 DECARBONIZATION ENTERPRISE CASH FUND SHALL NOT EXCEED ONE
13 HUNDRED MILLION DOLLARS IN THE FIRST FIVE YEARS OF THE ENTERPRISE'S
14 EXISTENCE.

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

16 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
17 ASSEMBLY, THE ENTERPRISE MAY EXPEND MONEY FROM THE ON-BILL
18 PROGRAM ADMINISTRATION CASH FUND FOR THE PURPOSES SET FORTH IN
19 THIS SECTION AND TO PAY THE ENTERPRISE'S REASONABLE AND
20 NECESSARY OPERATING EXPENSES. THE STATE TREASURER SHALL CREDIT
21 ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT
22 OF MONEY IN THE ON-BILL PROGRAM ADMINISTRATION CASH FUND TO THE
23 ON-BILL PROGRAM ADMINISTRATION FUND.

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

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

3 **24-36-125. On-bill financing tax credits - authorization to**
4 **issue - terms - use of tax credits - carry over - on-bill financing fund**
5 **- creation - definitions - repeal. (1) Definitions.** AS USED IN THIS
6 SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 (a) "APPLICABLE FORECAST" MEANS EITHER THE QUARTERLY
8 DECEMBER REVENUE FORECAST PREPARED BY LEGISLATIVE COUNCIL
9 STAFF OR THE QUARTERLY DECEMBER REVENUE FORECAST PREPARED BY
10 THE OFFICE OF STATE PLANNING AND BUDGETING IN THE DECEMBER
11 IMMEDIATELY PRECEDING THE APPLICABLE STATE FISCAL YEAR, AS
12 DETERMINED BY WHICH IMMEDIATELY PRECEDING MARCH FORECAST THE
13 JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY USED IN THE
14 PREPARATION OF THE STATE BUDGET.

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

16 (c) "FORECAST" MEANS THE QUARTERLY JUNE REVENUE FORECAST
17 PREPARED BY THE OFFICE OF STATE PLANNING AND BUDGETING IN JUNE
18 2025.

19 (d) "NONEXEMPT REVENUE" MEANS, FOR THE APPLICABLE STATE
20 FISCAL YEAR, THE REVENUE THAT IS IDENTIFIED AS NONEXEMPT TABOR
21 REVENUES IN THE ANNUAL COMPREHENSIVE FINANCIAL REPORT PUBLISHED
22 BY THE OFFICE OF THE STATE CONTROLLER.

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

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

27 (g) "PREMIUM TAX LIABILITY" MEANS THE LIABILITY IMPOSED BY

1 SECTION 10-3-209 OR 10-6-128 OR, IN THE CASE OF A REPEAL OR
2 REDUCTION BY THE STATE OF THE LIABILITY IMPOSED BY SECTION
3 10-3-209 OR 10-6-128, ANY OTHER PREMIUM TAX LIABILITY IMPOSED
4 UPON AN INSURANCE COMPANY BY THE STATE.

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

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

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

14 (j) "TABOR" MEANS SECTION 20 OF ARTICLE X OF THE STATE
15 CONSTITUTION.

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

20 (2) **On-bill financing tax credits.** (a) SUBJECT TO SUBSECTIONS
21 (2)(b) AND (2)(c) OF THIS SECTION, A QUALIFIED TAXPAYER MAY
22 PURCHASE ON-BILL FINANCING TAX CREDITS FROM THE DEPARTMENT IN
23 ACCORDANCE WITH THIS SECTION AND MAY APPLY THE TAX CREDITS
24 AGAINST THE QUALIFIED TAXPAYER'S PREMIUM TAX LIABILITY IN
25 ACCORDANCE WITH SUBSECTION (6) OF THIS SECTION.

26 (b) IF THE FORECAST SHOWS THAT THE STATE'S NONEXEMPT
27 REVENUE FOR THE 2025-26 STATE FISCAL YEAR IS AT LEAST FIFTY MILLION

1 DOLLARS UNDER THE REF C CAP:

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

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

10 (c) IF THE APPLICABLE FORECAST SHOWS THAT THE STATE'S
11 NONEXEMPT REVENUE FOR THE 2026-27 STATE FISCAL YEAR IS AT LEAST
12 FIFTY MILLION DOLLARS UNDER THE REF C CAP:

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

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

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

24 (e) THE DEPARTMENT SHALL CONSULT WITH INSURANCE
25 COMPANIES IN ADVANCE OF ISSUING ANY TAX CREDITS IN ACCORDANCE
26 WITH THIS SECTION.

27 (f) AN INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN

1 COLORADO SEEKING TO PURCHASE TAX CREDITS MUST APPLY TO THE
2 DEPARTMENT IN THE MANNER PRESCRIBED BY THE DEPARTMENT.

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

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

12 (I) THE REQUESTED AMOUNT OF TAX CREDITS, WHICH AMOUNT
13 MUST NOT BE LESS THAN ANY MINIMUM AMOUNT ESTABLISHED IN THE
14 DEPARTMENT'S PROCEDURES OR, IF APPLICABLE, THE INDEPENDENT THIRD
15 PARTY'S PROCEDURES;

16 (II) THE QUALIFIED TAXPAYER'S PROPOSED TAX CREDIT PURCHASE
17 AMOUNT FOR EACH TAX CREDIT DOLLAR REQUESTED;

18 (III) THE MINIMUM PROPOSED TAX CREDIT PURCHASE AMOUNT
19 MUST BE EITHER:

20 (A) THE PERCENTAGE OF THE REQUESTED DOLLAR AMOUNT OF TAX
21 CREDITS THAT THE DEPARTMENT OR, IF APPLICABLE, THE INDEPENDENT
22 THIRD PARTY DETERMINES TO BE CONSISTENT WITH MARKET CONDITIONS
23 AS OF THE OFFER DATE; OR

24 (B) IF NO AMOUNT IS ESTABLISHED BY THE DEPARTMENT OR THE
25 INDEPENDENT THIRD PARTY PURSUANT TO SUBSECTION (3)(b)(III)(A) OF
26 THIS SECTION, SEVENTY-FIVE PERCENT OF THE REQUESTED DOLLAR
27 AMOUNT OF TAX CREDITS; AND

1 (IV) ANY OTHER INFORMATION THAT THE DEPARTMENT OR, IF
2 APPLICABLE, THE INDEPENDENT THIRD PARTY REQUIRES.

3 (c) THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO EACH
4 INSURANCE COMPANY THAT SUBMITS AN APPLICATION INDICATING
5 WHETHER THE INSURANCE COMPANY HAS BEEN APPROVED AS A
6 PURCHASER OF TAX CREDITS AND, IF SO, THE AMOUNT OF TAX CREDITS
7 ALLOCATED AND THE DATE BY WHICH PAYMENT OF THE TAX CREDIT SALE
8 PROCEEDS MUST BE MADE.

9 (d) ON RECEIPT OF PAYMENT OF THE SALE PROCEEDS, THE
10 DEPARTMENT SHALL ISSUE TO EACH QUALIFIED TAXPAYER A TAX CREDIT
11 CERTIFICATE. THE TAX CREDIT CERTIFICATE MUST STATE ALL OF THE
12 FOLLOWING:

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

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

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

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

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

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

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

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

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

4 (b) A QUALIFIED TAXPAYER THAT FAILS TO PROVIDE THE TAX
5 CREDIT SALE PROCEEDS WITHIN THE TIME THE DEPARTMENT SPECIFIES IS
6 SUBJECT TO A PENALTY EQUAL TO TEN PERCENT OF THE AMOUNT OF THE
7 PURCHASE PRICE THAT REMAINS UNPAID. THE PENALTY SHALL BE PAID TO
8 THE DEPARTMENT WITHIN THIRTY DAYS AFTER DEMAND.

9 (c) THE DEPARTMENT MAY OFFER TO REALLOCATE THE DEFAULTED
10 TAX CREDITS AMONG OTHER QUALIFIED TAXPAYERS SO THAT THE RESULT
11 AFTER REALLOCATION IS THE SAME AS IF THE INITIAL ALLOCATION HAD
12 BEEN PERFORMED WITHOUT CONSIDERING THE TAX CREDIT ALLOCATION
13 TO THE DEFAULTING QUALIFIED TAXPAYER.

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

19 (e) A QUALIFIED TAXPAYER THAT FAILS TO PAY THE TAX CREDIT
20 SALE PROCEEDS WITHIN THE TIME SPECIFIED MAY AVOID THE IMPOSITION
21 OF THE PENALTY BY TRANSFERRING THE ALLOCATION OF TAX CREDITS TO
22 A NEW OR EXISTING QUALIFIED TAXPAYER WITHIN THIRTY DAYS AFTER THE
23 DUE DATE OF THE DEFAULTED INSTALLMENT. A TRANSFEREE OF AN
24 ALLOCATION OF TAX CREDITS OF A DEFAULTING QUALIFIED TAXPAYER
25 UNDER THIS SUBSECTION (4) SHALL AGREE TO PAY TAX CREDIT SALE
26 PROCEEDS WITHIN FIVE DAYS AFTER THE DATE OF THE TRANSFER.

27 (5) **Deposit of tax credit sale proceeds into fund.** THE STATE

1 TREASURER SHALL DEPOSIT THE TAX CREDIT SALE PROCEEDS PROVIDED BY
2 A QUALIFYING TAXPAYER IN RETURN FOR A TAX CREDIT CERTIFICATE INTO
3 THE ON-BILL FINANCING FUND.

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

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

11 (II) FOR A TAX CREDIT CERTIFICATE THAT THE DEPARTMENT
12 ISSUES IN STATE FISCAL YEAR 2026-27, THE DEPARTMENT, IN
13 CONSULTATION WITH THE OFFICE OF STATE PLANNING AND BUDGETING,
14 PRIOR TO THE SALE, MAY DETERMINE THE CALENDAR YEARS IN WHICH THE
15 QUALIFIED TAXPAYER MAY CLAIM THEIR CREDIT AGAINST PREMIUM TAX
16 LIABILITY.

17 (b) THE TOTAL CREDIT THAT A QUALIFIED TAXPAYER MAY APPLY
18 IN ANY ONE YEAR MUST NOT EXCEED THE PREMIUM TAX LIABILITY OF THE
19 QUALIFIED TAXPAYER FOR THE TAXABLE YEAR. IF THE QUALIFIED
20 TAXPAYER CANNOT USE THE ENTIRE AMOUNT OF THE TAX CREDIT FOR THE
21 TAXABLE YEAR IN WHICH THE TAXPAYER IS ELIGIBLE FOR THE TAX CREDIT,
22 THE EXCESS MAY BE CARRIED OVER TO SUCCEEDING TAXABLE YEARS AND
23 USED AS A CREDIT AGAINST THE PREMIUM TAX LIABILITY OF THE
24 TAXPAYER FOR THOSE TAXABLE YEARS; EXCEPT THAT THE CREDIT SHALL
25 NOT BE CARRIED OVER TO ANY TAXABLE YEAR THAT BEGINS AFTER
26 DECEMBER 31, 2035. ANY AMOUNT OF THE TAX CREDIT THAT IS NOT
27 TIMELY CLAIMED EXPIRES AND IS NOT REFUNDABLE.

1 (c) A QUALIFIED TAXPAYER CLAIMING A TAX CREDIT UNDER THIS
2 SECTION SHALL:

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

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

7 (d) (I) IF A QUALIFIED TAXPAYER HOLDING AN UNCLAIMED TAX
8 CREDIT IS PART OF A MERGER, ACQUISITION, OR LINE OF BUSINESS
9 DIVESTITURE TRANSACTION, THE TAX CREDIT MAY BE TRANSFERRED TO
10 AND ASSUMED BY THE RESULTING ENTITY IF THE RESULTING ENTITY IS AN
11 INSURANCE COMPANY AUTHORIZED TO DO BUSINESS IN COLORADO AND
12 HAS PREMIUM TAX LIABILITY.

13 (II) THE QUALIFIED TAXPAYER THAT ORIGINALLY PURCHASED THE
14 TAX CREDIT AND THE RESULTING ENTITY SHALL NOTIFY THE DEPARTMENT
15 IN WRITING OF THE TRANSFER OR ASSUMPTION OF THE TAX CREDIT IN
16 ACCORDANCE WITH PROCEDURES ADOPTED BY THE DEPARTMENT. THE
17 DEPARTMENT SHALL PROVIDE A COPY OF THE NOTICE TO THE DIVISION OF
18 INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES AND SHALL
19 MAINTAIN A RECORD OF THE TRANSFER OR ASSUMPTION OF THE TAX
20 CREDIT. THE TRANSFER OR ASSUMPTION OF THE TAX CREDIT DOES NOT
21 AFFECT THE TIME SCHEDULE FOR CLAIMING THE TAX CREDIT AS PROVIDED
22 IN THIS SECTION.

23 (7) **On-bill financing fund - creation.** THE ON-BILL FINANCING
24 FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF TAX
25 CREDIT SALE PROCEEDS RECEIVED FROM QUALIFIED TAXPAYERS AND
26 DEPOSITED INTO THE FUND PURSUANT TO SUBSECTION (5) OF THIS SECTION.
27 THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED

1 FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE ON-BILL FINANCE
2 FUND TO THE FUND.

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

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

6 **24-75-402. Cash funds - limit on uncommitted reserves -**
7 **reduction in the amount of fees - exclusions - definitions.**

8 (5) Notwithstanding any provision of this section to the contrary, the
9 following cash funds are excluded from the limitations specified in this
10 section:

11 (jjj) The employee ownership cash fund created in section
12 39-22-542.5 (8); and

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

15 (lll) THE ON-BILL FINANCING FUND CREATED IN SECTION 24-36-125
16 (7).

17 **SECTION 7. Appropriation.** (1) For the 2025-26 state fiscal
18 year, \$200,000 is appropriated to the office of the governor for use by the
19 Colorado energy office. This appropriation is from the on-bill program
20 administration cash fund created in section 24-38.5-123 (8)(a), C.R.S.,
21 and is based on an assumption that the office will require an additional
22 0.8 FTE. To implement this act, the office may use this appropriation for
23 on-bill program administration.

24 (2) For the 2025-26 state fiscal year, \$3,000,000 is appropriated
25 to the office of the governor for use by the Colorado energy office. This
26 appropriation is from the building decarbonization enterprise cash fund
27 created in section 24-38.5-123 (6)(a), C.R.S. To implement this act, the

1 office may use this appropriation for the building decarbonization
2 enterprise.

3 **SECTION 8. Effective date.** This act takes effect upon passage;
4 except that subsection (2) of section 7 of this act takes effect only if
5 House Bill 25-1269 does not become law.

6 **SECTION 9. Safety clause.** The general assembly finds,
7 determines, and declares that this act is necessary for the immediate
8 preservation of the public peace, health, or safety or for appropriations for
9 the support and maintenance of the departments of the state and state
10 institutions.