HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee April 11, 2024 Date
Committee on <u>Finance</u> .
After consideration on the merits, the Committee recommends the following:
HB24-1352 be amended as follows, and as so amended, be referred to the Committee on <u>Appropriations</u> with favorable recommendation:
Amend printed bill, page 5, line 7, strike "2027;" and substitute "2028;".
Page 6 of the bill, line 3, strike "2027," and substitute "2028,".
Amend the Energy and Environment Committee Report, dated March 21, 2024, page 2, strike lines 2 through 5 and substitute "RESISTANCE HEAT THAT:
(A) INCLUDES A MAXIMUM OF ONE AND ONE-HALF KILOWATTS OF SUPPLEMENTAL ELECTRIC RESISTANCE HEATING PER TON OF THERMAL ENERGY, OR THE SMALLEST AMOUNT AVAILABLE, FOR THE APPLICABLE HEAT PUMP, WHICHEVER IS GREATER; AND
(B) IS ACCOMPANIED WITH AN AFFIDAVIT SIGNED BY THE PROPERTY OWNER ACKNOWLEDGING THE POTENTIAL FOR HIGHER HEATING BILLS DURING TIMES WHEN THE SUPPLEMENTAL ELECTRIC RESISTANCE HEAT IS IN USE;".
Page 7 of the bill, line 2, strike "2029," and substitute "2030,".
Page 7 of the bill, line 15, strike "2029," and substitute "2030,".
Page 8 of the bill, line 17, strike "2027," and substitute "2028,".
Page 10 of the bill, line 15, strike "6-7.7-103 (6)," and substitute "6-7.7-103 (5),".

- 19 Page 12 of the bill, lines 14 and 15, strike "2026, AND ON OR BEFORE
- 20 EVERY OTHER JANUARY 1 UNTIL JANUARY 1, 2034," and substitute
- 21 "2027,".

- 1 Page 12 off the bill, line 16, after "REVIEW" insert "OF NO MORE THAN
- 2 FIVE PAGES".
- 3 Page 3 of the report, line 18, strike "2026," and substitute "2027,".
- 4 Page 4 of the report, strike lines 5 through 10 and substitute:
- 5 "Page 13 of the printed bill, strike lines 11 through 16.
- 6 Renumber succeeding subsection accordingly.".
- Page 13 of the bill, line 17, strike "2038." and substitute "2027.".
- 8 Page 14 of the bill, line 1, strike "HOME BUILDERS AND".
- 9 Page 14 of the bill, lines 22 and 23, strike "HOME BUILDERS AND".
- Page 15 of the bill, line 1, strike "AND THE OFFICE".
- Page 15 of the bill, strike lines 25 through 27.
- 12 Page 16 of the bill, strike lines 1 through 6.
- 13 Reletter succeeding subparagraphs accordingly.
- Page 16 of the bill, line 9, strike "TEN" and substitute "FIVE".
- Page 16 of the bill, line 10, after "FAHRENHEIT;" add "AND".
- Page 16 of the bill, line 12, strike "FUELS; AND" and substitute "FUELS.".
- 17 Page 16 of the bill, strike lines 13 through 15.
- Page 4 of the report, strike lines 17 through 19 and substitute:
- 19 "Page 16, strike lines 25 through 27.
- 20 Page 17, strike line 1.
- 21 Reletter succeeding paragraphs accordingly.".
- Page 17 of the bill, strike lines 12 and 13.

- 1 Reletter succeeding paragraphs accordingly.
- 2 Page 17 of the bill, line 24, strike "HOME BUILDER OR".
- Page 4 of the report, line 22, strike ""2025,"" and substitute ""2026,"".
- 4 Page 17 of the bill, line 27, strike the second "A".
- 5 Page 18 of the bill, line 1, strike "HOME BUILDER OR".
- 6 Page 18 of the bill, line 18, strike "A HOME BUILDER OR".
- Page 4 of the report, line 28, strike "A HOME BUILDER OR".
- 8 Page 18 of the bill, line 23, strike "A HOME BUILDER OR".
- 9 Page 19 of the bill, line 5, after "CERTIFICATION;" add "OR".
- 10 Page 19 of the bill, line 8, strike "OR".
- 11 Page 19 of the bill, strike lines 9 and 10.
- Page 5 of the report, strike lines 9 through 16 and substitute:
- 13 "Page 19 of the bill, line 24, after "UNIT;" add "AND".
- 14 Strike page 20 of the bill and substitute "ORGANIZATION.".".
- Page 21 of the bill, line 3, strike "(a)".
- Page 21 of the bill, line 4, strike "HOME BUILDER OR".
- Page 21 of the bill, line 8, strike "(I)" and substitute "(a)".
- Page 21 of the bill, line 10, strike "(II)" and substitute "(b)".
- 19 Page 21 of the bill, line 12, strike "(III)" and substitute "(c)".
- 20 Page 21 of the bill, line 14, strike "(IV)" and substitute "(d)".
- Page 21 of the bill, line 16, strike "(V)" and substitute "(e)".
- Page 21 of the bill, line 19, strike "(VI)" and substitute "(f)".

- 1 Page 21 of the bill, strike lines 22 through 27.
- 2 Page 22 of the bill, line 1, strike "A HOME BUILDER OR AN" and substitute
- 3 "AN".
- 4 Page 22 of the bill, line 7, strike "HOME BUILDER OR".
- 5 Page 22 of the bill, line 8, strike "HOME BUILDER OR".
- 6 Page 22 of the bill, line 10, strike "HOME BUILDER OR".
- 7 Page 22 of the bill, line 11, strike "HOME BUILDER'S OR".
- 8 Page 22 of the bill, line 14, strike "HOME BUILDER OR".
- 9 Page 22 of the bill, line 16, strike "HOME BUILDER OR".
- Page 22 of the bill, lines 19 and 20, strike "A HOME BUILDER OR".
- Page 22 of the bill, line 22, strike "HOME BUILDER OR".
- Page 23 of the bill, line 1, strike "HOME BUILDER OR".
- Page 23 of the bill, line 4, strike "HOME BUILDER'S OR".
- Page 23 of the bill, line 26, strike "OFFICE OR THE".
- 15 Page 24 of the bill, line 1, strike "OFFICE OR THE" and strike "THE OFFICE'S
- 16 AND".
- 17 Page 24 of the bill, line 2, strike "WEBSITES." ands substitute "WEBSITE.".
- Page 24 of the bill, strike lines 3 through 6.
- 19 Renumber succeeding subsections accordingly.
- 20 Page 5 of the report, line 21, after "(2)(j)," insert "(2)(l),".
- 21 Page 5 of the report, line 24, after "(2)(c.5)," insert "(2)(d.5),".
- Page 5 of the report, line 25, strike "and (2)(k.7)" and substitute "(2)(k.7),
- 23 and (5)(a)(III.5)".

- 1 Page 25 of the bill, line 6, strike "AND".
- 2 Page 25 of the bill, line 10, strike "HEAT." and substitute "HEAT; AND
- 3 (VII) INCLUDES A MAXIMUM OF ONE AND ONE-HALF KILOWATTS OF
- 4 SUPPLEMENTAL ELECTRIC RESISTANCE HEATING PER TON OF THERMAL
- 5 ENERGY, OR THE SMALLEST AMOUNT AVAILABLE, FOR THE APPLICABLE
- 6 HEAT PUMP, WHICHEVER IS GREATER.".
- 7 Page 6 of the report, strike lines 6 through 11 and substitute:
- 8 "(c.5) "COLD-CLIMATE HEAT PUMP" MEANS A TYPE OF AIR-SOURCE 9 HEAT PUMP SYSTEM THAT:
- 10 (I) MEETS THE QUALIFICATION CRITERIA OF THE FEDERAL 11 ENVIRONMENTAL PROTECTION AGENCY'S ENERGY STAR PROGRAM'S
- 12 COLD-CLIMATE HEAT PUMP DESIGNATION OR MEETS THE HIGHEST TIER OF
- 13 THE CONSORTIUM FOR ENERGY EFFICIENCY'S NORTHERN AIR-SOURCE HEAT
- 14 PUMP SPECIFICATIONS, NOT INCLUDING AN ADVANCED TIER; AND
- 15 (II) IS INSTALLED WITH CONTROLS THAT SET A CROSSOVER
- 16 TEMPERATURE NO HIGHER THAN FIVE DEGREES FAHRENHEIT.
- 17 (d.5) "Crossover temperature" means the point that a
- 18 HEAT-PUMP-BASED HVAC SYSTEM SWITCHES EITHER PARTIALLY OR FULLY
- 19 FROM THE HEAT PUMP TO A SUPPLEMENTARY HEATING SOURCE.".
- Page 6 of the report, strike line 27 and substitute "COLD-CLIMATE HEAT
- 21 PUMP.
- 22 (1) (I) "Taxpayer" means a person subject to tax pursuant to this
- 23 article 22 or a person or political subdivision of this state that is exempt
- 24 from tax pursuant to section 39-22-112 (1).
- 25 (II) "TAXPAYER" DOES NOT INCLUDE A FOR-PROFIT HOME BUILDER
- 26 OR DEVELOPER.".".
- 27 Page 8 of the report, after line 16 insert:
- 28 "(III.5) HAS ATTENDED A MANUFACTURER, DISTRIBUTOR, OR
- $29 \qquad \text{UTILITY-SPONSORED TRAINING SESSION THAT INCLUDES THE PROPER SIZING} \\$
- 30 AND SELECTION OF HEAT PUMPS, INCLUDING COLD-CLIMATE HEAT PUMPS;".
- Page 8 of the report, line 31, strike "annually" and substitute "annually"
- 32 PERIODICALLY".
- Page 9 of the report, line 10, strike "APRIL 1, 2026," and substitute
- 34 "AUGUST 1, 2027,".

- 1 Page 9 of the report, line 11, strike "SHALL" and substitute "SHALL, WITHIN
- 2 ITS NEXT GENERAL RATE CASE REQUEST,".
- 3 Page 9 of the report, line 17, strike "ARE" and substitute "IF
- 4 COST-JUSTIFIED, ARE".
- 5 Page 9 of the report, line 20, strike "MINIMIZE OR AVOID" and substitute
- 6 "AVOID".
- Page 9 of the report, line 22, strike "2027," and substitute "2028,".
- 8 Page 37 of the bill, strike lines 13 and 14.
- 9 Renumber succeeding subsections accordingly.
- 10 Page 38 of the bill, line 9, strike "ASSISTANCE;" and substitute
- "ASSISTANCE FOR NEW BUILDING CONSTRUCTION PROJECTS;".
- Page 38 of the bill, line 11, after "ASSISTANCE" insert "FOR NEW BUILDING
- 13 CONSTRUCTION PROJECTS".
- 14 Page 38 of the bill, strike lines 17 through 27 and substitute "SUBSECTION"
- 15 (3) OF THIS SECTION.".
- Page 39 of the bill, strike lines 1 through 3.
- 17 Page 39 of the bill, strike line 27.
- Page 40 of the bill, strike lines 1 through 14.
- 19 Renumber succeeding subsection accordingly.

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