



More than 25 bills passed in the 2022 Colorado legislative session advancing climate and air quality, clean buildings, renewable energy, community resilience, transportation use, just transition, and healthy forests and sustainable water. These bills also continue making progress on [Colorado Greenhouse Gas Pollution Reduction Roadmap](#), which is the state's strategic plan to achieve the statutory goal of a 50% reduction in greenhouse gas (GHG) pollution from economy-wide emissions below 2005 levels by 2030, and a 90% reduction by 2050.

The Roadmap is a sector-based plan with strategies to achieve at least 80% reduction from electricity generation by 2030, 60% from oil and gas development, 40% from transportation, and 20% from industry and buildings. The package of legislation makes major progress on all of these goals, including public investments in market transformation, creation of incentives from electric and gas utilities, and regulatory requirements to be implemented through the Public Utilities Commission, Transportation Commission and Air Quality Control Commission.

For climate and air quality, legislation creates incentives for:

- eBikes
- Electric school buses
- Air pollution reduction projects in industrial processes
- Funding for oil and gas aerial air quality monitoring and pilot projects to increase energy efficiency
- Water efficiency in cannabis facilities

Investments were also made to address air quality challenges. These include initiatives to help meet Colorado's ozone, greenhouse gas, and environmental justice goals; incentives to transition to electric lawn and garden equipment; and investments in air quality science. In addition, newly passed legislation initiates programs to both remediate orphaned oil and gas wells and advance plastics recycling.

- For buildings, legislation creates a set of tools and incentives to improve existing structures, including:
- State incentives for public building electrification and high-efficiency electric heating and appliances
- The creation of an Energy Code Board that will set requirements for new building energy codes
- Tax credits for high efficiency electric heating and cooling systems
- Grants and loans for use in affordable housing development, including provisions to enhance energy efficiency
- Incentives for installing energy efficiency measures in manufactured homes

For renewable energy, legislation both incentivizes the development of geothermal energy use and funds the creation of educational tools and guides related to this renewable energy source. Beyond that, bills will help spur electricity generation and adoption of space heating and cooling, water heating, and district heating.

For community resilience, legislation strengthens communities affected by natural and climate disasters through incentives that help them build back green. This includes the creation of a Climate Preparedness office, the development of a grid resilience and reliability roadmap, and the creation of rural grants for microgrids. All this aligns with security goals for older Coloradans, which include energy efficiency, renewable energy and electric vehicle investments.

For transportation, legislation creates pilot programs for free transit fares; expansion of transit services along interstates; and incentives for improving bicycle, pedestrian and transit improvements to main streets. Legislation also creates corporate tax credits that provide employees alternative transportation options; allows bicyclists to make safety stops at intersections; and aligns regulations to incentivise the construction of bike paths in powerline right of ways.

For just transition, legislation invests in assistance efforts and funding for communities making the transition away from coal and for worker assistance programs.

Legislation also incentivizes carbon-adaptive practices in forest management; enhanced wildfire mitigation capacity; and climate-resilient watersheds and forests. In addition, bills improve carbon storage capacity to meet the state's climate mitigation goals, and aim to increase turf replacement programs to promote water-wise landscaping.

Environment, climate & air quality (broadly)

[Senate Bill 22-193 Air Quality Improvement Investments](#) delivers a priority set of clean air and climate change investment programs from the Governor's budget. The law includes:

- \$25 million in funding for the Clean Air Grant Program, which will provide grants for energy efficiency improvements, renewable energy, electrification projects, methane capture projects, sustainable aviation fuel, low carbon hydrogen use and carbon capture at industrial facilities to achieve emission reductions required by current and future regulation.
- \$12 million in rebates for eBike purchases and programs that provide eBikes and safety equipment to approximately 12,000 low- and moderate-income Coloradans.
- \$65 million to start a new school bus electrification grant program, which aims to transition Colorado's diesel school bus fleets to electric buses. Grants will be prioritized for vehicles operating in disproportionately impacted communities, the ozone nonattainment area, and schools with high proportions of students receiving free or reduced school meals. The program provides flexibility for applying districts to pay for charging infrastructure and buses, as well as covering administrative costs for applying to both the state and federal electric school bus programs.
- \$7 million for an oil and gas aerial monitoring program to identify leaks from such sources as pipelines and flowlines, production pads, tanks, central gathering facilities, and compressor stations to quickly identify, inventory, and fix methane and other leaks from oil and gas infrastructure.



- \$2 million to increase energy efficiency, reduce water use, promote renewable energy implementation, and enhance sustainable practices in operations of cannabis facilities in Colorado, which are major users of electricity and water.

[House Bill 22-1329 Long Bill \(State Budget\)](#) addresses air quality transformation.

- A \$47 million, three-year investment to help address air quality challenges:
 - Cutting-edge regulations - Regulatory initiatives to help meet Colorado’s ozone, greenhouse gas and environmental justice goals.
 - Immediate emissions reductions - Incentives for state and local government, schools and other public entities to transition from gasoline-powered to electric engines for lawn equipment.
 - Air quality science - Investments in additional and updated air quality data and analysis to inform future strategies and investments.
 - Community relations - Improvements in communication and outreach capacity to meet public expectations regarding engagement and availability of air quality information.
 - Driving air pollution control board performance - Support more stringent permitting, compliance, enforcement and oversight as required under the Clean Air Act.

[Senate Bill 22-198 Orphaned Oil And Gas Wells Enterprise](#) initiates a program for plugging, reclaiming and remediating orphaned oil and gas wells, which, if left unattended, can lead to leaks of organic compounds that can emit ozone precursors and adversely impact public health. This will also reduce emissions of methane, the second most important greenhouse gas. The enterprise is funded by oil and gas operators.

[House Bill 22-1355 Producer Responsibility Program For Recycling](#) establishes a producer responsibility recycling program to provide convenient and equitable access to recycling services for covered materials, in order to achieve recycling, collection, and post consumer-recycled-content rate goals. Recycling services meeting these goals must be provided for all readily recyclable materials at no charge to single-family and multi-family residences, as well as nonresidential locations identified in the final plan, including public places, small businesses, schools and government buildings. The state GHG roadmap identifies increasing recycling rates as an important nearterm action, which both reduces energy needed for new products and reduces methane emissions from landfills.

Emissions from the built environment

[House Bill 22-1362 Building Greenhouse Gas Emissions](#) creates requirements to adopt the most recent International Energy Conservation Code in new buildings; prewire for EVs, solar and heat pumps; and locally adopt a low carbon code starting in 2026 toward near net zero building energy codes by 2030. It also provides:

- \$3 million to support local governments and state agencies in adopting and enforcing advanced energy codes. In part, this will be done by funding technical assistance and training for local building department officials and staff, builders, architects, designers, contractors and other stakeholders



- \$1 million to support contractor training
- \$10 million to the clean air building investments fund for the creation, implementation and administration of the building electrification for public buildings grant program
- \$10.85 million to the clean air building investments fund for the creation, implementation, and administration of the high-efficiency electric heating and appliances grant program for neighborhood scale electrification

[Senate Bill 22-051 Policies To Reduce Emissions From Built Environment](#) gives purchasers of an air-source, ground-source and water-source heat pump system or variable refrigerant flow heat pump system an income tax credit equal to 10% of the purchase price of the heat pump system or heat pump water heater. This legislation provides the same benefit for the purchase and installation of an energy storage system. In addition, the bill waives sales and use taxes in the sale of heat pump systems, heat pump water heaters, storage systems and other “decarbonizing building materials.”

[House Bill 22-1304 State Grants Investments Local Affordable Housing](#) includes a strong community grants program developed by a multi-agency team with the assistance of stakeholders, to determine a list of sustainable land use best practices aimed at enabling more housing within existing communities. This will be a key factor in considering a local government’s viability for these affordable housing development grants. It includes \$40 million for grants to local communities to advance land use best practices, including infill development for affordable housing.

[Senate Bill 22-159 Revolving Loan Fund Invest Affordable Housing](#) creates the transformational affordable housing revolving loan fund program. The loan program provides flexible, low-interest, and below-market rate loan funding to assist eligible recipients in completing the eligible loan projects identified in the bill. The program can include financing for energy improvements in affordable housing, which will fund incremental up-front costs for efficient, electric measures, and renewable energy systems for both existing buildings and new housing construction.

[House Bill 22-1282 The Innovative Housing Incentive Program](#) creates a program in the Office of Economic Development to provide grants or loans to new or existing businesses with fewer than 500 employees that develop manufactured homes. The program may include incentives for installation in certain areas of the state, resiliency criteria, compliance with international energy conservation code requirements, or energy efficiency requirements, such as pre-wiring for solar improvements, home energy rating system score of fifty or less, and near net-zero energy efficiency.

[Senate Bill 22-239 Buildings In The Capitol Complex](#) creates the Capitol Complex Renovation Fund for construction needs in existing state-owned facilities, including installation of electric vehicle charging stations and LEED certification for specified state-owned buildings.

Solutions for 100% Renewable Energy by 2040

[House Bill 22-1381 Colorado Energy Office Geothermal Energy Grant Program](#) incentivizes the expansion of Colorado’s use of geothermal energy by providing grants to start programs supporting geothermal for electricity generation, space heating and cooling, water heating and district heating. The program will support the development of geothermal space conditioning (i.e. heating and cooling) and water heating, as



well as public-private partnerships on the development of geothermal electricity generation – either as a stand-alone or paired with electrolyzers for the production of green hydrogen.

[Senate Bill 22-118 Encourage Geothermal Energy Use](#) creates a program for basic consumer education and guidance for systems that use geothermal energy for water heating, space heating or cooling. The bill also establishes a business model for community geothermal gardens, comparable to community solar gardens.

Resilience in our communities

[Senate Bill 22-206 Disaster Preparedness And Recovery Resources](#) aims to strengthen communities affected by natural and climate disasters, and incentivizes coordinated statewide planning on climate change preparedness. Elements include:

- A program to help homeowners and businesses rebuild more efficiently after declared natural disasters. A \$20 million pool is being established to deliver a combination of low-interest loans and grant opportunities to cover costs associated with building high-performing, energy-efficient and resilient homes and structures. These include the installation of high-efficiency space and water heat pumps, work to net zero energy buildings, advanced energy certification, or assistance in adding battery storage or an electric vehicle charging station.
- The establishment of the Governor's Office of Climate Preparedness. This office will not only increase capacity for recovery efforts, but will also support a climate-prepared future, starting with the development of the climate preparedness roadmap, which will enable the state to anticipate the needs in the event climate-related crises and will encourage land use patterns that reduce both greenhouse gas emissions and exposure to climate driven hazards, such as wildfires and floods.

[House Bill 22-1249 Electric Grid Resilience And Reliability Roadmap](#) commissions a grid resilience and reliability roadmap to develop a statewide strategy on the use of microgrids to harden the grid, improve grid resilience and reliability, deliver electricity where extending distribution infrastructure may not be practical, and operate autonomously and independently of the grid, when necessary.

[House Bill 22-1013 Microgrids For Community Resilience Grant Program](#) creates the microgrids for a community resilience grant program with \$3.5 million in funding for initial projects. A cooperative electric association or a municipally owned utility may apply for a grant award to finance the purchase of microgrid resources in eligible rural communities within the utility's service territory that are at significant risk of severe weather or natural disaster events, and in which there are one or more community anchor institutions.

[Senate Bill 22-185 Security For Colorado Seniors](#) extends the grant program indefinitely to continue the support of projects promoting the health, equity, well-being and security of older Coloradans across the state. It includes coordination with the Colorado Energy Office on incentives and potential investments that align with the greenhouse gas emissions goals described in statute to increase energy efficiency and renewable electricity in buildings used by older Coloradans and increase the use of electric vehicles for transporting older Coloradans.



Emissions from transportation and expanding public transit:

[Senate Bill 22-180 Programs To Reduce Ozone Through Increased Transit](#) creates a \$28 million grant program that enables transit agencies statewide to provide free transit fares for at least a month during ozone season for two years. Vehicles are the largest single source of nitrogen oxide pollution, a key contributor to the formation of ozone, as well as the largest source of greenhouse gas pollution. The bill also provides \$30 million for a three-year Colorado Department of Transportation pilot project that expands existing transit services along the interstates, and \$10 million to support bicycle, pedestrian and transit improvements to main streets.

[House Bill 22-1026 Alternative Transportation Options Tax Credit](#) eliminates the current corporate income tax deduction for expenses incurred providing alternative means of transportation for employees, and replaces this deduction with a refundable tax credit equal to 50 percent of expenditures incurred by providing alternative transportation options to their employees beginning in 2023. Alternative transportation includes free or partially subsidized mass transit; free or partially subsidized ridesharing arrangements, including bike sharing and electric scooter sharing programs; provision of ridesharing vans; and guaranteed ride home programs. Expanding employer-based programs to reduce vehicle travel is a near term action strategy in the state GHG roadmap.

[House Bill 22-1028 Statewide Regulation Of Controlled Intersections](#) establishes uniform statewide requirements that allow bicycles, electric-assisted bicycles, electric scooters, and other non-motorized vehicles to make safety stops at intersections throughout the state, and reduces the maximum allowable speed of a safety stop to 10 miles per hour. The bill also requires the Department of Transportation (CDOT), in collaboration with other agencies and non-government entities, to develop educational materials concerning legal requirements and safe practices for approaching controlled intersections. One indirect benefit of this legislation may be an increased use of bicycles for commuting, decreasing motor vehicle use and associated energy use and emissions.

[House Bill 22-1104 Powerline Trails](#) authorizes transmission providers to enter into contracts with public and private entities to construct and maintain powerline trails in an existing or future transmission corridor. One indirect benefit of this legislation may be an increased use of bicycles for commuting, decreasing motor vehicle use and associated energy use and emissions.

Climate-smart investments in forestry

[House Bill 22-1012 Wildfire Mitigation and Recovery](#) directs the Colorado State Forest Service to create a carbon accounting framework and train practitioners in carbon-adaptive practices in forest management. The bill also includes \$7.2 million in general funds to support wildfire mitigation programs in the Colorado State Forest Service and the Department of Natural Resources.

[House Bill 22-1379 Wildfire Prevention Watershed Restoration Funding](#) invests \$20 million in American Rescue Plan Act funding to increase Colorado's capacity to enhance wildfire mitigation. This is necessary for reducing the risk of catastrophic wildfires and promoting faster watershed recovery to protect watershed health and replant burn scars. HB22-1379 includes \$5M for DNR to offer assistance to communities/NGOs in



the pursuit of federal funds for water projects. It is our intent to prioritize assistance for disproportionately impacted communities.

[House Bill 22-1323 Updates to the State Forest Tree Nursery](#) provides \$5 million for improvements to the Colorado State Forest Service’s tree nursery to substantially increase its capacity to provide low-cost, native and climate-adapted trees; to build climate-resilient watersheds and forests; and to enhance carbon storage to meet the state’s climate mitigation goals.

Reducing water consumption

[House Bill 22-1151 Turf Replacement Program](#) directs the Colorado Water Conservation board to provide state matching funds for turf replacement programs to promote water-wise landscaping.

Just transition for workers and communities away from the use of coal

[House Bill 22-1193 Adjustments to expenditures from funds dedicated to assisting those impacted by the transition to a clean energy economy](#) transfers \$2 million in previously appropriated funds from worker assistance programs to community assistance efforts to ensure more timely, efficient and effective use of Just Transition funding.

[House Bill 22-1394 Fund Just Transition community and worker supports](#) provides \$15 million to Just Transition Cash Fund this includes \$5 million for implementation of the Colorado Just Transition Action Plan and support for coal transition communities and \$10 million to the Coal Transition Workforce Assistance Program Account to support worker assistance programs.

