

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

REVISED

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

LLS NO. 22-1035.01 Christy Chase x2008

HOUSE BILL 22-1394

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A BILL FOR AN ACT

101 **CONCERNING FUNDING FOR JUST TRANSITION PROGRAMS TO ASSIST**
102 **COMMUNITIES WITH ECONOMIC TRANSITIONS, AND, IN**
103 **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 transfers \$15 million from the general fund, with \$5 million allocated to the just transition cash fund and \$10 million allocated to the coal transition workforce assistance program account, and directs the department of labor and employment, through the just transition office, to expend the money for specified coal community and worker

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.*

SENATE
Amended 2nd Reading
May 6, 2022

HOUSE
3rd Reading Unamended
April 28, 2022

HOUSE
Amended 2nd Reading
April 27, 2022

supports.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-83-504, **amend** (1),
3 (4)(a), (4)(b)(II), (4)(b)(III), and (4)(b)(IV) as (4)(a) introductory portion
4 is **amended by House Bill 22-1193** as follows:

5 **8-83-504. Just transition cash fund - transfer from general**
6 **fund - transfer from account - definition - repeal.** (1) There is hereby
7 created in the state treasury the just transition cash fund. The fund
8 consists of money credited to the fund in accordance with section
9 39-29-108 (2)(d) and any other money that the general assembly may
10 appropriate or transfer to the fund. The state treasurer shall credit all
11 interest and income derived from the deposit and investment of money in
12 the fund to the fund. Subject to annual appropriation by the general
13 assembly, the office may expend money from the fund and the department
14 may expend money from the coal transition workforce assistance program
15 account of the fund created in section 8-83-504.5 (1) for purposes
16 specified in this part 5, including paying for the office's direct and indirect
17 costs in administering this part 5. ANY UNEXPENDED AND UNENCUMBERED
18 MONEY IN THE FUND AT THE END OF ANY FISCAL YEAR REMAINS IN THE
19 FUND AND SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL
20 FUND.

21 (4) (a) (I) (A) On June 30, 2021, the state treasurer shall transfer
22 eight million dollars from the general fund to the fund.

23 (B) ~~On the effective date of the introductory portion to this~~
24 ~~subsection (4)(a), as amended~~ MARCH 7, 2022, the state treasurer shall
25 transfer two million dollars from the account to the fund.

1 (C) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER
2 FIVE MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

3 (II) Subject to annual appropriation by the general assembly, the
4 office shall expend the money transferred to the fund pursuant to this
5 subsection (4)(a) to implement the final just transition plan for Colorado
6 prepared as required by section 8-83-503 (4) and to provide supplemental
7 funding for existing state programs that the office identifies as the most
8 effective vehicles for targeted investment in coal transition communities.
9 In providing such supplemental funding, the office shall place a heavy
10 emphasis on investment in tier one transition communities and shall
11 support programs that:

- 12 ~~(I)~~ (A) Support targeted economic development;
- 13 ~~(II)~~ (B) Assist with regional capacity for coordination of economic
14 development programs and worker assistance programs;
- 15 ~~(III)~~ (C) Support infrastructure projects and workforce
16 development programs; or
- 17 ~~(IV)~~ (D) Are consistent with the goals and strategies outlined in
18 the final just transition plan.

19 (III) FOR PURPOSES OF THE MONEY TRANSFERRED TO THE FUND
20 PURSUANT TO SUBSECTION (4)(a)(I)(C) OF THIS SECTION, THE OFFICE
21 SHALL USE THE MONEY TO SUPPORT TARGETED ECONOMIC DEVELOPMENT
22 FOR THE FOLLOWING:

- 23 (A) EXPANSION ASSISTANCE FOR EXISTING LOCAL BUSINESSES;
- 24 (B) EXPANDING PRIVATE FINANCIAL INVESTMENT; AND
- 25 (C) SITE SELECTOR AND TECHNICAL ASSISTANCE ENGAGEMENTS.

26 (b) In addition to the requirements set forth in subsection (4)(a) of
27 this section, the office shall expend money transferred to the fund

1 pursuant to subsection (4)(a) of this section in accordance with the
2 following requirements and limitations:

3 (II) The office may provide for the transfer of money from the
4 fund to other state agencies only if the transfer is approved by the
5 director, the executive director of the department, the executive director
6 of the department of local affairs, and the ~~executive~~ director of the
7 Colorado office of economic development.

8 (III) (A) The office shall expend ~~at least seventy percent of the~~
9 ~~money~~ TRANSFERRED TO THE FUND PURSUANT TO SUBSECTIONS
10 (4)(a)(I)(A) AND (4)(a)(I)(B) OF THIS SECTION by the close of state fiscal
11 ~~year 2021-22 and shall expend any remaining money by the close of state~~
12 ~~fiscal year 2022-23~~ 2023-24.

13 (B) THE OFFICE SHALL EXPEND THE MONEY TRANSFERRED TO THE
14 FUND PURSUANT TO SUBSECTION (4)(a)(I)(C) OF THIS SECTION BY THE
15 CLOSE OF STATE FISCAL YEAR 2025-26.

16 (IV) The department is authorized to use up to five percent of the
17 money IN THE FUND to fund operational support for the office's
18 expenditure of the money, including funding for the compensation of
19 existing office employees.

20 **SECTION 2.** In Colorado Revised Statutes, 8-83-504.5, **amend**
21 (1)(a) as (1) introductory portion, (1)(a) introductory portion, and
22 (1)(a)(V) are **amended by House Bill 22-1193** and as (1)(a)(VII) and
23 (1)(a)(VIII) are **added by House Bill 22-1193**; and **add** (1)(e) and (1)(f)
24 as follows:

25 **8-83-504.5. Additional coal transition workforce assistance**
26 **program funding - coal transition workforce assistance program**
27 **account.** (1) (a) (I) The coal transition workforce assistance program

1 account is hereby created in the fund.

2 (II) (A) On June 30, 2021, the state treasurer shall transfer seven
3 million dollars from the general fund to the account.

4 (B) ON JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER TEN
5 MILLION DOLLARS FROM THE GENERAL FUND TO THE ACCOUNT.

6 (III) Subject to annual appropriation by the general assembly, the
7 department shall expend money from the account for coal transition
8 workforce assistance programs ~~subject to the following requirements and~~
9 ~~limitations:~~

10 (a) ~~The money must be expended for programs~~ that directly assist
11 coal transition workers or their family members and other household
12 members, including programs that:

13 (H) (A) Establish or expand existing apprenticeship programs, the
14 training capacity of such programs, and the placement of coal transition
15 workers into such programs, prioritizing programs that are recognized as
16 registered apprenticeship programs by the department or are
17 industry-recognized apprenticeship programs that satisfy United States
18 department of labor requirements for such programs;

19 (H) (B) Aid implementation of the final just transition plan;

20 (H) (C) Provide tuition reimbursement;

21 (H) (D) Provide job search assistance;

22 (H) (E) Provide individualized financial and transition planning;

23 (H) (F) Provide other services authorized by the federal
24 "Workforce Innovation and Opportunity Act", Pub.L. 113-128, such as
25 on-the-job training, subsidized employment, and other strategies that aid
26 in the implementation of individual transition plans;

27 (H) (G) Support family members or other household members

1 of coal transition workers; or

2 ~~(VIII)~~ (H) Test innovative coal transition work support programs
3 through a pilot program. The department is encouraged to limit any pilot
4 program to no more than forty total participants who are coal transition
5 workers, coal transition worker family members, coal transition worker
6 households, or a combination of coal transition workers, family members,
7 and households.

8 (IV) FOR PURPOSES OF THE MONEY TRANSFERRED TO THE
9 ACCOUNT PURSUANT TO SUBSECTION (1)(a)(II)(B) OF THIS SECTION, THE
10 OFFICE SHALL USE THE MONEY FOR THE FOLLOWING PURPOSES THAT
11 DIRECTLY ASSIST COAL TRANSITION WORKERS, THEIR FAMILY MEMBERS,
12 AND OTHER HOUSEHOLD MEMBERS, INCLUDING COAL TRANSITION
13 WORKERS, THEIR FAMILY MEMBERS, AND THEIR HOUSEHOLD MEMBERS
14 WHO ARE MEMBERS OF A DISPROPORTIONATELY IMPACTED COMMUNITY:

15 (A) TUITION ASSISTANCE AND APPRENTICESHIPS;

16 (B) EXPANDED CHILD CARE ASSISTANCE;

17 (C) CAREER PLANNING SERVICES;

18 (D) FINANCIAL COUNSELING; AND

19 (E) HOUSING ASSISTANCE.

20 (e) THE DEPARTMENT SHALL EXPEND THE MONEY TRANSFERRED
21 TO THE ACCOUNT PURSUANT TO SUBSECTION (1)(a)(II)(B) OF THIS SECTION
22 BY THE CLOSE OF STATE FISCAL YEAR 2026-27.

23 (f) ANY UNEXPENDED AND UNENCUMBERED MONEY IN THE
24 ACCOUNT AT THE END OF ANY FISCAL YEAR REMAINS IN THE ACCOUNT AND
25 SHALL NOT BE CREDITED OR TRANSFERRED TO THE GENERAL FUND.

26 **SECTION 3. In Colorado Revised Statutes, amend 8-83-506 as**
27 **follows:**

1 **8-83-506. Report - recommendations - repeal.** (1) (a) No later
2 than January 1, 2024, the director shall provide written recommendations
3 to the general assembly and the governor about changes to this part 5 that
4 should be considered in order to better achieve the purposes of this part
5 5.

6 ~~(2)~~ (b) This section SUBSECTION (1) is repealed, effective
7 September 1, 2025.

8 (2) (a) BETWEEN SEPTEMBER 1 AND NOVEMBER 15, 2022, AND
9 BETWEEN SEPTEMBER 1 AND NOVEMBER 15 OF EACH YEAR THEREAFTER,
10 THE DIRECTOR SHALL PRESENT A REPORT TO THE JOINT BUDGET
11 COMMITTEE OF THE GENERAL ASSEMBLY ON THE HISTORY OF
12 EXPENDITURES FROM THE FUND AND THE ACCOUNT AND THE PURPOSES
13 FOR WHICH THE MONEY IN THE FUND AND IN THE ACCOUNT HAS BEEN
14 EXPENDED OR ENCUMBERED IN THE IMMEDIATELY PRECEDING STATE
15 FISCAL YEAR, SPECIFYING THE PROGRAMS DESCRIBED IN SECTIONS
16 8-83-504 AND 8-83-504.5 FOR WHICH MONEY HAS BEEN EXPENDED,
17 ENCUMBERED, OR OTHERWISE ALLOCATED.

18 (b) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE
19 REPORTING REQUIREMENT SPECIFIED IN SUBSECTION (2)(a) OF THIS
20 SECTION CONTINUES INDEFINITELY.

21 **SECTION 4.** In Session Laws of Colorado 2021, section 4 of
22 chapter 400, (HB21-1290), **amend** (1) as follows:

23 Section 4. **Appropriation.** (1) For the 2020-21 state fiscal year,
24 \$8,000,000 is appropriated to the department of labor and employment for
25 use by the division of employment and training, just transition office. This
26 appropriation is from the just transition cash fund created in section
27 8-83-504 (1), C.R.S., and is based on an assumption that the department

1 will require an additional 1.0 FTE. To implement this act, the department
2 may use this appropriation for the purposes specified in section 8-83-504
3 (4), C.R.S. Any money appropriated in this section not expended prior to
4 July 1, 2021, is further appropriated to the just transition office for the
5 2021-22, and 2022-23, AND 2023-24 state fiscal years for the same
6 purpose.

7 **SECTION 5.** In Session Laws of Colorado 2022, section 5 of
8 chapter 11, (HB22-1193), **amend** (3) and (4) as follows:

9 Section 5. **Appropriation.** (3) For the 2021-22 state fiscal year,
10 \$1,295,000 is appropriated to the department of labor and employment for
11 use by the division of employment and training. This appropriation is
12 from the just transition cash fund created in section 8-83-504 (1), C.R.S.
13 To implement this act, the division may use this appropriation for the
14 purposes specified in section 8-83-504, C.R.S. ANY MONEY
15 APPROPRIATED IN THIS SUBSECTION (3) NOT EXPENDED BEFORE JULY 1,
16 2022, IS FURTHER APPROPRIATED TO THE DEPARTMENT FOR THE 2022-23
17 AND 2023-24 STATE FISCAL YEARS FOR THE SAME PURPOSE.

18 (4) For the 2022-23 state fiscal year, \$555,000 is appropriated to
19 the department of labor and employment for use by the division of
20 employment and training. This appropriation is from the just transition
21 cash fund created in section 8-83-504 (1), C.R.S. To implement this act,
22 the division may use this appropriation for the purposes specified in
23 section 8-83-504, C.R.S. ANY MONEY APPROPRIATED IN THIS SUBSECTION
24 (4) NOT EXPENDED BEFORE JULY 1, 2023, IS FURTHER APPROPRIATED TO
25 THE DEPARTMENT FOR THE 2023-24 STATE FISCAL YEAR FOR THE SAME
26 PURPOSE.

27 **SECTION 6.** **Appropriation.** (1) For the 2022-23 state fiscal

1 year, \$5,000,000 is appropriated to the department of labor and
2 employment for use by the division of employment and training. This
3 appropriation is from the just transition cash fund created in section
4 8-83-504 (1), C.R.S. To implement this act, the department may use this
5 appropriation for just transition plan implementation/coal transition
6 community assistance as specified in section 8-83-504 (4), C.R.S. Any
7 money appropriated in this section not expended prior to July 1, 2023, is
8 further appropriated to the department through the 2025-26 state fiscal
9 year for the same purpose.

10 (2) For the 2022-23 state fiscal year, \$10,000,000 is appropriated
11 to the department of labor and employment for use by the division of
12 employment and training. This appropriation is from the coal transition
13 workforce assistance program account of the just transition cash fund
14 created in section 8-83-504.5 (1). To implement this act, the department
15 may use this appropriation for coal transition worker assistance as
16 specified in section 8-83-504.5, C.R.S. Any money appropriated in this
17 section not expended prior to July 1, 2023, is further appropriated to the
18 department through the 2026-27 state fiscal year for the same purpose.

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