



# Fiscal Note

## Legislative Council Staff

Nonpartisan Services for Colorado’s Legislature

### **SB 25-037: COAL TRANSITION GRANTS**

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**Prime Sponsors:**

Sen. Roberts; Kirkmeyer  
Rep. Taggart; Mauro

**Fiscal Analyst:**

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**Drafting number:** LLS 25-0446

**Version:** First Revised Note

**Date:** February 12, 2025

**Fiscal note status:** The fiscal note reflects the introduced bill, as amended by the Senate Business, Labor, and Technology Committee.

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### **Summary Information**

**Overview.** The bill specifies and updates how the Department of Labor and Employment prioritizes grants to local governments and extends a reporting deadline for the Colorado Energy Office.

**Types of impacts.** The bill is projected to affect the following areas on an ongoing basis:

- State Expenditures
- Local Government

**Appropriations.** No appropriation is required.

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**Table 1  
State Fiscal Impacts**

<b>Type of Impact</b>	<b>Budget Year FY 2025-26</b>	<b>Out Year FY 2026-27</b>
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

## **Summary of Legislation**

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Under current law, the Just Transition Office in the Department of Labor and Employment (CDLE) funds programs for targeted investment in coal transition communities, with a focus on tier one communities. The bill directs the office to also prioritize investments in tier two communities, which are communities without coal infrastructure but still indirectly impacted by coal closures. It also clarifies the grant application process and requires the office to report on the grant program to the General Assembly.

The bill exempts funds received from a payment or settlement to offset community impacts from the closure of a coal mine or coal power plant from the state's investment restrictions.

The Colorado Energy Office is conducting a study on advanced energy solutions in rural Colorado. The bill extends the office's deadline to report on its findings from July 1, 2025, to November 14, 2025.

## **State Expenditures**

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### **Department of Labor and Employment**

Workload will increase in the Just Transition Office to update its grantmaking procedures and to deliver annual reports to the General Assembly. This can be accomplished within existing appropriations.

### **Colorado Energy Office**

Extending the reporting deadline shifts some workload from the current FY 2024-25 to FY 2025-26. No change in appropriations is required.

## **Local Government**

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Municipalities and counties are primary recipients of CDLE's grants, and the overall availability of funds is unchanged. By expanding how CDLE prioritizes grants to coal transition communities, the bill may affect which local government projects are funded within existing funding levels.

## **Effective Date**

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The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State and Local Government Contacts

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Colorado Energy Office

Local Affairs

Labor

Public Health and Environment