Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 24-1029.01 Josh Schultz x5486

HOUSE BILL 24-1410

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House Committees Appropriations **Senate Committees**

A BILL FOR AN ACT

101 CONCERNING ADMINISTRATIVE CHANGES TO THE JUST TRANSITION

102 OFFICE IN THE DEPARTMENT OF LABOR AND EMPLOYMENT.

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 <u>http://leg.colorado.gov/</u>.)

Joint Budget Committee. The bill relocates the just transition office (office) from the division of employment and training in the department of labor and employment to the office of the executive director of the department of labor and employment. The bill changes the deadline for the office to expend money in the just transition cash fund (fund) from state fiscal year 2023-24 to state fiscal year 2029-30. Any

unexpended money in the fund at the end of state fiscal year 2029-30, including unexpended money in the coal transition workforce assistance program account in the fund, shall be transferred to the general fund.

The bill modifies the types of programs that the office supports using money from the fund.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 8-83-502, amend (7);
3	and add (5.5) as follows:
4	8-83-502. Definitions. As used in this part 5, unless the context
5	otherwise requires:
6	(5.5) "EXECUTIVE DIRECTOR" MEANS THE EXECUTIVE DIRECTOR OF
7	THE DEPARTMENT OF LABOR AND EMPLOYMENT.
8	(7) "Just transition plan" means the plan, in draft or final form,
9	prepared by the just transition advisory committee as outlined in section
10	8-83-503 (6) and submitted by the director as outlined in section 8-83-503
11	(4), OR ANY SUBSEQUENT VERSION OF THE PLAN DEVELOPED THROUGH A
12	SIMILAR PROCESS.
13	SECTION 2. In Colorado Revised Statutes, 8-83-503, amend (1),
14	(2), and (4) introductory portion as follows:
15	8-83-503. Just transition office - advisory committee - repeal.
16	(1) There is hereby created within the division a THE just transition office
17	IS CREATED IN THE OFFICE OF THE EXECUTIVE DIRECTOR. The JUST
18	TRANSITION office shall exercise is a TYPE 2 entity, as defined in
19	SECTION 24-1-105, AND EXERCISES its powers and perform PERFORMS its
20	duties and functions under the department as if the office were transferred
21	to the department by a type 2 transfer as defined in section 24-1-105 OF
22	LABOR AND EMPLOYMENT.
23	(2) The director of the division EXECUTIVE DIRECTOR shall appoint

1 the director of the office. The director shall manage the operations of the 2 office.

3 (4) Based on the draft just transition plan recommended by the 4 advisory committee pursuant to subsection (6) of this section, and with 5 the approval of the executive director of the department and the executive 6 director of the department of local affairs, on or before December 31, 7 2020, the director shall submit to the governor and the general assembly 8 a final just transition plan for Colorado. This final plan must include, at 9 a minimum:

10 **SECTION 3.** In Colorado Revised Statutes, 8-83-504, amend (1), 11 (4)(a)(II), and (4)(b)(III); and **repeal** (4)(a)(III) as follows:

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8-83-504. Just transition cash fund - transfer from general 13 fund - transfer from account - definition. (1) There is hereby created 14 in the state treasury the just transition cash fund THE JUST TRANSITION 15 CASH FUND IS CREATED IN THE STATE TREASURY. The fund consists of 16 money credited to the fund in accordance with section 39-29-108(2)(d)17 and any other money that the general assembly may appropriate or 18 transfer to the fund. The state treasurer shall credit all interest and income 19 derived from the deposit and investment of money in the fund to the fund. 20 Subject to annual appropriation by the general assembly, the office may 21 expend money from the fund and the department may expend money from 22 the coal transition workforce assistance program account of the fund 23 created in section 8-83-504.5 (1) for purposes specified in this part 5, 24 including paying for the office's direct and indirect costs in administering 25 this part 5. Any unexpended and unencumbered money in the fund at the 26 end of any fiscal year remains in the fund and shall not be credited or 27 transferred to the general fund; EXCEPT THAT, AT THE END OF STATE

FISCAL YEAR 2029-30, ANY UNEXPENDED AND UNENCUMBERED MONEY
 SHALL BE TRANSFERRED TO THE GENERAL FUND.

3 (4) (a) (II) Subject to annual appropriation by the general 4 assembly, the office shall expend the money transferred to the fund 5 pursuant to this subsection (4)(a) to implement the final just transition 6 plan for Colorado prepared as required by section 8-83-503 (4), and to 7 provide supplemental funding for existing state programs that the office 8 identifies as the most effective vehicles for targeted investment in coal 9 transition communities, AND TO PROVIDE GRANTS AND OTHER SUPPORT 10 DIRECTLY TO COAL TRANSITION COMMUNITIES AND OTHER ELIGIBLE 11 ENTITIES. In providing such supplemental funding EXPENDING MONEY 12 FROM THE FUND, the office shall place a heavy emphasis on investment in 13 tier one transition communities and shall support programs that:

14 (A) Support targeted economic development, INCLUDING
15 EXPANSION ASSISTANCE FOR EXISTING LOCAL BUSINESSES, PROGRAMS
16 EXPANDING PRIVATE FINANCIAL INVESTMENT, AND SITE SELECTOR AND
17 TECHNICAL ASSISTANCE ENGAGEMENTS;

(B) Assist with regional capacity for coordination of economic
development programs and worker assistance programs;

20 (C) Support infrastructure projects and workforce development
 21 programs; or

(D) Are consistent with the goals and strategies outlined in the
 final just transition plan.

(III) For purposes of the money transferred to the fund pursuant
 to subsection (4)(a)(I)(C) of this section, the office shall use the money
 to support targeted economic development for the following:

27 (A) Expansion assistance for existing local businesses;

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- (B) Expanding private financial investment; and
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(C) Site selector and technical assistance engagements.

- 3 (b) In addition to the requirements set forth in subsection (4)(a) of 4 this section, the office shall expend money transferred to the fund 5 pursuant to subsection (4)(a) of this section in accordance with the 6 following requirements and limitations:
- 7 (III) (A) The office shall expend OR ENCUMBER the money 8 transferred to the fund pursuant to subsections (4)(a)(I)(A) and 9 (4)(a)(I)(B) of this section by the close of state fiscal year 2023-2410 2029-30.
- 11 (B) The office shall expend the money transferred to the fund 12 pursuant to subsection (4)(a)(I)(C) of this section by the close of state 13 fiscal year 2025-26.
- 14 SECTION 4. In Colorado Revised Statutes, 8-83-504.5, amend 15 (1)(a)(III) and (1)(f); and **repeal** (1)(a)(IV) as follows:
- 16 8-83-504.5. Additional coal transition workforce assistance 17 program funding - coal transition workforce assistance program 18 **account.** (1) (a) (III) Subject to annual appropriation by the general 19 assembly, the department shall expend money from the account for coal 20 transition workforce assistance programs that directly assist coal 21 transition workers, or their family members, and other household 22 members, INCLUDING THOSE COAL TRANSITION WORKERS, THEIR FAMILY 23 MEMBERS, AND THEIR HOUSEHOLD MEMBERS WHO ARE MEMBERS OF A 24 DISPROPORTIONATELY IMPACTED COMMUNITY, including programs that: 25 (A) Establish or expand existing apprenticeship programs, the
- training capacity of such programs, and the placement of coal transition 27 workers into such programs, prioritizing programs that are recognized as

1 registered apprenticeship programs by the department or a state 2 apprenticeship agency recognized by the United States department of 3 labor; 4 (B) Aid implementation of the final just transition plan; 5 (C) Provide tuition reimbursement ASSISTANCE; 6 (D) Provide job search assistance; (E) Provide individualized financial and transition CAREER 7 8 planning SERVICES AND FINANCIAL COUNSELING; 9 (F) SUPPORT CHILD CARE ASSISTANCE; 10 (G) SUPPORT HOUSING ASSISTANCE; 11 (H)SUPPORT HEALTH-CARE AND BEHAVIORAL HEALTH 12 ASSISTANCE; 13 (I) SUPPORT RETIREMENT ASSISTANCE; 14 (J) **PROVIDE BUSINESS START-UP ASSISTANCE**; 15 (F) (K) Provide other services authorized by the federal 16 "Workforce Innovation and Opportunity Act", Pub.L. 113-128, such as 17 on-the-job training, subsidized employment, and other strategies that aid 18 in the implementation of individual transition plans; OR 19 (G) Support family members or other household members of coal 20 transition workers; or 21 (H) (L) Test innovative coal transition work support programs 22 through a pilot program. The department is encouraged to limit any pilot 23 program to no more than forty total participants who are coal transition 24 workers, coal transition worker family members, coal transition worker 25 households, or a combination of coal transition workers, family members, 26 and households.

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(IV) For purposes of the money transferred to the account

1	pursuant to subsection (1)(a)(II)(B) of this section, the office shall use the
2	money for the following purposes that directly assist coal transition
3	workers, their family members, and other household members, including
4	coal transition workers, their family members, and their household
5	members who are members of a disproportionately impacted community:
6	(A) Tuition assistance and apprenticeships;
7	(B) Expanded child care assistance;
8	(C) Career planning services;
9	(D) Financial counseling; and
10	(E) Housing assistance.
11	(f) Any unexpended and unencumbered money in the account at
12	the end of any fiscal year remains in the account and shall not be credited
13	or transferred to the general fund; EXCEPT THAT, AT THE END OF STATE
14	FISCAL YEAR 2029-30, ANY UNEXPENDED AND UNENCUMBERED MONEY
15	SHALL BE TRANSFERRED TO THE GENERAL FUND.
16	SECTION 5. Safety clause. The general assembly finds,
17	determines, and declares that this act is necessary for the immediate
18	preservation of the public peace, health, or safety or for appropriations for
19	the support and maintenance of the departments of the state and state
20	•

20 institutions.