

CHAPTER 382

GOVERNMENT - STATE

SENATE BILL 25-307

BY SENATOR(S) Amabile and Bridges, Kirkmeyer;
also REPRESENTATIVE(S) Sirota and Bird, Taggart, Brown, Joseph, McCluskie.

AN ACT

CONCERNING THE DECARBONIZATION TAX CREDITS ADMINISTRATION CASH FUND, AND, IN CONNECTION THEREWITH, REQUIRING THAT MONEY CREDITED TO THE FUND NOT EXCEED THE NET REVENUE FROM THE COLLECTION OF OIL AND GAS SEVERANCE TAX, TRANSFERRING TWO MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE ENERGY AND CARBON MANAGEMENT CASH FUND TO THE FUND, AND TRANSFERRING TWO MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE FUND TO THE ENERGY AND CARBON MANAGEMENT CASH FUND.

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

SECTION 1. In Colorado Revised Statutes, 24-38.5-120, **add** (3.5) as follows:

24-38.5-120. Decarbonization tax credits administration cash fund - definitions - repeal. (3.5) (a) ON JANUARY 1, 2026, THE STATE TREASURER SHALL TRANSFER TWO MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE FUND TO THE ENERGY AND CARBON MANAGEMENT CASH FUND CREATED IN SECTION 34-60-122 (5).

(b) THIS SUBSECTION (3.5) IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 2. In Colorado Revised Statutes, 39-29-108, **amend** (2)(e)(I); and **add** (2)(e)(IV) as follows:

39-29-108. Allocation of severance tax revenues - definitions - repeal. (2) (e) (I) ~~Except as provided in subsection (2)(e)(II) of this section,~~ For the state fiscal years 2023-24 through 2026-27, the state treasurer shall credit the discrete increased amount of severance tax for oil and gas production that is attributable to the reduction of the credit against tax pursuant to section 39-29-105 (2)(b)(II) and 39-29-105 (2)(c) to the decarbonization tax credits administration cash fund created in section 24-38.5-120 (2); EXCEPT THAT, FOR STATE FISCAL YEARS 2024-25 AND

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

2025-26, MONEY CREDITED TO THE DECARBONIZATION TAX CREDITS ADMINISTRATION CASH FUND SHALL NOT EXCEED THE NET REVENUE FROM THE OIL AND GAS SEVERANCE TAX COLLECTION.

(IV) THIS SUBSECTION (2)(e) IS REPEALED, EFFECTIVE DECEMBER 31, 2036.

SECTION 3. In Colorado Revised Statutes, 34-60-122, **add** (5)(f) as follows:

34-60-122. Expenses - energy and carbon management cash fund created - repeal. (5) (f) (I) ON JUNE 30, 2025, THE STATE TREASURER SHALL TRANSFER TWO MILLION FIVE HUNDRED THOUSAND DOLLARS FROM THE ENERGY AND CARBON MANAGEMENT CASH FUND TO THE DECARBONIZATION TAX CREDITS ADMINISTRATION CASH FUND CREATED IN SECTION 24-38.5-120 (2).

(II) THIS SUBSECTION (5)(f) IS REPEALED, EFFECTIVE JULY 1, 2026.

SECTION 4. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: June 3, 2025