

Southwest Energy Efficiency Project

2020 LEGISLATIVE ACTIVITY



2020 LEGISLATIVE ACTIVITY SUMMARY

In the Southwest region, the state legislatures in Arizona, Colorado, Utah, and New Mexico met during the first and second quarters of 2020, although some sessions were shortened due to the COVID-19 pandemic. The Southwest Energy Efficiency Project (SWEET) engaged in each session to advance energy efficiency and clean transportation through sound and effective legislation. These efforts included researching and writing bill language, building coalitions, and testifying at committee hearings to advocate for the passage of energy efficiency and clean transportation legislation.

Details on SWEET's 2020 legislative efforts, along with information on the outcome of energy efficiency bills and clean transportation in the four states, are described below.

ARIZONA

Summary of Bills:

HB-2686/ SB-1222	Building permits; utilities; restrictions; prohibitions	Opposed	Passed
HB-2899	Fuel; electric cars; hybrids; taxes	Opposed	Passed
SB-1369	Vehicle fuels; infrastructure; legislative authority	Opposed	Passed

HB-2686/SB-1222 - Building permits; utilities; restrictions; prohibitions

Sponsors: Speaker of the House Rusty Bowers | Senate President Karen Fann

Passed – SWEEP opposed this bill

Bill Summary: Prohibit Arizona cities, towns, and counties from establishing separate building permit and fee requirements for any type of utility service (water, electricity, and gas), denying a building permit for any type of utility service (water, electricity, and gas), Adopting any code, regulation, ordinance, or plan limiting the services of a utility authorized to provide service (e.g. electric, gas, water).

Bill Activity: HB-2686 for SB-1222 passed in the House and the Senate and was signed into law by Governor Ducey.

HB-2899 - Fuel; electric cars; hybrids; taxes

Sponsors: Speaker of the House Rusty Bowers | Senate President Karen Fann

Passed – SWEEP opposed this bill

Bill Summary: Prohibit Arizona cities, towns, and counties from establishing separate building permit and fee requirements for any type of utility service (water, electricity, and gas), denying a building permit for any type of utility service (water, electricity, and gas), Adopting any code, regulation, ordinance, or plan limiting the services of a utility authorized to provide service (e.g. electric, gas, water).

Bill Activity: HB-2899 was introduced in the Transportation Committee and was then held awaiting Committee of Whole.

SB-1369 - Vehicle fuels; infrastructure; legislative authority

Sponsor: Sen. Vince Leach

Passed – SWEEP opposed this bill

Bill Summary: Would undermine these efforts by prohibiting the Arizona Corporation Commission or any state agency from adopting or enforcing a state or regional program to regulate motor vehicle fuel or fueling infrastructure without express legislative authority. Notably, the bill defines “motor vehicle fuel” to include electricity and “fueling infrastructure” to mean the “structures, facilities, and equipment of any type of motor vehicle fuel” -- including electricity.

Bill Activity: SB-1369 was introduced in the Senate and was postponed indefinitely.

For additional information regarding these bills, visit the website of the Arizona State Legislature, at <http://www.azleg.gov/>.

COLORADO

Summary of Bills:

HB20-1151	Expand Authority For Regional Transportation Improvements	Supported	Defeated
HB20-1155	Higher Efficiency New Construction Residence	Supported	Passed
HB20-1179	Rule Review Bill	Supported	Passed
HB20-1325	Low-emission Vehicle Managed Lane Access	Supported	Defeated
SB20-030	Consumer Protections For Utility Customers	Supported	Passed
SB20-044	Sales and Use Tax Revenue for Transportation	Opposed	Defeated
SB20-094	Plug-in Electric Motor Vehicle Registration Fees	Opposed	Defeated
SB20-167	Electric Vehicle Manufacturer and Dealer	Supported	Passed

HB20-1151 - Expand Authority For Regional Transportation Improvements

Sponsors: Rep. Matt Gray | Sen. Faith Winter

Passed – SWEEP supported this bill

Bill Summary: This bill would expand options for local governments to raise funds for transportation. SWEEP supports this bill in concept, but would like it to articulate clear goals to guide how transportation dollars are prioritized, including reducing energy consumption, reducing vehicle-miles traveled, and reducing pollution.

Bill Activity: HB20-1151 was introduced in the House where it was defeated.

HB20-1155 - Higher Efficiency New Construction Residence

Sponsors: Rep. Alex Valdez | Rep. Michael Weissman

Passed – SWEEP supported this bill

Bill Summary: This bill adds EV charging, prewiring, a 208-240-volt plug, heat pumps, and heat pump water heaters to the current solar readiness options that builders must offer new home buyers.

Current law requires homebuilders to offer new home buyers solar or solar readiness. This bill adds that they offer EV charging, EV readiness, electric heating, and water heating. SWEEP is not a proponent of this bill since, as we've seen with the current law, simply offering these options results in no noticeable increase in installations. If the bill were to be amended to require installation of at least a couple of these options, SWEEP would be in support.

Bill Activity: HB20-1155 was introduced in the House and in the Senate where it passed and was signed into law by Governor Polis.

HB20-1179 - Rule Review Bill

Sponsors: Rep. L. Herod | Rep. M. Soper | Sen. B. Gardner | Sen. P. Lee

Passed – SWEEP supported this bill

Bill Summary: This bill affirms Colorado's adoption of the Zero Emission Vehicle Program, which will accelerate the deployment of energy-efficient plug-in cars.

Bill Activity: HB20-1179 was introduced to the House Committee on Legal Services and the Senate where it passed and was signed into law by Governor Polis.

HB20-1325 - Low-emission Vehicle Managed Lane Access

Sponsor: Rep. Alex Valdez

Passed – SWEEP supported this bill

Bill Summary: This bill would allow electric vehicles preferential access to managed lanes on highways. This bill would provide a meaningful incentive to help accelerate the deployment of electric vehicles. CDOT would be in charge of designing the rules to ensure that managed lanes still work as tools to reduce congestion.

Bill Activity: HB20-1325 was introduced in the House Energy & Environment where it was defeated.

SB20-030 - Consumer Protections For Utility Customers

Sponsors: Sen. L. Garcia | Sen. R. Rodriguez | Rep. D. Esgar

Passed – SWEEP supported this bill

Bill Summary: Concerning increased consumer protections for customers of investor-owned utilities, and, in connection therewith, making an appropriation.

Bill Activity: SB20-030 passed in the House and the Senate and was signed into law by Governor Polis.

SB20-044 - Sales and Use Tax for Transportation

Sponsors: Sen. Paul Lundeen | Rep. Terri Carver

Passed – SWEEP opposed this bill

Bill Summary: This bill would allocate 10 percent of the sales and use tax for transportation. SWEEP opposes this bill, because it does not include any language to advance transportation energy efficiency or reduce transportation energy consumption. The structure of the tax would penalize people who drive less -- the opposite of what Colorado should do.

Bill Activity: SB20-044 was introduced in the Senate where it was defeated.

SB20-094 - Plug-in Electric Motor Vehicle Registration Fees

Sponsor: Sen. Kevin Priola

Passed – SWEEP opposed this bill

Bill Summary: This bill levies fees on electric vehicle owners that would increase every year the vehicle is in operation. This bill would charge an excessive fee to EV owners, roughly equivalent to the gas taxes paid by the owner of an inefficient gasoline vehicle that gets 22 miles per gallon. That would eat into the fuel cost savings that motivate many EV purchases and perversely slow down the growth of Colorado's EV market, delaying improvements in transportation energy efficiency. The main reason Colorado's transportation dollars are not going as far as they used to is inflation; our gas tax hasn't been adjusted for inflation since the early 1990s. To address transportation funding, Colorado should first reform its gas tax, while continuing to encourage accelerated growth of the EV market. Ultimately, we should shift our entire transportation system to efficient technologies and modes to save money on getting around, reduce the overall need for transportation infrastructure dollars and prevent dangerous air pollution.

Bill Activity: SB20-094 was introduced in the Senate where it was defeated.

SB20-167 - Electric Vehicle Manufacturer and Dealer

Sponsors: Sen. Ken Priola | Sen. Chris Hansen | Rep. KC Becker

Passed – SWEEP supported this bill

Bill Summary: This bill would allow additional manufacturers beyond Tesla to directly market electric vehicles in Colorado.

This bill would accelerate deployment of electric vehicles in Colorado, improving transportation system energy efficiency and saving consumers money. Current law prevents vehicle manufacturers (except Tesla) from owning or controlling a dealership in the state. This bill would change that and allow manufacturers to directly market its electric motor vehicles to customers -- making EVs easier to access, increasing competition and reducing costs, and accelerating EV deployment.

Bill Activity: SB20-167 passed in the House and the Senate and was signed into law by Governor Polis.

For additional information regarding these bills, visit the website of the Colorado General Assembly, at <http://leg.colorado.gov/>

NEVADA

The Nevada legislature does not meet during even years.

NEW MEXICO**Summary of Bills:**

SB-114	Community Energy Efficiency Development Grant	Supported	Defeated
SB-2	Electric Vehicle Income Tax Credit	Supported	Defeated

SB-114 - Community Energy Efficiency Development Grant

Sponsors: Sen. Gerald Ortiz y Pino | Rep. Andrea Romero

Passed – SWEEP supported this bill

Bill Summary: Creates a fund, housed at EMNRD, that will provide grants to local governments to implement community block grant projects to improve the efficiency of homes in low-income areas.

Bill Activity: SB-114 was sent to the Senate where any action was postponed indefinitely.

SB-2 - Electric Vehicle Income Tax Credit

Sponsors: Sen. Pat Woods | Sen. Bill Tallman | Rep. Abbas Akhil

Passed – SWEEP supported this bill

Bill Summary: This bill will create a tax credit for the purchase or lease of a new EV of \$2,500. The credit doubles to \$5,000 for low income persons. It also includes a \$300 tax credit for the installation of at-home charging capabilities.

Bill Activity: SB-2 was sent to the Senate where any action was postponed indefinitely.

For additional information regarding these bills, visit the website of the New Mexico Legislature, at <https://www.nmlegis.gov/>

UTAH

Summary of Bills:

HB-176	Vehicle Emissions Reduction Program	Supported	Defeated
HB-235	Voluntary Home Energy Information Pilot Program	Supported	Passed
HB-259	Electric Vehicle Charging Network	Supported	Passed
HB-259	Tax Credit for Alternative Fuel Vehicles	Supported	Passed
HB-326	Energy Efficiency Amendments	Monitored	Defeated
HB-374	Local Government Building Regulation	Opposed	Passed
HB-396	Electric Vehicle Charging Infrastructure	Supported	Passed
HB-431	Energy Rebate Program Amendments	Supported	Passed
SB-77	Electric Energy Related Tax Credit	Supported	Defeated
SB-78	Energy Storage Innovation, Research and Grant Program Act	Supported	Defeated

HB 176 - Vehicle Emissions Reduction Program

Sponsor: Rep. Jeffrey D. Stenquist

Passed – SWEEP supported this bill

Bill Summary: This bill would create a Vehicle Emissions Reduction Program to encourage the replacement of higher-emitting used vehicles with low-emitting vehicles by providing grants to car owners for trade-in and destroying an older vehicle. The program would be administered between the Department of Environmental Quality and local health departments. It calls for \$3.5 million in revenues from the General Fund for grants.

Bill Activity: HB 176 was introduced in the House and was defeated.

HB 235 - Voluntary Home Energy Information Pilot Program

Sponsors: Rep. Patrice M. Arent | Sen. Curtis S. Bramble

Passed – SWEEP supported this bill

Bill Summary: Improving the energy efficiency of new and existing homes is a strategy that can help reduce "area sources" air pollution emissions, while also making homes more comfortable and more affordable to operate/own. This bill will create a "home energy information" pilot program that would create a voluntary home energy report for buyers and sellers of single family homes to help spur demand for energy efficient homes and home energy upgrades that also reduce air pollution. The score and report would be created by an advisory committee chaired by the Utah Governor's Office of Energy Development. The bill requests \$425,000 to cover administration, implementation, and public education about the pilot, and for grants or reimbursements to homeowners who want to participate in the pilot

program. The Home energy efficiency “score” would be based on either the U.S. Dept. of Energy’s Home Energy Score or the RESNET Home Energy Rating System (HERS).

Bill Activity: HB 235 passed in the House and the Senate and was signed into law by Governor Herbert.

HB 259 - Electric Vehicle Charging Network

Sponsor: Rep. Robert Spendlove

Passed – SWEEP supported this bill

Bill Summary: This bill would require the Utah Dept. of Transportation to develop a plan for a statewide electric vehicle charging network along Utah highways and other strategic locations. It would ask them to report to the Transportation Interim Committee by Nov. 30, 2020.

Bill Activity: HB 259 passed in the House and the Senate and was signed into law by Governor Herbert.

HB 281 - Tax Credit for Alternative Fuel Vehicles

Sponsor: Rep. Suzanne Harrison

Passed – SWEEP supported this bill

Bill Summary: This bill would create a non-refundable income and corporate tax purchase of the purchase or lease of a new or used electric, plug-in electric, or hydrogen fueled vehicle. The credit would be for vehicles that cost less than \$45,000 and the tax credit would be for up to 8.9% of the purchase price or lease payment. The annual limit on the tax credit is \$3 million.

Bill Activity: HB 281 was introduced in the House and was defeated.

HB 326 - Energy Efficiency Amendments

Sponsor: Rep. Jeff Stenquist

Passed – SWEEP monitored this bill

Bill Summary: The bill would amend the definition of electric energy efficiency measures to allow for measures that reduce energy use from all fuels, including natural gas and heating fuels.

Bill Activity: HB 326 was introduced in the House and was defeated.

HB 374 - Local Government Building Regulation

Sponsor: Rep. Paul Ray

Passed – SWEEP opposed this bill

Bill Summary: This bill amends provisions relating to local government building regulation. This bill defines terms, allows a building permit applicant to opt out of certain local building inspection or plan review requirements in specified circumstances, and prohibits a municipality or county from regulating certain building design elements.

Bill Activity: HB 374 passed in the House and the Senate and was signed into law by Governor Herbert.

HB 396 - Electric Vehicle Charging Infrastructure

Sponsor: Sen. Lincoln Fillmore

Passed – SWEEP supported this bill

Bill Summary: This bill modifies public utilities provisions relating to electric vehicle battery charging infrastructure and service. This bill authorizes Rocky Mountain Power to spend up to \$50 million investment in utility-owned electric vehicle charging infrastructure and use ratepayer money for utility-run and third-party electric vehicle charging services.

Bill Activity: HB 396 passed in the House and the Senate and was signed into law by Governor Herbert.

HB 431 - Energy Rebate Program Amendments

Sponsor: Sen. Curtis S. Bramble

Passed – SWEEP supported this bill

Bill Summary: This bill amends provisions related to energy efficiency programs for large-scale natural gas utilities and large-scale electric utilities. This bill allows Rocky Mountain Power to spend money from ratepayer electric energy efficiency programs on customer incentives for heat pumps. It also requires the Public Service Commission to allow homebuilders to continue to make use of incentives for energy efficiency measures in new homes for up to 12-months after a state building code change or a change in federal appliance efficiency standards.

Bill Activity: HB 431 passed in the House and the Senate and was signed into law by Governor Herbert.

SB 77 - Electric Energy Related Tax Credit

Sponsors: Sen. Derek Kitchen | Rep. Val Peterson

Passed – SWEEP Supported this bill

Bill Summary: This bill would create a refundable corporate and individual income tax credit for the purchase of an electric energy storage asset. Total available funds for the tax credits would be \$1 million annually.

Bill Activity: SB 77 was introduced in the house and was passed to the Senate where it was defeated.

SB 78 - Energy Storage Innovation, Research and Grant Program Act

Sponsors: Sen. Lincoln Fillmore | Rep. Tim Hawkes

Passed – SWEEP supported this bill

Bill Summary: This bill would create a \$5 million grant fund in support of energy storage deployment to be administered by the Office of Energy Development (OED). Grants could go to both nonresidential and residential energy storage projects, provided that no more than 50% of total grant funding could go to residential projects.

Bill Activity: SB 78 was introduced in the house and was passed to the Senate where it was defeated.

For additional information regarding these bills, visit the website of the Utah State Legislature, at <http://le.utah.gov/>.

WYOMING

Nothing to report for the 2020 legislative session in Wyoming.