

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

SENATE BILL 26-052

BY SENATOR(S) Roberts and Catlin, Amabile, Ball, Bridges, Exum, Gonzales J., Hinrichsen, Jodeh, Kipp, Kirkmeyer, Lindstedt, Liston, Marchman, Mullica, Pelton R., Simpson, Snyder, Sullivan, Wallace, Coleman;

also REPRESENTATIVE(S) Lukens and Mauro, Bacon, Boesenecker, Brown, Clifford, Duran, Froelich, Garcia, Goldstein, Lieder, Lindsay, Martinez, McCormick, Nguyen, Paschal, Ricks, Rutinel, Sirota, Smith, Stewart K., Story, Titone, Woodrow, McCluskie.

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

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

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

(a) Coal transition workers have powered the state for decades, and the loss of coal-related employment has profound economic and personal

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

impacts on workers, their families, and the communities that depend on them. These impacts are concentrated in specific regions of the state and result directly from the planned and regulated decline of coal-fueled generation and extraction.

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

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

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

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

(f) The state is simultaneously experiencing a substantial shortage of construction workers, with construction trades projected to grow significantly through 2030 and employers needing to fill tens of thousands of high-demand positions. These workforce gaps make it imperative that just-transition policy deliberately and efficiently align displaced coal transition workers with existing and projected labor needs in clean energy, construction, transportation, and related sectors.

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

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

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

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

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

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

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

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

(d) "HIRING PREFERENCE" MEANS A FIRST AND PREFERRED

OPPORTUNITY FOR AVAILABLE EMPLOYMENT IN A COAL TRANSITION COMMUNITY.

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

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

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

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

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

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

(3) A COVERED BUSINESS SHALL CONSULT WITH THE JUST TRANSITION OFFICE, OPERATORS OF EXISTING COAL-FUELED GENERATION FACILITIES SCHEDULED FOR RETIREMENT, AND ORGANIZATIONS REPRESENTING QUALIFIED COAL TRANSITION WORKERS TO IDENTIFY QUALIFIED COAL TRANSITION WORKERS.

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

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

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

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

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

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

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

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

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

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

(5) ~~Nothing in this section applies to public funds held or invested as part of any payment or settlement to offset the socioeconomic impacts to a community or government from the closure of a coal mine or coal power generating station.~~ NOTWITHSTANDING ANY LAW TO THE CONTRARY, IN ADDITION TO ANY OTHER DEPOSIT OR INVESTMENT OF PUBLIC FUNDS ALLOWED BY LAW, A PUBLIC ENTITY IS AUTHORIZED TO DEPOSIT OR INVEST, EITHER DIRECTLY OR THROUGH AN INVESTMENT FIRM OR OTHER THIRD PARTY AUTHORIZED BY THE PUBLIC ENTITY, ANY PAYMENT OR SETTLEMENT FUNDS 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 AND THE INTEREST, INVESTMENT INCOME, OR GAIN EARNED THEREON IN ANY INVESTMENT PERMITTED UNDER AN INVESTMENT POLICY ADOPTED BY THE PUBLIC ENTITY. FOR PURPOSES OF THIS SUBSECTION (5), UNLESS THE CONTEXT OTHERWISE REQUIRES, "INVESTMENT FIRM" MEANS A BANK,

BROKERAGE FIRM, OR OTHER FINANCIAL SERVICES FIRM CONDUCTING BUSINESS IN THE STATE, OR ANY AGENT THEREOF.

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

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James Rashad Coleman, Sr.  
PRESIDENT OF  
THE SENATE

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Julie McCluskie  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Esther van Mourik  
SECRETARY OF  
THE SENATE

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Vanessa Reilly  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

APPROVED \_\_\_\_\_

(Date and Time)

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Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO