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Rep. Young's Bill to Grow Rural Renewable Energy Industry Advances

DENVER, CO -- Representative Mary Young's bipartisan legislation to extend and expand the Renewable Energy Refundability Program, part of the Enterprise Zone program, today passed the House Committee on Business Affairs and Labor by a vote of 8-3.

"Rural economies are strengthened by our growing renewable energy industry," **said Rep. Young, D-Greeley.** "The Enterprise Zone program has helped create jobs across our state in rural areas and has spurred renewable energy projects that are contributing to our economy and local governments. We need to keep this program going and allow it to foster new and critical technologies."

The Enterprise Zone (EZ) program helps businesses in rural and economically distressed areas by providing a variety of tax credits and incentives. One of these incentives encourages new renewable energy businesses to create projects in rural parts of the state. The EZ Investment Tax Credit provides businesses investing in business personal property with a 3 percent state income tax credit. If a business generates renewable energy, they also have the option of converting the credit to a refund at 80 percent of the credit's value, which can help incentivize businesses to construct renewables projects by assuring them that much of their initial investment in a project will be repaid.

HB20-1299, which is also sponsored by Representative Rod Pelton, R-Cheyenne Wells, would extend the tax credit for three years and expand the definition of renewable energy to include "energy storage systems," which are critical for keeping power flowing when renewable sources such as solar and wind cannot generate power because the sun isn't shining or the wind isn't blowing.

The tax credit has helped prominent renewable energy projects get off the ground in Colorado. EZ renewable energy credits helped finance the Rush Creek Wind Farm, which spans five Eastern Plains counties. It also encouraged the development of the Prowers Wind Farm, which created 250 jobs during construction.