

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 21-0902.01 Jason Gelender x4330

HOUSE BILL 21-1290

HOUSE SPONSORSHIP

Esgar and Will,

SENATE SPONSORSHIP

Fenberg and Rankin,

House Committees

Business Affairs & Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING FUNDING TO PROVIDE JUST TRANSITION FOR COAL**
102 **TRANSITION WORKERS AND COAL TRANSITION COMMUNITIES,**
103 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill makes general fund transfers of \$8 million to the just transition cash fund (fund) and \$7 million to a newly created coal transition worker assistance program account (account) in the fund. The just transition office (office) is required to expend at least 70% of the money transferred to the fund in state fiscal year (FY) 2021-22 and any

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

HOUSE
Amended 2nd Reading
May 19, 2021

remaining money in state FY 2022-23 to implement the final just transition plan for Colorado and to provide supplemental funding for existing state programs that the office identifies as the most effective vehicles for targeted investment in coal transition communities. In expending the money, the office is required to develop specific criteria for prioritizing the expenditures, emphasize investment in tier one transition communities, as defined by the bill, and support specified types of programs in accordance with specified requirements and limitations.

Subject to specified requirements and limitations, the department of labor and employment is required to expend at least 70% of the money transferred to the account in state FY 2021-22 and any remaining money in state FY 2022-23 first for assistance programs that directly assist coal transition workers and then, if money remains, to support family and other household members of coal transition workers and create and implement a pilot program to test innovative coal transition work support programs.

The bill also amends and supplements existing definitions of "coal transition community" and "coal transition worker" to improve the implementation of just transition.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-83-502, **amend** (1)
3 (2), and (9); and **add** (1.5), (10), (11), (12), and (13) as follows:

4 **8-83-502. Definitions.** As used in this part 5, unless the context
5 otherwise requires:

6 (1) "Coal transition community" means a COLORADO
7 municipality, county, or region ~~that has been affected in the previous~~
8 ~~twelve months, or that demonstrates it will be impacted in the next~~
9 ~~thirty-six months, by the loss of fifty or more jobs in total from a coal~~
10 ~~mine, coal-fueled electrical power generating plant, or the manufacturing~~
11 ~~and transportation supply chains of either~~ WHERE A COAL TRANSITION
12 FACILITY OR A CENTER FOR THE MANUFACTURING OR TRANSPORTATION
13 SUPPLY CHAIN OF A COAL TRANSITION FACILITY WAS OR IS LOCATED.

14 (1.5) "COAL TRANSITION FACILITY" MEANS A COLORADO

1 COAL-FUELED ELECTRICAL POWER GENERATING PLANT THAT WAS IN
2 OPERATION AT ANY TIME IN 2017, OR A COLORADO COAL MINE THAT WAS
3 ACTIVELY PRODUCING AT ANY TIME IN 2017.

4 (2) "Coal transition worker" means a Colorado ~~worker laid off~~
5 ~~from employment on or after May 28, 2019, in a coal mine, coal-fueled~~
6 ~~electrical power generating plant, or the manufacturing and transportation~~
7 ~~supply chains of either~~ RESIDENT WHO WORKS OR WORKED IN A COAL
8 TRANSITION FACILITY OR IN THE MANUFACTURING OR TRANSPORTATION
9 SUPPLY CHAIN OF A COAL TRANSITION FACILITY.

10 (9) ~~"Wage differential benefit" means supplemental income~~
11 ~~covering all or part of the difference between an individual's previous~~
12 ~~employment in a coal mine, coal-fueled electrical power generating plant,~~
13 ~~or the manufacturing and transportation supply chains of either and new~~
14 ~~employment or supplemental income during job retraining.~~ "TIER ONE
15 COAL TRANSITION WORKER" MEANS A COAL TRANSITION WORKER WHO
16 WAS LAID OFF ON OR AFTER JANUARY 1, 2017, OR WHO THE DIRECTOR
17 DETERMINES IS REASONABLY LIKELY TO BE LAID OFF IN THE FUTURE, FROM
18 EMPLOYMENT IN A COAL TRANSITION FACILITY OR THE MANUFACTURING
19 OR TRANSPORTATION SUPPLY TRAIN OF A COAL TRANSITION FACILITY IF
20 THE PROXIMATE CAUSE OF THE ACTUAL OR ANTICIPATED LOSS OF
21 EMPLOYMENT IS EITHER THE CLOSURE OR CONVERSION OF A COAL-FUELED
22 ELECTRICAL POWER GENERATING PLANT IN COLORADO OR A CONTIGUOUS
23 STATE OR WHAT THE DIRECTOR DETERMINES TO BE A SUSTAINED AND
24 LIKELY PERMANENT DECLINE IN BROADER COAL MARKETS DUE TO SIMILAR
25 CLOSURES OR CONVERSIONS NATIONALLY AND GLOBALLY.

26 (10) "TIER ONE TRANSITION COMMUNITY" MEANS A COAL
27 TRANSITION COMMUNITY THAT THE DIRECTOR, WITH THE CONCURRENCE

1 OF THE EXECUTIVE DIRECTORS OF THE DEPARTMENT AND THE
2 DEPARTMENT OF LOCAL AFFAIRS, DETERMINES HAS ALREADY
3 EXPERIENCED OR IS AT RISK OF EXPERIENCING SIGNIFICANT ECONOMIC
4 DISRUPTION, THE PROXIMATE CAUSE OF WHICH IS EITHER THE CLOSURE OR
5 CONVERSION OF A COAL-FUELED ELECTRICAL POWER GENERATING PLANT
6 IN COLORADO OR A CONTIGUOUS STATE OR A SUSTAINED AND LIKELY
7 PERMANENT DECLINE IN BROADER COAL MARKETS DUE TO SIMILAR
8 CLOSURES OR CONVERSIONS NATIONALLY AND GLOBALLY.

9 (11) "TIER TWO COAL TRANSITION WORKER" MEANS A COAL
10 TRANSITION WORKER WHO IS NOT A TIER ONE COAL TRANSITION WORKER.

11 (12) "TIER TWO TRANSITION COMMUNITY" MEANS A COAL
12 TRANSITION COMMUNITY THAT THE DIRECTOR, WITH THE CONCURRENCE
13 OF THE EXECUTIVE DIRECTORS OF THE DEPARTMENT AND THE
14 DEPARTMENT OF LOCAL AFFAIRS, DETERMINES HAS NOT YET MET THE
15 CRITERIA REQUIRED TO BE A TIER ONE TRANSITION COMMUNITY.

16 (13) "WAGE DIFFERENTIAL BENEFIT" MEANS SUPPLEMENTAL
17 INCOME COVERING ALL OR PART OF THE DIFFERENCE BETWEEN AN
18 INDIVIDUAL'S PREVIOUS EMPLOYMENT IN A COAL MINE, COAL-FUELED
19 ELECTRICAL POWER GENERATING PLANT, OR THE MANUFACTURING AND
20 TRANSPORTATION SUPPLY CHAINS OF EITHER AND NEW EMPLOYMENT OR
21 SUPPLEMENTAL INCOME DURING JOB RETRAINING.

22 **SECTION 2.** In Colorado Revised Statutes, 8-83-504, **amend** (1);
23 and **add** (4) as follows:

24 **8-83-504. Just transition cash fund - transfer from general**
25 **fund.** (1) There is hereby created in the state treasury the just transition
26 cash fund. The fund consists of money credited to the fund and any other
27 money that the general assembly may appropriate or transfer to the fund.

1 The state treasurer shall credit all interest and income derived from the
2 deposit and investment of money in the fund to the fund. Subject to
3 annual appropriation by the general assembly, the office may expend
4 money from the fund AND THE DEPARTMENT MAY EXPEND MONEY FROM
5 THE COAL TRANSITION WORKFORCE ASSISTANCE PROGRAM ACCOUNT OF
6 THE FUND CREATED IN SECTION 8-83-504.5 (1) for purposes specified in
7 this part 5, including paying for the office's direct and indirect costs in
8 administering this part 5.

9 (4) (a) ON THE EFFECTIVE DATE OF THIS SUBSECTION (4)(a), THE
10 STATE TREASURER SHALL TRANSFER EIGHT MILLION DOLLARS FROM THE
11 GENERAL FUND TO THE FUND. SUBJECT TO ANNUAL APPROPRIATION BY
12 THE GENERAL ASSEMBLY, THE OFFICE SHALL EXPEND THE MONEY
13 TRANSFERRED TO IMPLEMENT THE FINAL JUST TRANSITION PLAN FOR
14 COLORADO PREPARED AS REQUIRED BY SECTION 8-83-503 (4) AND TO
15 PROVIDE SUPPLEMENTAL FUNDING FOR EXISTING STATE PROGRAMS THAT
16 THE OFFICE IDENTIFIES AS THE MOST EFFECTIVE VEHICLES FOR TARGETED
17 INVESTMENT IN COAL TRANSITION COMMUNITIES. IN PROVIDING SUCH
18 SUPPLEMENTAL FUNDING, THE OFFICE SHALL PLACE A HEAVY EMPHASIS ON
19 INVESTMENT IN TIER ONE TRANSITION COMMUNITIES AND SHALL SUPPORT
20 PROGRAMS THAT:

21 (I) SUPPORT TARGETED ECONOMIC DEVELOPMENT;

22 (II) ASSIST WITH REGIONAL CAPACITY FOR COORDINATION OF
23 ECONOMIC DEVELOPMENT PROGRAMS AND WORKER ASSISTANCE
24 PROGRAMS;

25 (III) SUPPORT INFRASTRUCTURE PROJECTS AND WORKFORCE
26 DEVELOPMENT PROGRAMS; OR

27 (IV) ARE CONSISTENT WITH THE GOALS AND STRATEGIES

1 OUTLINED IN THE FINAL JUST TRANSITION PLAN.

2 (b) IN ADDITION TO THE REQUIREMENTS SET FORTH IN SUBSECTION
3 (4)(a) OF THIS SECTION, THE OFFICE SHALL EXPEND MONEY TRANSFERRED
4 TO THE FUND PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION IN
5 ACCORDANCE WITH THE FOLLOWING REQUIREMENTS AND LIMITATIONS:

6 (I) THE OFFICE SHALL CONSULT WITH THE JUST TRANSITION
7 ADVISORY COMMITTEE ON EXPENDITURE DECISIONS AND PRIORITIZE THE
8 EXPENDITURE OF THE MONEY IN A MANNER CONSISTENT WITH THE FINAL
9 JUST TRANSITION PLAN AND THE LEVEL OF SUPPORT FOR ANY GIVEN
10 PROPOSED EXPENDITURE FROM COAL TRANSITION COMMUNITIES AND
11 STATE ACTION TEAMS FORMED TO ASSIST WITH THE DEVELOPMENT OF
12 RURAL ECONOMIC DIVERSIFICATION AND TRANSITION ROADMAPS AS SET
13 FORTH IN THE FINAL JUST TRANSITION PLAN.

14 (II) THE OFFICE MAY PROVIDE FOR THE TRANSFER OF MONEY FROM
15 THE FUND TO OTHER STATE AGENCIES ONLY IF THE TRANSFER IS APPROVED
16 BY THE DIRECTOR, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, THE
17 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS, AND THE
18 EXECUTIVE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC
19 DEVELOPMENT;

20 (III) THE OFFICE SHALL EXPEND AT LEAST SEVENTY PERCENT OF
21 THE MONEY BY THE CLOSE OF STATE FISCAL YEAR 2021-22 AND SHALL
22 EXPEND ANY REMAINING MONEY BY THE CLOSE OF STATE FISCAL YEAR
23 2022-23; AND

24 (IV) THE DEPARTMENT IS AUTHORIZED TO USE UP TO FIVE PERCENT
25 OF THE MONEY TO FUND OPERATIONAL SUPPORT FOR THE OFFICE'S
26 EXPENDITURE OF THE MONEY INCLUDING FUNDING FOR THE
27 COMPENSATION OF EXISTING OFFICE EMPLOYEES.

1 (c) SUBJECT TO THE REQUIREMENTS OF THIS SUBSECTION (4) AND
2 NOTWITHSTANDING ANY OTHER LAW, THE OFFICE MAY EXPEND MONEY
3 FROM THE FUND TO MAKE GRANTS TO ANY ELIGIBLE ENTITY AND A STATE
4 AGENCY TO WHICH A TRANSFER OF MONEY FROM THE FUND IS MADE
5 PURSUANT TO THIS SUBSECTION (4) MAY EXPEND THE MONEY
6 TRANSFERRED TO MAKE GRANTS TO ANY ELIGIBLE ENTITY.

7 **SECTION 3.** In Colorado Revised Statutes, **add 8-83-504.5** as
8 follows:

9 **8-83-504.5. Additional coal transition workforce assistance**
10 **program funding - coal transition worker assistance program**
11 **account.** (1) THE COAL TRANSITION WORKER ASSISTANCE PROGRAM
12 ACCOUNT IS HEREBY CREATED IN THE FUND. ON THE EFFECTIVE DATE OF
13 THIS SUBSECTION (1), THE STATE TREASURER SHALL TRANSFER SEVEN
14 MILLION DOLLARS FROM THE GENERAL FUND TO THE WORKFORCE
15 ASSISTANCE PROGRAM ACCOUNT. SUBJECT TO ANNUAL APPROPRIATION BY
16 THE GENERAL ASSEMBLY, THE DEPARTMENT SHALL EXPEND MONEY FROM
17 THE ACCOUNT FOR COAL TRANSITION WORKER ASSISTANCE PROGRAMS
18 SUBJECT TO THE FOLLOWING REQUIREMENTS AND LIMITATIONS:

19 (a) THE MONEY MUST BE EXPENDED FIRST FOR PROGRAMS THAT
20 DIRECTLY ASSIST COAL TRANSITION WORKERS INCLUDING PROGRAMS
21 THAT:

22 (I) ESTABLISH OR EXPAND EXISTING APPRENTICESHIP PROGRAMS,
23 THE TRAINING CAPACITY OF SUCH PROGRAMS, AND THE PLACEMENT OF
24 COAL TRANSITION WORKERS INTO SUCH PROGRAMS, PRIORITIZING
25 PROGRAMS THAT ARE RECOGNIZED AS REGISTERED APPRENTICESHIP
26 PROGRAMS BY THE DEPARTMENT OR ARE INDUSTRY-RECOGNIZED
27 APPRENTICESHIP PROGRAMS THAT SATISFY UNITED STATES DEPARTMENT

1 OF LABOR REQUIREMENTS FOR SUCH PROGRAMS;

2 (II) AID IMPLEMENTATION OF THE FINAL JUST TRANSITION PLAN;

3 (III) PROVIDE TUITION REIMBURSEMENT;

4 (IV) PROVIDE JOB SEARCH ASSISTANCE;

5 (V) PROVIDE INDIVIDUALIZED FINANCIAL AND TRANSITION

6 PLANNING; OR

7 (VI) PROVIDE OTHER SERVICES AUTHORIZED BY THE FEDERAL

8 "WORKFORCE INNOVATION AND OPPORTUNITY ACT", PUB.L. 113-128,

9 SUCH AS ON-THE-JOB TRAINING, SUBSIDIZED EMPLOYMENT, AND OTHER

10 STRATEGIES THAT AID IN THE IMPLEMENTATION OF INDIVIDUAL

11 TRANSITION PLANS;

12 (b) IF MONEY REQUIRED BY SUBSECTION (1)(c) OF THIS SECTION TO

13 BE EXPENDED DURING STATE FISCAL YEAR 2021-22 OR DURING STATE

14 FISCAL YEAR 2022-23 REMAINS UNEXPENDED AS OF MARCH 1 OF THE

15 APPLICABLE STATE FISCAL YEAR AFTER EXPENDITURES ARE MADE

16 PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, ADDITIONAL

17 EXPENDITURES SHALL BE MADE DURING THE APPLICABLE STATE FISCAL

18 YEAR:

19 (I) TO SUPPORT FAMILY MEMBERS OR OTHER HOUSEHOLD

20 MEMBERS OF COAL TRANSITION WORKERS; AND

21 (II) TO CREATE AND IMPLEMENT A PILOT PROGRAM TO TEST

22 INNOVATIVE COAL TRANSITION WORK SUPPORT PROGRAMS. THE

23 DEPARTMENT IS ENCOURAGED TO LIMIT ANY PILOT PROGRAM TO NO MORE

24 THAN FORTY COAL TRANSITION WORKERS OR COAL TRANSITION WORKER

25 HOUSEHOLDS.

26 (c) THE DEPARTMENT SHALL EXPEND AT LEAST SEVENTY PERCENT

27 OF THE MONEY BY THE CLOSE OF STATE FISCAL YEAR 2021-22 AND SHALL

1 EXPEND ANY REMAINING MONEY BY THE CLOSE OF STATE FISCAL YEAR
2 2022-23;

3 (d) THE DEPARTMENT IS AUTHORIZED TO USE UP TO FIVE PERCENT
4 OF THE MONEY TO FUND OPERATIONAL SUPPORT FOR THE ACTIVITIES
5 AUTHORIZED BY THIS SECTION INCLUDING FUNDING FOR THE
6 COMPENSATION OF ONE ADDITIONAL FULL-TIME EQUIVALENT EMPLOYEE.

7 (2) SUBJECT TO THE REQUIREMENTS OF SUBSECTION (1) OF THIS
8 SECTION, THE OFFICE MAY EXPEND MONEY FROM THE WORKFORCE
9 ASSISTANCE PROGRAM ACCOUNT TO MAKE GRANTS TO ANY ELIGIBLE
10 ENTITY.

11 **SECTION 4. Appropriation.** (1) For the 2020-21 state fiscal
12 year, \$8,000,000 is appropriated to the department of labor and
13 employment for use by the division of employment and training, just
14 transition office. This appropriation is from the just transition cash fund
15 created in section 8-83-504 (1) C.R.S., and is based on an assumption that
16 the department will require an additional 1.0 FTE. To implement this act,
17 the department may use this appropriation for the purposes specified in
18 section 8-83-504 (4), C.R.S. Any money appropriated in this section not
19 expended prior to July 1, 2021, is further appropriated to the just
20 transition office for the 2021-22 and 2022-23 state fiscal years for the
21 same purpose.

22 (2) For the 2020-21 state fiscal year, \$7,000,000 is appropriated
23 to the department of labor and employment. This appropriation is from
24 the coal transition worker assistance program account of the just
25 transition cash fund created in section 8-83-504.5 (1), C.R.S., and is
26 based on an assumption that the department will require an additional 1.0
27 FTE. To implement this act, the department may use this appropriation

1 for the purposes specified in section 8-83-504.5, C.R.S. Any money
2 appropriated in this section not expended prior to July 1, 2021, is further
3 appropriated to the department for the 2021-22 and 2022-23 state fiscal
4 years for the same purpose.

5 **SECTION 5. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, or safety.