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HOUSE BILL 21-1290

BY REPRESENTATIVE(S) Esgar and Will, Amabile, Bacon, Burnett, Bird, Boesenecker, Caraveo, Cutter, Duran, Exum, Froelich, Gonzales-Gutierrez, Herod, Hooton, Jackson, Jodeh, Kennedy, Kipp, Lontine, McCluskie, McCormick, McLachlan, Michaelson Jenet, Ortiz, Ricks, Roberts, Sirota, Snyder, Sullivan, Tipper, Titone, Valdez A., Valdez D., Weissman, Young, Garnett;
also SENATOR(S) Fenberg and Rankin, Bridges, Buckner, Coram, Danielson, Ginal, Gonzales, Hansen, Jaquez Lewis, Kolker, Lee, Moreno, Pettersen, Simpson, Story, Winter, Garcia.

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

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

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

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

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.

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

(1.5) "COAL TRANSITION FACILITY" MEANS A COLORADO COAL-FUELED ELECTRICAL POWER GENERATING PLANT THAT WAS IN OPERATION AT ANY TIME IN 2017, OR A COLORADO COAL MINE THAT WAS ACTIVELY PRODUCING AT ANY TIME IN 2017.

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

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

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

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

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

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

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

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

8-83-504. Just transition cash fund - transfer from general fund.

(1) There is hereby created in the state treasury the just transition cash fund. The fund consists of money credited to the fund and any other money that the general assembly may appropriate or transfer to the fund. The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Subject to annual appropriation by the general assembly, the office may expend money from the fund AND THE DEPARTMENT MAY EXPEND MONEY FROM THE COAL TRANSITION WORKFORCE ASSISTANCE PROGRAM ACCOUNT OF THE FUND CREATED IN SECTION 8-83-504.5 (1) for purposes specified in this part 5, including paying for the office's direct and indirect costs in administering this part 5.

(4) (a) ON THE EFFECTIVE DATE OF THIS SUBSECTION (4)(a), THE STATE TREASURER SHALL TRANSFER EIGHT MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE OFFICE SHALL EXPEND THE MONEY TRANSFERRED TO IMPLEMENT THE FINAL JUST TRANSITION PLAN FOR COLORADO PREPARED AS REQUIRED BY SECTION 8-83-503 (4) 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 PROVIDING SUCH SUPPLEMENTAL FUNDING, THE OFFICE SHALL PLACE A HEAVY EMPHASIS ON INVESTMENT IN TIER ONE TRANSITION COMMUNITIES AND SHALL SUPPORT PROGRAMS THAT:

(I) SUPPORT TARGETED ECONOMIC DEVELOPMENT;

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

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

(IV) ARE CONSISTENT WITH THE GOALS AND STRATEGIES OUTLINED IN THE FINAL JUST TRANSITION PLAN.

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

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

(II) THE OFFICE MAY PROVIDE FOR THE TRANSFER OF MONEY FROM THE FUND TO OTHER STATE AGENCIES ONLY IF THE TRANSFER IS APPROVED BY THE DIRECTOR, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, THE

EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS, AND THE EXECUTIVE DIRECTOR OF THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT;

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

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

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

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

8-83-504.5. Additional coal transition workforce assistance program funding - coal transition worker assistance program account.

(1) THE COAL TRANSITION WORKER ASSISTANCE PROGRAM ACCOUNT IS HEREBY CREATED IN THE FUND. ON THE EFFECTIVE DATE OF THIS SUBSECTION (1), THE STATE TREASURER SHALL TRANSFER SEVEN MILLION DOLLARS FROM THE GENERAL FUND TO THE WORKFORCE ASSISTANCE PROGRAM ACCOUNT. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT SHALL EXPEND MONEY FROM THE ACCOUNT FOR COAL TRANSITION WORKER ASSISTANCE PROGRAMS SUBJECT TO THE FOLLOWING REQUIREMENTS AND LIMITATIONS:

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

(I) ESTABLISH OR EXPAND EXISTING APPRENTICESHIP PROGRAMS, THE TRAINING CAPACITY OF SUCH PROGRAMS, AND THE PLACEMENT OF COAL TRANSITION WORKERS INTO SUCH PROGRAMS, PRIORITIZING PROGRAMS THAT

ARE RECOGNIZED AS REGISTERED APPRENTICESHIP PROGRAMS BY THE DEPARTMENT OR ARE INDUSTRY-RECOGNIZED APPRENTICESHIP PROGRAMS THAT SATISFY UNITED STATES DEPARTMENT OF LABOR REQUIREMENTS FOR SUCH PROGRAMS;

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

(III) PROVIDE TUITION REIMBURSEMENT;

(IV) PROVIDE JOB SEARCH ASSISTANCE;

(V) PROVIDE INDIVIDUALIZED FINANCIAL AND TRANSITION PLANNING; OR

(VI) PROVIDE OTHER SERVICES AUTHORIZED BY THE FEDERAL "WORKFORCE INNOVATION AND OPPORTUNITY ACT", PUB.L. 113-128, SUCH AS ON-THE-JOB TRAINING, SUBSIDIZED EMPLOYMENT, AND OTHER STRATEGIES THAT AID IN THE IMPLEMENTATION OF INDIVIDUAL TRANSITION PLANS;

(b) IF MONEY REQUIRED BY SUBSECTION (1)(c) OF THIS SECTION TO BE EXPENDED DURING STATE FISCAL YEAR 2021-22 OR DURING STATE FISCAL YEAR 2022-23 REMAINS UNEXPENDED AS OF MARCH 1 OF THE APPLICABLE STATE FISCAL YEAR AFTER EXPENDITURES ARE MADE PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION, ADDITIONAL EXPENDITURES SHALL BE MADE DURING THE APPLICABLE STATE FISCAL YEAR:

(I) TO SUPPORT FAMILY MEMBERS OR OTHER HOUSEHOLD MEMBERS OF COAL TRANSITION WORKERS; AND

(II) TO CREATE AND IMPLEMENT A PILOT PROGRAM TO TEST INNOVATIVE COAL TRANSITION WORK SUPPORT PROGRAMS. THE DEPARTMENT IS ENCOURAGED TO LIMIT ANY PILOT PROGRAM TO NO MORE THAN FORTY COAL TRANSITION WORKERS OR COAL TRANSITION WORKER HOUSEHOLDS.

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

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

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

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

(2) For the 2020-21 state fiscal year, \$7,000,000 is appropriated to the department of labor and employment. This appropriation is from the coal transition worker assistance program account of the just transition cash fund created in section 8-83-504.5 (1), C.R.S., and is based on an assumption that the department will require an additional 1.0 FTE. To implement this act, the department may use this appropriation for the purposes specified in section 8-83-504.5, C.R.S. Any money appropriated in this section not expended prior to July 1, 2021, is further appropriated to the department for the 2021-22 and 2022-23 state fiscal years for the same purpose.

SECTION 5. Safety clause. The general assembly hereby finds,

determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Alec Garnett
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Leroy M. Garcia
PRESIDENT OF
THE SENATE

Robin Jones
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Cindi L. Markwell
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO