



## Fiscal Note

### Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

## HB 26-1268: RENEWABLE ENERGY DEVELOPMENT ON DISTURBED LANDS

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**Prime Sponsors:**

Rep. McCormick; Smith

**Fiscal Analyst:**

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**Published for:** House Energy & Environment**Drafting number:** LLS 26-0214**Version:** Initial Fiscal Note**Date:** March 9, 2026**Fiscal note status:** The initial fiscal note reflects the introduced bill.

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### Summary Information

**Overview.** The bill allows a local government to designate areas within its jurisdiction as renewable energy investment areas for the siting of renewable energy and energy storage system projects.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload
- Local Government

**Appropriations.** No appropriation is required.

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**Table 1**  
**State Fiscal Impacts**

Type of Impact	Budget Year FY 2026-27	Out Year FY 2027-28
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## **Summary of Legislation**

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The bill allows a local government with land use permitting authority to designate areas within its jurisdiction as renewable energy reinvestment areas for the siting of renewable energy and energy storage system projects. If an eligible project is sited in a renewable energy reinvestment area, an urban renewal authority or county revitalization authority may distribute tax revenue to finance any public infrastructure needed for an eligible project through tax increment financing.

To designate a renewable energy investment area, a local government must make certain documentation available to the public and consult with the Division of Parks and Wildlife (CPW) on wildlife and habitat impacts. It must also hold one or more public hearings, or designate the eligible site as part of a substantial modification to an existing urban renewal plan.

The bill requires a utility to respond to a request made by a local government or an eligible project developer for interconnection information regarding the proposed site of an eligible project within 30 days after the request is made.

Finally, by September 1, 2027, the bill requires the Colorado Energy Office (CEO) to consolidate, publish on its website, and periodically update information and resources concerning the process for siting, permitting, and developing eligible projects in renewable energy reinvestment areas.

## **State Expenditures**

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The bill minimally increases workload in various departments. These workload impacts are absorbable with existing resources and no appropriation is required.

### **Colorado Energy Office**

The bill increases workload in the CEO to update information and resources related to renewable energy reinvestment areas by September 1, 2027, and periodically thereafter.

### **Department of Natural Resources—Colorado Parks & Wildlife**

The bill increases workload in the CPW to consult with local governments on wildlife and habitat impacts in potential renewable energy investment areas.

### **Department of Public Health and Environment**

The bill may increase enforcement workload in the Department of Public Health and Environment, as developers are not required to consult with the department before determining site suitability.

## **Department of Local Affairs**

The Division of Property Taxation will update manuals and informational materials to reflect the renewable energy reinvestment area.

## **Local Government**

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The bill impacts revenue and expenditures for counties and municipalities that designate renewable energy reinvestment areas and distribute tax revenue to finance any public infrastructure needed for eligible projects. It is uncertain how many local governments will designate renewable energy reinvestment areas or exercise their powers as tax increment financing authorities.

The bill also increases workload for municipally owned utilities to respond to interconnection requests within 30 days.

## **Effective Date**

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State and Local Government Contacts**

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Colorado Energy Office	Municipalities
Counties	Natural Resources
Local Affairs	Regulatory Agencies

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).