

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

**REREVISED**

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

LLS NO. 26-0331.01 Jed Franklin x5484

**SENATE BILL 26-052**

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**Senate Committees**

Agriculture & Natural Resources

**House Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING COAL TRANSITION COMMUNITIES, AND, IN CONNECTION**  
102                    **THEREWITH, PROVIDING A HIRING PREFERENCE FOR COAL**  
103                    **TRANSITION WORKERS IN COAL TRANSITION COMMUNITIES AND**  
104                    **EXPANDING THE ALLOWABLE WAYS IN WHICH A PUBLIC ENTITY**  
105                    **MAY DEPOSIT OR INVEST JUST TRANSITION MONEY.**

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**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 establishes a first and preferred opportunity for available employment for coal transition workers (hiring preference). A business

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

HOUSE  
3rd Reading Unamended  
February 23, 2026

HOUSE  
Amended 2nd Reading  
February 20, 2026

SENATE  
3rd Reading Unamended  
February 11, 2026

SENATE  
Amended 2nd Reading  
February 10, 2026

entity located in a coal transition community that is engaged in the business of constructing or operating railroads, utilities, energy generation facilities, or advanced manufacturing facilities (covered business) is required to comply with the hiring preference. A covered business does not include the state government or a local government.

A covered business is required to make good faith efforts to provide a hiring preference to a coal transition worker who meets the minimum qualifications for an employment position (qualified coal transition worker). A covered business may hire an individual who is not a qualified coal transition worker only if either a qualified coal transition worker did not apply for employment with the covered business or each qualified coal transition worker declined a job offer from a covered business.

A covered business is required to report annually to the executive director of the department of labor and employment or their designee (executive director). The executive director is required to adopt policies and procedures to implement the bill.

Currently, a public entity is not allowed to invest public funds in certain types of investments, such as equity instruments, instruments convertible to equity, or equity interests, or to deposit public funds with any person except certain depository institutions, which are primarily banks. The bill authorizes a public entity to deposit or invest, either directly or through an investment firm or other third party authorized by the public entity, public funds from a payment or settlement that the public entity has received to offset the socioeconomic impacts to a community or government from the closure of a coal mine or coal power generating station in any investment permitted by an investment policy approved by the public entity.

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

2           **SECTION 1. Legislative declaration.** (1) The general assembly  
3 finds and declares that:

4           (a) Coal transition workers have powered the state for decades,  
5 and the loss of coal-related employment has profound economic and  
6 personal impacts on workers, their families, and the communities that  
7 depend on them. These impacts are concentrated in specific regions of the  
8 state and result directly from the planned and regulated decline of  
9 coal-fueled generation and extraction.

1 (b) Coal transition workers possess specialized, high-value skills  
2 that are directly transferable and critical to the state's transportation,  
3 infrastructure, clean-energy, manufacturing, and industrial future,  
4 including skills developed through years of work in highly regulated,  
5 safety-sensitive, and technical environments;

6 (c) As coal facilities wind down and close pursuant to state policy,  
7 regulatory approvals, and statutory clean-energy requirements, the state  
8 has a legitimate and compelling interest in mitigating the foreseeable  
9 economic harm to workers and communities that results from those  
10 state-directed actions;

11 (d) Displaced coal transition workers should have clear, reliable,  
12 and timely pathways into new careers of equal quality, including  
13 comparable wages, benefits, and job security, within or near the  
14 communities in which they live;

15 (e) The state's clean-energy economy already employs nearly  
16 70,000 workers, which is more than twice as many as the fossil-fuel  
17 sector, and state and regional climate workforce analyses identify  
18 significant shortages across at least twenty climate-critical occupations,  
19 requiring thousands of additional skilled workers, including electricians,  
20 construction laborers and managers, HVAC and building technicians,  
21 wind and solar technicians, power-line workers, electric-vehicle  
22 technicians, and other skilled trades, to meet the state's statutory climate  
23 goals, including the goal of net-zero greenhouse gas emissions by 2050;

24 (f) The state is simultaneously experiencing a substantial shortage  
25 of construction workers, with construction trades projected to grow  
26 significantly through 2030 and employers needing to fill tens of  
27 thousands of high-demand positions. These workforce gaps make it

1 imperative that just-transition policy deliberately and efficiently align  
2 displaced coal transition workers with existing and projected labor needs  
3 in clean energy, construction, transportation, and related sectors.

4 (g) Economic development, transportation, energy, and  
5 infrastructure projects in coal transition communities must prioritize  
6 reemployment opportunities for qualified coal transition workers so that  
7 the economic transition does not come at the expense of the individuals  
8 and communities that built and sustained these regions; and

9 (h) A targeted, qualification-based, and narrowly tailored hiring  
10 preference, implemented through good faith efforts and tied to state  
11 interests in economic recovery and workforce development, is a lawful  
12 and necessary tool to ensure that coal transition workers directly benefit  
13 from ongoing and future development in their communities and are not  
14 left behind.

15 **SECTION 2.** In Colorado Revised Statutes, **add** 8-83-507 as  
16 follows:

17 **8-83-507. Hiring preference - coal transition workers -**  
18 **definitions.**

19 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
20 REQUIRES:

21 (a) "COAL TRANSITION COMMUNITY" MEANS A COLORADO  
22 MUNICIPALITY, COUNTY, OR REGION WHERE A COAL TRANSITION FACILITY  
23 OR A CENTER FOR THE MANUFACTURING OR TRANSPORTATION SUPPLY  
24 CHAIN OF A COAL TRANSITION FACILITY WAS OR IS LOCATED.

25 (b) "COAL TRANSITION WORKER" MEANS AN INDIVIDUAL WHO  
26 WORKS OR HAS WORKED IN A COLORADO COAL TRANSITION FACILITY OR  
27 IN THE MANUFACTURING OR TRANSPORTATION SUPPLY CHAIN OF A COAL

1     TRANSITION FACILITY.

2             (c) "COVERED BUSINESS" MEANS A BUSINESS ENTITY OPERATING  
3     IN A COAL TRANSITION COMMUNITY THAT IS ENGAGED IN THE BUSINESS OF  
4     CONSTRUCTING OR OPERATING RAILROADS, UTILITIES, ENERGY  
5     GENERATION FACILITIES, OR ADVANCED MANUFACTURING FACILITIES. A  
6     "COVERED BUSINESS" DOES NOT INCLUDE THE STATE GOVERNMENT OR A  
7     LOCAL GOVERNMENT.

8             (d) "HIRING PREFERENCE" MEANS A FIRST AND PREFERRED  
9     OPPORTUNITY FOR AVAILABLE EMPLOYMENT IN A COAL TRANSITION  
10    COMMUNITY.

11            (e) "QUALIFIED COAL TRANSITION WORKER" MEANS A COAL  
12    TRANSITION WORKER WHO MEETS THE \_\_\_\_\_ QUALIFICATIONS FOR AN  
13    EMPLOYMENT POSITION WITH A COVERED BUSINESS.

14            (2) (a) ON AND AFTER JANUARY 1, 2027, A COVERED BUSINESS  
15    SHALL PROVIDE A HIRING PREFERENCE FOR A QUALIFIED COAL TRANSITION  
16    WORKER TO A PROSPECTIVE NEW EMPLOYEE.

17            (b) A COVERED BUSINESS MAY HIRE AN INDIVIDUAL WHO IS NOT A  
18    QUALIFIED COAL TRANSITION WORKER ONLY IF:

19            (I) A QUALIFIED COAL TRANSITION WORKER DID NOT APPLY TO BE  
20    EMPLOYED BY A COVERED BUSINESS; ■

21            (II) EACH QUALIFIED COAL TRANSITION WORKER TO WHOM THE  
22    COVERED BUSINESS EXTENDS AN OFFER OF EMPLOYMENT DECLINES THE  
23    OFFER; OR

24            (III) A QUALIFIED COAL TRANSITION WORKER'S QUALIFICATIONS  
25    DID NOT MEET THE QUALIFICATIONS OF OTHER CANDIDATES FOR THE SAME  
26    JOB.

27            (3) A COVERED BUSINESS SHALL CONSULT WITH THE JUST

1 TRANSITION OFFICE, OPERATORS OF EXISTING COAL-FUELED GENERATION  
2 FACILITIES SCHEDULED FOR RETIREMENT, AND ORGANIZATIONS  
3 REPRESENTING QUALIFIED COAL TRANSITION WORKERS TO IDENTIFY  
4 QUALIFIED COAL TRANSITION WORKERS.

5 (4) IF A QUALIFIED COAL TRANSITION WORKER APPLIES FOR  
6 EMPLOYMENT WITH A COVERED BUSINESS, THEN A COVERED BUSINESS  
7 SHALL REPORT ANNUALLY TO THE JUST TRANSITION OFFICE THE  
8 FOLLOWING INFORMATION REGARDING THE PRIOR YEAR:

9 (a) THE TITLE OF ANY POSITION FILLED BY A QUALIFIED COAL  
10 TRANSITION WORKER;

11 (b) THE NUMBER OF QUALIFIED COAL TRANSITION WORKERS WHO  
12 FILLED POSITIONS AT THE COVERED BUSINESS;

13 (c) THE NUMBER OF INDIVIDUALS WHO ARE NOT QUALIFIED COAL  
14 TRANSITION WORKERS WHO FILLED POSITIONS AT THE COVERED BUSINESS;  
15 AND

16 (d) EFFORTS UNDERTAKEN BY THE COVERED BUSINESS TO RECRUIT  
17 QUALIFIED COAL TRANSITION WORKERS.

18 (5) A COVERED BUSINESS SHALL MAKE GOOD FAITH EFFORTS TO  
19 COMPLY WITH THIS SECTION.

20 (6) THE EXECUTIVE DIRECTOR OR THEIR DESIGNEE SHALL DEVELOP  
21 POLICIES AND PROCEDURES FOR THE IMPLEMENTATION OF THIS SECTION.

22 (7) A HIRING PREFERENCE DOES NOT APPLY IF A COVERED  
23 BUSINESS PLACES AN EXISTING EMPLOYEE IN ANOTHER EMPLOYMENT  
24 POSITION WITH THE COVERED BUSINESS OR TO THE EXTENT THAT A HIRING  
25 PREFERENCE CONFLICTS WITH THE TERMS OF A COLLECTIVE BARGAINING  
26 AGREEMENT THAT APPLIES TO THE RELATIONSHIP BETWEEN A COVERED  
27 BUSINESS AND ITS EMPLOYEES.

1           **SECTION 3.** In Colorado Revised Statutes, 24-75-601.1, **amend**  
2 (5) as follows:

3           **24-75-601.1. Legal investments of public funds - definition.**

4           ~~(5) Nothing in this section applies to public funds held or invested~~  
5 ~~as part of any payment or settlement to offset the socioeconomic impacts~~  
6 ~~to a community or government from the closure of a coal mine or coal~~  
7 ~~power generating station.~~ NOTWITHSTANDING ANY LAW TO THE  
8 CONTRARY, IN ADDITION TO ANY OTHER DEPOSIT OR INVESTMENT OF  
9 PUBLIC FUNDS ALLOWED BY LAW, A PUBLIC ENTITY IS AUTHORIZED TO  
10 DEPOSIT OR INVEST, EITHER DIRECTLY OR THROUGH AN INVESTMENT FIRM  
11 OR OTHER THIRD PARTY AUTHORIZED BY THE PUBLIC ENTITY, ANY  
12 PAYMENT OR SETTLEMENT FUNDS THAT THE PUBLIC ENTITY HAS RECEIVED  
13 TO OFFSET THE SOCIOECONOMIC IMPACTS TO A COMMUNITY OR  
14 GOVERNMENT FROM THE CLOSURE OF A COAL MINE OR COAL POWER  
15 GENERATING STATION AND THE INTEREST, INVESTMENT INCOME, OR GAIN  
16 EARNED THEREON IN ANY INVESTMENT PERMITTED UNDER AN INVESTMENT  
17 POLICY ADOPTED BY THE PUBLIC ENTITY. FOR PURPOSES OF THIS  
18 SUBSECTION (5), UNLESS THE CONTEXT OTHERWISE REQUIRES,  
19 "INVESTMENT FIRM" MEANS A BANK, BROKERAGE FIRM, OR OTHER  
20 FINANCIAL SERVICES FIRM CONDUCTING BUSINESS IN THE STATE, OR ANY  
21 AGENT THEREOF.

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