First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 23-0302.01 Nicole Myers x4326

SENATE BILL 23-292

SENATE SPONSORSHIP

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Duran and Bird,

Senate CommitteesBusiness, Labor, & Technology

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A BILL FOR AN ACT

101 CONCERNING LABOR REQUIREMENTS FOR ENERGY SECTOR CONSTRUCTION.

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.)

Current labor requirements for public projects. In 2019, the general assembly adopted an apprenticeship utilization law (apprenticeship utilization law) that requires the general contractor for a public project that does not receive federal money, and that is in the amount of one million dollars or more, to submit, at the time a mechanical, electrical, or plumbing subcontractor is put under contract,

documentation to the contracting agency that identifies the contractors or subcontractors that will be used for specified aspects of the public project and certifies that all firms identified participate in specified apprenticeship programs.

At the same time, the general assembly also adopted a prevailing wage law (prevailing wage law) that requires any contractor who is awarded a contract for a public project by an agency of government for \$500,000 or more and that does not include federal money, and any subcontractors working on the public project, to pay their employees a prevailing wage at weekly intervals. The contractors and subcontractors are required to comply with prevailing wage enforcement provisions and requirements.

Energy sector public works projects. The bill creates a new category of public works projects defined as "energy sector public works projects", and requires these projects to comply with the requirements of the apprenticeship utilization law and the prevailing wage law for energy sector public works projects. An "energy sector public works project" is any project that:

- Has the purpose of generating, transmitting, or distributing electricity or natural gas for the purpose of providing energy to Colorado individual consumers and businesses; or
- Has the purpose of generating or distributing electricity or natural gas for the purpose of providing energy to Colorado individual consumers and businesses from utility customer funding as approved by a cooperative electric association.

With certain exceptions, the bill requires that a contract for an energy sector public works project include provisions that expressly require that all work performed under the contract comply with the state mechanical, electrical, and plumbing apprenticeship utilization law and the state prevailing wage law if the project is an electric power generation project with a nameplate generation capacity of one megawatt or higher or if the project is a project other than an electric power generation project with a total cost of one million dollars or more. All contracts with subcontractors on the project are also required to include such provisions. If the contract for an energy sector public works project does not include such provisions, the project will not be eligible to receive state funding or to receive required authorizations or approvals from the public utilities commission (PUC).

The lead contractor for an energy sector public works project is required to:

• Prepare certified payroll records for workers directly employed by the contractor and any subcontractors on the project and submit the records to the public utility or other owner of the energy sector public works project weekly;

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and

• Prepare a quarterly craft labor certification that attests that the lead contractor and all subcontractors are compliant with the apprenticeship utilization law and the prevailing wage law.

The public utility, cooperative electric association, independent power producer, or other owner of an energy sector public works project is required to maintain the records for all craft labor certifications and is required to either provide copies quarterly to the department of labor and employment or require the lead contractor to provide such copies.

The state auditor's office, in conjunction with the PUC and the department of labor and employment, is required to conduct periodic random audits of the labor certifications for energy sector public works projects.

Violations of the requirements for energy sector public works project contracts are subject to the penalties described in the apprenticeship utilization law and the prevailing wage law.

For projects funded in whole or in part by the state, the requirements to comply with the apprenticeship utilization law and the prevailing wage law apply only when the total project cost is one million dollars or more and the aggregated public assistance from the state is \$500,000 or more or when the project is a power generation project with a nameplate generation capacity of one megawatt or higher, and the aggregated public assistance from the state is \$500,000 or more.

The requirements to comply with the apprenticeship utilization law and the prevailing wage law do not apply to a project that is covered by a project labor agreement, work on an energy sector public works project performed by employees of a utility company, a utility-incentivized demand-side management or electrification program, a utility or state-funded building efficiency program, service agreements that were entered into on or before a certain date, projects that involve an electric distribution line with a specified capacity, work on an energy sector public works project put out to bid on or after January 1, 2024, that is qualified for and claims the increased federal production tax credit or investment tax credit amount, excluding any domestic content, energy community, or low-income community bonus credit, and projects that involve pipelines with a specified minimum yield strength.

Project labor agreements. In lieu of compliance with the apprenticeship utilization law and the prevailing wage law, a public utility, cooperative electric association, or independent power producer may incorporate a project labor agreement requirement for an energy sector public works project. A project labor agreement is a prehire collective bargaining agreement that establishes the terms and conditions of employment of the construction workforce on an energy sector public works project. A project labor agreement is required to:

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- Include provisions for resolving labor disputes and grievances;
- Guarantee against strikes and lockouts;
- Ensure a reliable source of trained and skilled labor;
- Further public policy objectives regarding improved employment opportunities for minorities, women, and other economically disadvantaged populations in the construction industry;
- Permit the selection of the lowest qualified responsible bidder or lowest qualified responsible offeror without regard to union or non-union status at other construction sites; and
- Bind all contractors and subcontractors on the energy sector public works project to the project labor agreement through the inclusion of appropriate bid specifications in all relevant bid documents.

The PUC is prohibited from denying approval of an energy sector public works project solely because it uses a project labor agreement.

The bill specifies which provisions of the apprenticeship utilization law for public projects apply to energy sector public works projects.

Regarding "best value" employment metrics that the PUC is required to consider when it evaluates electric resource acquisitions and requests for certificates of public convenience and necessity for construction or expansion of generating facilities, the bill:

- Requires the PUC to promulgate rules requiring utilities, when submitting annual progress reports for an electric resource acquisition, to collect and provide to the PUC information concerning the implementation of "best value" employment metrics;
- Requires the PUC to report annually to committees of reference of the general assembly concerning the information that is reported; and
- Repeals obsolete language requiring the state auditor to conduct a performance audit.

The bill adds enforcement mechanisms for the existing mechanical, electrical, and plumbing apprenticeship utilization requirements for gas demand-side management projects and beneficial electrification projects.

In addition, the bill requires that projects undertaken pursuant to specified existing state laws comply with the state mechanical, electrical, and plumbing apprenticeship utilization law and the state prevailing wage law.

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I	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add part 3 to article
3	92 of title 24 as follows:
4	PART 3
5	ENERGY SECTOR PUBLIC WORKS PROJECTS
6	CRAFT LABOR REQUIREMENTS
7	24-92-301. Short title. The short title of this part 3 is the
8	"COLORADO ENERGY SECTOR PUBLIC WORKS PROJECT CRAFT LABOR
9	REQUIREMENTS ACT".
10	24-92-302. Legislative declaration. (1) The General Assembly
11	HEREBY FINDS AND DECLARES THAT:
12	(a) The energy industry in Colorado is undergoing a
13	HISTORIC TRANSFORMATION TO ADDRESS THREATS POSED BY CLIMATE
14	CHANGE, WHICH INCLUDES EFFORTS TO DIVERSIFY CAPACITY, PROMOTE
15	THE DEVELOPMENT OF RENEWABLE AND OTHER CLEAN, NON-CARBON
16	GENERATION SOURCES, AND ELECTRIFY MAJOR SEGMENTS OF THE STATE'S
17	ECONOMY;
18	(b) These developments will require massive investments
19	OF RESOURCES FROM THE STATE AND PUBLIC UTILITY COMPANIES, WHICH
20	WILL ULTIMATELY BE PAID BY RESIDENTS THROUGH FUTURE TAXES AND
21	UTILITY BILLS;
22	(c) THE SAFE AND COST-EFFECTIVE DELIVERY OF THESE PROJECTS
23	IS VITAL TO THE PUBLIC HEALTH AND WELFARE OF RESIDENTS AND THE
24	ECONOMIC SECURITY OF THE STATE, AND CRITICAL TO ENSURE THAT
25	ADEQUATE POWER IS PROVIDED TO COLORADO HOMES AND BUSINESSES;
26	(d) Deficient planning of these resources can result in
27	ESCALATING UTILITY BILLS AND DANGEROUS POWER OUTAGES IF POWER

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SUPPLY IS NOT MAINTAINED IN SUFFICIENT CAPACITY TO MEET FUTURE,
GROWING DEMAND. FOR THESE REASONS, APPROPRIATE MEASURES MUST
BE TAKEN TO PROTECT FUTURE ENERGY INVESTMENTS, PROMOTE
SUCCESSFUL CONSTRUCTION DELIVERY, AND PREVENT ERRORS IN THE
PLANNING AND DELIVERY OF NEW FACILITIES.

- (e) ONE OF THE MOST CHALLENGING ASPECTS OF ENERGY FACILITY CONSTRUCTION IS ENSURING THAT PROJECTS ARE SUPPORTED BY CAPABLE CRAFT LABOR RESOURCES. IT IS ESSENTIAL FOR THESE PROJECTS TO BE STAFFED BY A RELIABLE AND ADEQUATE SUPPLY OF PROPERLY TRAINED WORKERS IN ALL APPLICABLE TRADES AND CRAFTS REQUIRED FOR THESE FACILITIES.
- (f) ENERGY SECTOR PUBLIC WORKS PROJECTS BUILT BY OR FOR THE USE OF REGULATED UTILITIES, LIKE TRADITIONAL PUBLIC PROJECTS, ARE OFTEN BUILT FOR THE COLLECTIVE BENEFIT OF ALL CITIZENS AND RESIDENTS OF COLORADO. THESE PROJECTS ARE OFTEN FUNDED THROUGH PUBLIC TAX DOLLARS OR THROUGH THE COLLECTIVE RESOURCES ACQUIRED THROUGH COLORADO UTILITIES BILLING CUSTOMERS. LIKE TAX DOLLARS, THESE RESOURCES ACQUIRED THROUGH UTILITY RATES SHOULD DEMAND A HIGHER STANDARD OF PUBLIC BENEFIT BACK TO THE CONSUMERS AND COMMUNITIES FROM WHICH THE RESOURCES WERE COLLECTED.
 - (g) EXTENSIVE RESEARCH SHOWS THAT PREVAILING WAGE LAWS ARE EFFECTIVE IN ATTRACTING BETTER QUALIFIED WORKERS TO PROJECTS AND PROMOTING CRITICALLY NEEDED INVESTMENTS IN APPRENTICESHIP TRAINING REQUIRED TO ENSURE ADEQUATE CRAFT LABOR SKILL LEVELS AND PRODUCTIVITY. LIKEWISE, THE USE OF REGISTERED APPRENTICESHIP TRAINING PROGRAMS AND PROJECT LABOR AGREEMENTS HAS BEEN

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PROVEN TO BE THE MOST EFFECTIVE STRATEGY FOR PROVIDING
HIGH-LEVEL SKILLS TRAINING AND ENSURING NEEDED QUALIFICATION
CREDENTIALING FOR WORKERS IN THE CONSTRUCTION INDUSTRY.

- (h) By providing project owners, developers, and contractors unique and unparalleled access to an adequate supply of well-trained, highly skilled craft labor in affected project areas, craft labor standards promote successful project delivery goals, including quality, safety, timeliness, and cost-efficiency, by providing effective quality control over craft labor supply capabilities, as well as risk avoidance to prevent disruptions and other labor performance problems caused by inadequate craft labor capabilities;
- (i) FOR THESE REASONS, INCORPORATING PREVAILING WAGE STANDARDS AND APPRENTICESHIP REQUIREMENTS AND ENCOURAGING PROJECT LABOR AGREEMENTS FOR PUBLIC UTILITIES AND OTHER ENERGY FACILITY PLANNING AND CONSTRUCTION IS NECESSARY TO PROTECT AND PROMOTE THE PUBLIC'S INTEREST IN THESE PROJECTS;
- (j) By incorporating well established quality contracting procurement tools, such as prevailing wages, apprenticeship utilization requirements, and project labor agreements into our energy resource planning, the state of Colorado will have the capabilities to better protect its energy investments, improve construction project delivery in the energy sector, fully document and evaluate the directives set forth in section 40-2-129, and create a clear set of standards for enforcement to achieve the law's intent for the benefit of Colorado workers and the communities where they live;

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1	(k) USE OF THESE QUALITY CONTRACTING TOOLS IS ALREADY
2	INCORPORATED INTO COLORADO'S TRADITIONAL PUBLIC PROCUREMENT
3	LAW AS PREVAILING WAGE AND APPRENTICESHIP POLICIES ADOPTED IN
4	SECTIONS 24-92-115 (7) AND PART 2 OF THIS ARTICLE 92. IN ADDITION,
5	PROJECT LABOR AGREEMENTS HAVE BEEN SUCCESSFULLY USED IN
6	COLORADO IN THE PAST FOR PROJECTS IN THE ENERGY SECTOR AND THE
7	BROADER PRIVATE SECTOR CONSTRUCTION INDUSTRY. THESE
8	AGREEMENTS HAVE ALSO BEEN UPHELD BY THE COURTS, FOR EXAMPLE, IN
9	BLDG. & CONSTR. TRADES COUNCIL V. ASSOCIATED BUILDERS &
10	Contractors of Mass./R.I., Inc., 507 U.S. 230, 231 (1993), due to their
11	ABILITY TO HELP SECURE RELIABLE CRAFT LABOR STAFFING AND PROMOTE
12	TIMELY PROJECT DELIVERY.
13	(1) DUE TO THEIR BENEFITS IN PROMOTING SUCCESSFUL PROJECT
14	DELIVERY IN PROJECTS ASSISTED BY FEDERAL GRANTS AND TAX CREDITS,
15	THE FEDERAL GOVERNMENT IS STRONGLY ENCOURAGING THE USE OF
16	THESE QUALITY CONTRACTING TOOLS GENERALLY, AND ESPECIALLY IN
17	THE ENERGY SECTOR, WHERE MAJOR FEDERAL ASSISTANCE PROGRAMS
18	UNDER THE RECENT FEDERAL "INFLATION REDUCTION ACT OF 2022", Pub.
19	L. 117-169, ARE PROVIDING APPROXIMATELY THREE HUNDRED SEVENTY
20	BILLION DOLLARS IN FUNDING TO PROMOTE CLEAN ENERGY SOURCES
21	ACROSS THE COUNTRY.
22	(2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT
23	BECAUSE COST-EFFECTIVE, SAFE, AND EFFICIENT GENERATION,
24	TRANSMISSION, AND DISTRIBUTION SYSTEMS IN THE ENERGY SECTOR ARE
25	VITAL TO THE STATE'S ECONOMY AND THE PUBLIC WELFARE AND SAFETY,
26	QUALITY CONTROL AND RISK AVOIDANCE MEASURES ARE NECESSARY TO
27	ENSURE THAT THE CONSTRUCTION OF PROJECTS NECESSARY FOR THESE

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1	SYSTEMS ARE ADEQUATELY STAFFED BY PROPERLY TRAINED AND
2	QUALIFIED CRAFT LABOR PERSONNEL.
3	24-92-303. Definitions. As used in this part 3, unless the
4	CONTEXT OTHERWISE REQUIRES:
5	(1) "CONSTRUCTION" MEANS THE CONSTRUCTION, ALTERATION, OR
6	REPAIR OF AN ENERGY SECTOR PUBLIC WORKS PROJECT, CONSISTENT WITH
7	AND INCLUDING THE SAME LIMITATIONS AS THE DEFINITION OF
8	CONSTRUCTION AS ESTABLISHED IN SECTION $45(b)(7)(a)$ of the Federal
9	"Internal Revenue Code of 1986", as amended, and as described
10	IN ALL RELATED OFFICIAL GUIDANCE FROM THE FEDERAL INTERNAL
11	REVENUE SERVICE AND THE UNITED STATES DEPARTMENT OF LABOR
12	IMPLEMENTING THE APPLICABLE SECTIONS OF THE FEDERAL"INFLATION
13	REDUCTION ACT".
14	(2) "Cooperative electric association" has the same
15	MEANING AS SET FORTH IN SECTION $40-9.5-102(1)$.
16	(3) "CRAFT LABOR" MEANS EMPLOYEES WHO ARE ENGAGED IN THE
17	CONSTRUCTION OF AN ENERGY SECTOR PUBLIC WORKS PROJECT,
18	INCLUDING ALL TRADES, CRAFTS, AND OCCUPATIONS, AND WHO ARE PAID
19	HOURLY.
20	(4) "CRAFT LABOR CERTIFICATION" MEANS ALL DOCUMENTATION
21	AND CERTIFICATION OF PAYROLL REQUIRED FOR AN ENERGY SECTOR
22	PUBLIC WORKS PROJECT IN ACCORDANCE WITH THE REQUIREMENTS OF
23	SECTION $24-92-115$ (7) AND PART 2 OF THIS ARTICLE 92.
24	(5) (a) "Energy sector public works project" means any
25	PROJECT IN THE STATE THAT:
26	(I) HAS THE PURPOSE OF GENERATING, TRANSMITTING, OR
27	DISTRIBUTING ELECTRICITY OR NATURAL GAS TO PROVIDE ENERGY TO

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1	COLORADO INDIVIDUAL CONSUMERS AND BUSINESSES, IS BUILT BY OR FOR
2	A PUBLIC UTILITY, INCLUDING ANY PROJECT FOR WHICH ENERGY IS
3	PURCHASED THROUGH A POWER PURCHASER OR SIMILAR AGREEMENT, AND
4	IS FUNDED IN WHOLE OR IN PART BY:
5	(A) THE STATE, THROUGH DIRECT FUNDING, LOANS, LOAN
6	GUARANTEES, ENERGY CREDITS, LAND TRANSFERS, TAX ASSISTANCE,
7	INCLUDING TAX CREDITS, DEDUCTIONS, OR INCENTIVES, OR OTHER
8	ASSISTANCE ALLOCATED OR APPROPRIATED BY THE STATE; OR
9	(B) UTILITY CUSTOMER FUNDING AS APPROVED IN ANY
10	PROCEEDING CONDUCTED BY THE PUBLIC UTILITIES COMMISSION AS PART
11	OF AN ELECTRIC RESOURCE ACQUISITION OR REQUESTS FOR CERTIFICATES
12	OF CONVENIENCE AND NECESSITY FOR CONSTRUCTION OR EXPANSION OF
13	A PROJECT, INCLUDING BUT NOT LIMITED TO POLLUTION CONTROL OR FUEL
14	CONVERSION UPGRADES AND CONVERSION OF EXISTING COAL-FIRED
15	PLANTS TO NATURAL GAS PLANTS; OR
16	(II) HAS THE PURPOSE OF GENERATING OR DISTRIBUTING
17	ELECTRICITY OR NATURAL GAS FOR THE PURPOSES OF PROVIDING ENERGY
18	TO COLORADO INDIVIDUAL CONSUMERS AND BUSINESSES FROM UTILITY
19	CUSTOMER FUNDING AS APPROVED BY A COOPERATIVE ELECTRIC
20	ASSOCIATION.
21	(b) "ENERGY SECTOR PUBLIC WORKS PROJECT" INCLUDES:
22	(I) POWER GENERATION WITH A NAMEPLATE GENERATION
23	CAPACITY OF ONE MEGAWATT OR HIGHER, INCLUDING GENERATION
24	SOURCED FROM WIND, SOLAR, GEOTHERMAL, HYDROGEN, NUCLEAR, OR
25	BIOENERGY, OR ANY PROJECT THAT GENERATES ELECTRICITY FROM THE
26	COMBUSTION OF OIL, GAS, OR OTHER FOSSIL FUELS; AND
27	(II) OTHER PROJECTS WITH A TOTAL PROJECT COST OF ONE MILLION

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1	DOLLARS OR MORE THAT INCLUDE:
2	(A) POLLUTION CONTROLS;
3	(B) GAS DISTRIBUTION;
4	(C) ELECTRIC TRANSMISSION PROJECTS;
5	(D) GEOTHERMAL SYSTEMS THAT ARE USED TO PROVIDE HEAT OR
6	HEATED WATER OR THAT OPERATE AS THERMAL SYSTEMS OR THERMAL
7	NETWORKS AS DEFINED IN LAW;
8	(E) ELECTRIC VEHICLE CHARGING INFRASTRUCTURE AND
9	INSTALLATIONS;
10	(F) HYDROGEN-RELATED INFRASTRUCTURE CONSTRUCTION
11	PROJECTS;
12	(G) ANY PROJECT THAT TRANSPORTS OR STORES CARBON DIOXIDE
13	CAPTURED FROM POWER GENERATION; AND
14	(H) ANY OTHER CONSTRUCTION PROJECTS COVERED BY THIS PART
15	3.
16	(6) "FEDERAL PREVAILING WAGE AND APPRENTICESHIP
17	REQUIREMENTS" MEANS THE REQUIREMENTS UNDER:
18	(a) Sections 45(b)(7) and (8) of title 26 of the United States
19	CODE, WHETHER APPLICABLE DIRECTLY OR UNDER A PROVISION OF THE
20	FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THAT
21	APPLIES SUCH SECTIONS OF THE UNITED STATES CODE; OR
22	(b) Sections $48(a)(10)$ and (11) of title 26 of the United
23	STATES CODE, WHETHER APPLICABLE DIRECTLY OR UNDER A PROVISION
24	OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED THAT
25	APPLIES SUCH SECTIONS OF THE UNITED STATES CODE.
26	(7) "FEDERAL"INFLATION REDUCTION ACT"" MEANS THE FEDERAL
27	"INFLATION REDUCTION ACT OF 2022", UNITED STATES CODE, TITLE 26,

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1	INCLUDING BUT NOT LIMITED TO SECTIONS 30C, 45, 45B, 45L, 45Q, 45U,
2	45V, 45X, 45Y, 45Z, 48, 48C, 48E, AND 179D, AND ASSOCIATED
3	IMPLEMENTING RULES AND GUIDANCE PROMULGATED BY THE UNITED
4	STATES DEPARTMENT OF THE TREASURY AND THE UNITED STATES
5	INTERNAL REVENUE SERVICE, AS THE STATUTE AND IMPLEMENTING RULES
6	AND GUIDANCE MAY BE AMENDED FROM TIME TO TIME.
7	(8) "LEAD CONTRACTOR" MEANS A GENERAL CONTRACTOR,
8	CONSTRUCTION MANAGER, DEVELOPER, DESIGN BUILDER, OR OTHER PARTY

(8) "LEAD CONTRACTOR" MEANS A GENERAL CONTRACTOR, CONSTRUCTION MANAGER, DEVELOPER, DESIGN BUILDER, OR OTHER PARTY THAT IS PRIMARILY RESPONSIBLE TO A PUBLIC UTILITY OR INDEPENDENT POWER PRODUCER FOR PERFORMING CONSTRUCTION UNDER A CONTRACT FOR AN ENERGY SECTOR PUBLIC WORKS PROJECT.

- (9) "PROJECT LABOR AGREEMENT" MEANS A PREHIRE COLLECTIVE
 BARGAINING AGREEMENT BETWEEN A LEAD CONTRACTOR AND
 CONSTRUCTION LABOR ORGANIZATIONS, INCLUDING BUT NOT LIMITED TO
 THE COLORADO BUILDING AND CONSTRUCTION TRADES COUNCIL AND ITS
 AFFILIATES OR A GROUP OF LABOR UNIONS COVERING THE AFFECTED
 TRADES NECESSARY TO PERFORM WORK ON A PROJECT, THAT ESTABLISHES
 THE TERMS AND CONDITIONS OF EMPLOYMENT OF THE CONSTRUCTION
 WORKFORCE ON AN ENERGY SECTOR PUBLIC WORKS PROJECT. A PROJECT
 LABOR AGREEMENT MUST INCLUDE PROVISIONS THAT:
 - (a) SET FORTH EFFECTIVE, IMMEDIATE, AND MUTUALLY BINDING PROCEDURES FOR RESOLVING JURISDICTIONAL LABOR DISPUTES AND GRIEVANCES ARISING BEFORE THE COMPLETION OF WORK;
- 24 (b) CONTAIN GUARANTEES AGAINST STRIKES, LOCKOUTS, OR 25 SIMILAR ACTIONS;
 - (c) Ensure a reliable source of trained, skilled, and experienced construction craft labor;

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1	(a) FURTHER PUBLIC POLICY OBJECTIVES REGARDING IMPROVED
2	EMPLOYMENT OPPORTUNITIES FOR MINORITIES, WOMEN, OR OTHER
3	ECONOMICALLY DISADVANTAGED POPULATIONS IN THE CONSTRUCTION
4	INDUSTRY, INCLUDING PERSONS FROM DISPROPORTIONATELY IMPACTED
5	COMMUNITIES, TO THE EXTENT PERMITTED BY STATE AND FEDERAL LAW;
6	(e) PERMIT THE SELECTION OF THE LOWEST QUALIFIED
7	RESPONSIBLE BIDDER OR LOWEST QUALIFIED RESPONSIBLE OFFEROR
8	WITHOUT REGARD TO UNION OR NON-UNION STATUS AT OTHER
9	CONSTRUCTION SITES;
10	(f) BIND ALL CONTRACTORS AND SUBCONTRACTORS ON THE
11	ENERGY SECTOR PUBLIC WORKS PROJECT TO THE PROJECT LABOR
12	AGREEMENT THROUGH THE INCLUSION OF APPROPRIATE BID
13	SPECIFICATIONS IN ALL RELEVANT CONTRACT DOCUMENTS; AND
14	(g) INCLUDE OTHER TERMS AS THE PARTIES DEEM APPROPRIATE.
15	(10) "Public utility" has the same meaning as set forth in
16	SECTION 40-1-103.
17	24-92-304. Energy sector public works projects - craft labor
18	employment - training - wage requirements. (1) (a) EXCEPT AS
19	OTHERWISE PROVIDED IN SUBSECTIONS $(1)(b)$ AND $(1)(c)$ OF THIS SECTION,
20	A CONTRACT BETWEEN PUBLIC UTILITIES, COOPERATIVE ELECTRIC
21	ASSOCIATIONS, OR INDEPENDENT POWER PRODUCERS AND LEAD
22	CONTRACTORS FOR AN ENERGY SECTOR PUBLIC WORKS PROJECT MUST
23	INCLUDE PROVISIONS EXPRESSLY REQUIRING THAT ALL WORK PERFORMED
24	UNDER THE CONTRACT COMPLY WITH THE REQUIREMENTS OF SECTION
25	24-92-115 (7) AND THE REQUIREMENTS OF PART 2 OF THIS ARTICLE 92 IF
26	THE PROJECT IS AN ELECTRIC POWER GENERATION PROJECT WITH A
2.7	NAMEPLATE GENERATION CAPACITY OF ONE MEGAWATT OF HIGHER OR IF

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I	THE PROJECT IS A PROJECT SPECIFIED IN SUBSECTION 24-92-303 (5)(b)(11)
2	WITH A TOTAL PROJECT COST OF ONE MILLION DOLLARS OR MORE. THESE
3	REQUIREMENTS CONSTITUTE MATERIAL TERMS OF SUCH CONTRACTS.
4	(b) For projects funded pursuant to section 24-92-303
5	(5)(a)(I)(A), the requirements of this part 3 apply only when:
6	(I) THE TOTAL PROJECT COST IS ONE MILLION DOLLARS OR MORE
7	AND THE AGGREGATED PUBLIC ASSISTANCE FROM THE STATE IS FIVE
8	HUNDRED THOUSAND DOLLARS OR MORE; OR
9	(II) THE PROJECT IS A POWER GENERATION PROJECT WITH A
10	NAMEPLATE GENERATION CAPACITY OF ONE MEGAWATT OR HIGHER, AND
11	THE AGGREGATED PUBLIC ASSISTANCE FROM THE STATE IS FIVE HUNDRED
12	THOUSAND DOLLARS OR MORE.
13	(c) The requirements of this part 3 do not apply to:
14	(I) A PROJECT THAT IS COVERED BY A PROJECT LABOR AGREEMENT;
15	(II) WORK ON AN ENERGY SECTOR PUBLIC WORKS PROJECT
16	PERFORMED BY THE EMPLOYEES OF A UTILITY COMPANY;
17	(III) SO LONG AS COMPLIANCE WITH ANY APPLICABLE FEDERAL
18	"Inflation Reduction Act" qualification requirements is a
19	MATERIAL TERM OF THE AGREEMENT WITH A PUBLIC UTILITY,
20	COOPERATIVE ELECTRIC ASSOCIATION, INDEPENDENT POWER PRODUCER,
21	OR THE STATE, WORK ON AN ENERGY SECTOR PUBLIC WORKS PROJECT PUT
22	OUT TO BID ON OR AFTER JANUARY $1,2024$, that is qualified for and
23	CLAIMS THE INCREASED FEDERAL PRODUCTION TAX CREDIT OR
24	INVESTMENT TAX CREDIT AMOUNT, EXCLUDING ANY DOMESTIC CONTENT,
25	ENERGY COMMUNITY, OR LOW-INCOME COMMUNITY BONUS CREDIT, AS A
26	RESULT OF:
27	(A) SATISEVING THE DREVAILING WAGE AND ADDRENTICESHID

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1	REQUIREMENTS UNDER THE PROVISIONS OF THE FEDERAL "INFLATION
2	REDUCTION ACT"; OR
3	(B) ACHIEVING THE START OF CONSTRUCTION PRIOR TO JANUARY
4	29, 2023, PURSUANT TO THE PRINCIPLES OUTLINED IN THE FEDERAL
5	INTERNAL REVENUE SERVICE GUIDANCE AND THE UNITED STATES
6	DEPARTMENT OF LABOR GUIDANCE RELATED TO THE FEDERAL "INFLATION
7	REDUCTION ACT" AS AMENDED OR SUPPLEMENTED FROM TIME TO TIME;
8	(IV) A UTILITY-INCENTIVIZED DEMAND-SIDE MANAGEMENT OR
9	ELECTRIFICATION PROGRAM PURSUANT TO SECTION 40-3.2-105.5 OR
10	40-3.2-105.6;
11	(V) UTILITY OR STATE-FUNDED BUILDING EFFICIENCY PROGRAMS;
12	(VI) SERVICE AGREEMENTS THAT WERE ENTERED INTO BY A
13	PUBLIC UTILITY, INDEPENDENT POWER PRODUCER, OR COOPERATIVE
14	ELECTRIC ASSOCIATION ON OR BEFORE MARCH 1, 2023; EXCEPT THAT
15	UPON RENEWAL OR ISSUANCE OF A NEW REQUEST FOR PROPOSALS, THE
16	SERVICE AGREEMENT MUST COME INTO COMPLIANCE WITH THE
17	REQUIREMENTS OF THIS SECTION;
18	(VII) PROJECTS THAT INVOLVE AN ELECTRIC DISTRIBUTION LINE
19	WITH A CAPACITY OF 69KV OR LESS; AND
20	(VIII) PROJECTS THAT INVOLVE PIPELINES WITH A SPECIFIED
21	MINIMUM YIELD STRENGTH LESS THAN THIRTY PERCENT.
22	(2) Unless the contractual requirements specified in
23	SUBSECTION (1) OF THIS SECTION ARE IN PLACE, AN AFFECTED PROJECT
24	SHALL NOT BE ELIGIBLE TO:
25	(a) RECEIVE FUNDING FROM THE STATE THROUGH GENERAL FUND
26	APPROPRIATIONS, TAX CREDITS, TAX DEDUCTIONS, LAND TRANSFERS, OR
27	OTHER FUNDING OR ASSISTANCE PROVIDED BY THE GENERAL ASSEMBLY OR

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1	A GOVERNMENT	AGENCY:	OR
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- 2 (b) RECEIVE ANY APPROVALS OR AUTHORIZATIONS FROM THE 3 PUBLIC UTILITIES COMMISSION, INCLUDING APPROVALS FOR UTILITY 4 FUNDING OR FOR COMMENCEMENT OF THE PROJECT, INCLUDING A 5 CERTIFICATE OF PUBLIC CONVENIENCE.
- (3) THE LEAD CONTRACTOR ENGAGED TO PERFORM CONSTRUCTION 7 SERVICES FOR AN ENERGY SECTOR PUBLIC WORKS PROJECT MUST REQUIRE 8 ALL SUBCONTRACTORS USED ON THE PROJECT TO COMPLY WITH SECTION 9 24-92-115 (7) AND PART 2 OF THIS ARTICLE 92 BY ENSURING THAT SUCH 10 REQUIREMENTS ARE STIPULATED IN ALL SUBCONTRACTS. LEAD CONTRACTORS MUST TAKE ALL REASONABLY NECESSARY STEPS TO 12 ENSURE COMPLIANCE BY MONITORING SUBCONTRACTORS.
 - (4) THE PUBLIC UTILITIES COMMISSION SHALL NOT FIND AN ENERGY SECTOR PUBLIC WORKS PROJECT TO BE IN COMPLIANCE WITH SECTION 40-2-129 UNLESS THE CONSTRUCTION CONTRACT FOR THE PROJECT INCLUDES PROVISIONS EXPRESSLY REQUIRING THAT ALL WORK PERFORMED UNDER THE CONTRACT COMPLY WITH THE REQUIREMENTS OF SECTION 24-92-115 (7) AND PART 2 OF THIS ARTICLE 92. COMPLIANCE WITH THIS SUBSECTION (4) DOES NOT PREVENT THE COMMISSION FROM CONSIDERING ALL "BEST VALUE" EMPLOYMENT METRICS AS DEFINED IN SECTION 40-2-129, INCLUDING THOSE METRICS THAT ARE NOT DIRECTLY RELATED TO THE PROCUREMENT OF CRAFT LABOR AND APPRENTICESHIP TRAINING ON AN ENERGY SECTOR PUBLIC WORKS PROJECT.
 - (5) CONSISTENT WITH SECTION 24-92-203 (4), BIDDERS ON ENERGY SECTOR PUBLIC WORKS PROJECTS SHALL NOT ARTIFICIALLY DIVIDE THE OVERALL GENERATION CAPACITY OR OVERALL PROJECT COST OF AN ENERGY SECTOR PUBLIC WORKS PROJECT TO DELIBERATELY AVOID THE

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- 1 REQUIREMENTS TO COMPLY WITH SECTION 24-92-115 (7) AND PART 2 OF 2 THIS ARTICLE 92. THE PUBLIC UTILITIES COMMISSION, THE STATE, A PUBLIC 3 UTILITY, OR A COOPERATIVE ELECTRIC ASSOCIATION MAY STILL REQUIRE 4 COMPLIANCE WITH PREVAILING WAGE AND APPRENTICESHIP UTILIZATION 5 REQUIREMENTS IF THEY DETERMINE THAT A BIDDER HAS ARTIFICIALLY 6 DIVIDED A PROJECT WITH THE INTENT OF AVOIDING THE REQUIREMENT TO COMPLY WITH THOSE SECTIONS. 7 8 24-92-305. Energy sector public works projects - record 9 keeping - reporting - craft labor certification - sanctions - compliance 10 with best value employment metrics. (1) THE LEAD CONTRACTOR FOR 11 AN ENERGY SECTOR PUBLIC WORKS PROJECT SHALL PREPARE CERTIFIED 12 PAYROLL RECORDS FOR CRAFT WORKERS DIRECTLY EMPLOYED BY THE 13 CONTRACTOR, OBTAIN CERTIFIED PAYROLL RECORDS FROM ALL 14 CONTRACTORS AND SUBCONTRACTORS ON THE PROJECTS, AND SUBMIT THE 15 RECORDS TO THE PUBLIC UTILITY OR OTHER OWNER OF THE ENERGY 16 SECTOR PUBLIC WORKS PROJECT ON A WEEKLY BASIS. EACH LEAD 17 CONTRACTOR AND SUBCONTRACTOR SHALL CERTIFY, UNDER THE PENALTY 18 OF PERJURY, THAT THE RECORDS PROVIDE COMPLETE AND ACCURATE 19 INFORMATION FOR ALL CRAFT WORKERS EMPLOYED ON THE PROJECT. 20 (2) THE LEAD CONTRACTOR FOR AN ENERGY SECTOR PUBLIC 21 WORKS PROJECT SHALL PREPARE A CRAFT LABOR CERTIFICATION ON A 22
 - QUARTERLY BASIS FOR WORK THAT IS BEING PERFORMED UNDER AFFECTED PROJECTS.
- 24 (3) A CRAFT LABOR CERTIFICATION MUST INCLUDE THE 25 FOLLOWING:

23

26 (a) A SWORN ATTESTATION, UNDER THE PENALTY OF PERJURY, 27 THAT THE LEAD CONTRACTOR IS FULLY COMPLIANT WITH ALL

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2	24-92-115 (7) AND PART 2 OF THIS ARTICLE 92; AND
3	(b) AN IDENTICAL, EQUIVALENT CRAFT LABOR CERTIFICATION
4	EXECUTED IN THE SAME MANNER BY ALL SUBCONTRACTORS
5	PARTICIPATING IN THE ENERGY SECTOR PUBLIC WORKS PROJECT.
6	(4) THE PUBLIC UTILITY, COOPERATIVE ELECTRIC ASSOCIATION,
7	INDEPENDENT POWER PRODUCER, OR OTHER OWNER OF AN ENERGY
8	SECTOR PUBLIC WORKS PROJECT IS RESPONSIBLE FOR MAINTENANCE OF
9	RECORDS FOR ALL CRAFT LABOR CERTIFICATIONS AND SHALL EITHER
10	PROVIDE COPIES QUARTERLY OR REQUIRE BY CONTRACT THAT THE LEAD
11	CONTRACTOR PROVIDE COPIES QUARTERLY, TO THE DEPARTMENT OF
12	LABOR AND EMPLOYMENT FOR REVIEW AND OVERSIGHT PURPOSES.
13	(5) AT LEAST ONCE EVERY FIVE YEARS, THE STATE AUDITOR
14	SHALL CONDUCT A PERFORMANCE AUDIT OF THE COMMISSION FOR ENERGY
15	SECTOR PUBLIC WORKS PROJECTS TO ESTABLISH OVERSIGHT AND
16	ACCOUNTABILITY FOR COMPLIANCE WITH SECTION 40-2-129, AND TO
17	ENSURE THAT THE PROJECT IS FULLY COMPLIANT WITH ALL EMPLOYMENT,
18	TRAINING, AND WAGE REQUIREMENTS OF SECTION 24-92-115 (7) AND PART
19	2 OF THIS ARTICLE 92. THE AUDIT MUST:
20	(a) RANDOMLY SELECT PROJECTS FOR REVIEW AND ENSURE THAT
21	THE SCOPE OF THE AUDIT ENCOMPASSES THE BROAD TYPES OF ENERGY
22	SECTOR PUBLIC WORKS PROJECTS; AND
23	(b) Upon completion, make available to the public the
24	RESULTS OF THE AUDIT AND ANY VIOLATIONS OR RECOMMENDATIONS
25	FOUND AS A RESULT OF THE AUDIT.
26	(6) VIOLATIONS OF THE REQUIREMENTS SPECIFIED IN THIS SECTION,
27	INCLUDING WAGE AND HOUR VIOLATIONS, VIOLATIONS OF APPRENTICESHIP

EMPLOYMENT, TRAINING, AND WAGE REQUIREMENTS OF SECTION

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1	REQUIREMENTS, FALSIFICATION OF RECORDS, OR WILLFUL
2	NON-COMPLIANCE, ARE SUBJECT TO THE PENALTIES AND ENFORCEMENT
3	RIGHTS AND REMEDIES DESCRIBED IN SECTIONS 24-92-115 (3), 24-92-209,
4	24-92-210, and 24-109-105.
5	(7) IF AN ENERGY SECTOR PUBLIC WORKS PROJECT USES FEDERAL
6	FUNDING THAT REQUIRES COMPLIANCE WITH THE FEDERAL "DAVIS-BACON
7	ACT", 40 U.S.C. SEC. 3141 ET SEQ., OR RELATED STATUTES, THE OWNER
8	OF THE ENERGY SECTOR PUBLIC WORKS PROJECT SHALL:
9	(a) NOTIFY THE PUBLIC UTILITIES COMMISSION OF THEIR INTENT TO
10	USE FEDERAL FUNDING TO FUND, IN WHOLE OR IN PART, THE ENERGY
11	SECTOR PUBLIC WORKS PROJECT; AND
12	(b) REQUIRE THE LEAD CONTRACTORS AND ALL OTHER
13	CONTRACTORS AND SUBCONTRACTORS WORKING ON THE ENERGY SECTOR
14	PUBLIC WORKS PROJECT TO PAY APPLICABLE FEDERALLY STIPULATED
15	WAGE AND BENEFIT RATES AND PROVIDE CERTIFIED PAYROLL REPORTS TO
16	THE PUBLIC UTILITIES COMMISSION IN THE SAME MANNER REQUIRED BY
17	SUBSECTION (1) OF THIS SECTION.
18	24-92-306. Energy sector public works projects - use of project
19	labor agreements. (1) A PUBLIC UTILITY, COOPERATIVE ELECTRIC
20	ASSOCIATION, OR INDEPENDENT POWER PRODUCER IS AUTHORIZED TO
21	INCORPORATE A PROJECT LABOR AGREEMENT REQUIREMENT FOR AN
22	ENERGY SECTOR PUBLIC WORKS PROJECT IF THE PROJECT LABOR
23	AGREEMENT WILL PROMOTE SUCCESSFUL PROJECT DELIVERY BY SECURING
24	A SKILLED LABOR FORCE FOR THE PROJECT AND IF IT WILL PROMOTE
25	COST-EFFICIENCY, SAFETY, QUALITY, AND TIMELY COMPLETION OF THE
26	PROJECT.

(2) IF ALL CONSTRUCTION WORK ON AN ENERGY SECTOR PUBLIC

27

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1	WORKS PROJECT IS COVERED BY A PROJECT LABOR AGREEMENT, THE
2	REQUIREMENTS OF SECTIONS 24-92-304 AND 24-92-305 DO NOT APPLY TO
3	THE PROJECT.
4	(3) THE PUBLIC UTILITIES COMMISSION SHALL NOT DENY
5	APPROVAL OF AN ENERGY SECTOR PUBLIC WORKS PROJECT SOLELY
6	BECAUSE THE PROJECT OWNER VOLUNTARILY ELECTS TO USE A PROJECT
7	LABOR AGREEMENT FOR THE PROJECT. THE PUBLIC UTILITIES COMMISSION
8	MUST STATE ITS REASONS FOR DENIAL OF AN ENERGY SECTOR PUBLIC
9	WORKS PROJECT IN WRITING WHEN IT ISSUES THE DECISION.
10	24-92-307. Energy sector public works projects - existing
11	authority of the public utilities commission. Nothing in this section
12	CONTRAVENES THE STATUTORY AUTHORITY OF THE PUBLIC UTILITIES
13	COMMISSION TO CONSIDER OVERALL PROJECT COSTS, THE IMPACT OF A
14	PROJECT ON UTILITY CUSTOMERS, OR THE IMPACT OF PROJECT COST ON
15	UTILITY RATES.
16	SECTION 2. In Colorado Revised Statutes, 24-38.5-118, add
17	(11) as follows:
18	24-38.5-118. Geothermal energy grant program - creation -
19	$\textbf{procedures-fund-report-definitions-repeal.} (11) \ \textbf{Grants awarded}$
20	to energy sector public works projects - requirements. ANY PROJECT
21	THAT IS FUNDED IN WHOLE OR IN PART BY A GRANT AWARDED PURSUANT
22	TO THIS SECTION AND THAT IS AN ENERGY SECTOR PUBLIC WORKS PROJECT,
23	AS DEFINED IN SECTION 24-92-303 (5), MUST COMPLY WITH THE
24	APPLICABLE REQUIREMENTS OF THE "COLORADO ENERGY SECTOR PUBLIC
25	WORKS PROJECT CRAFT LABOR REQUIREMENTS ACT", PART 3 OF ARTICLE
26	92 OF THIS TITLE 24.
27	SECTION 3. In Colorado Revised Statutes, 24-92-115, add (7)

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1	as follows:
2	24-92-115. Apprenticeship utilization requirements -
3	mechanical, electrical, and plumbing contracts - public projects -
4	definition. (7) (a) FOR AN ENERGY SECTOR PUBLIC WORKS PROJECT, AS
5	DEFINED IN SECTION 24-92-303 (5), IN THE AMOUNT OF ONE MILLION
6	DOLLARS OR MORE, THE GENERAL CONTRACTOR OR OTHER FIRM TO WHICH
7	THE CONTRACT IS AWARDED SHALL:
8	(I) IDENTIFY, AT THE TIME THEY ARE PUT UNDER CONTRACT, ALL
9	CONTRACTORS OR SUBCONTRACTORS REQUIRED FOR THE PROJECT, OTHER
10	THAN THOSE USED FOR ALL MECHANICAL, SHEET METAL, FIRE
11	SUPPRESSION, SPRINKLER FITTING, ELECTRICAL, PLUMBING WORK, AND
12	CONSTRUCTION CRAFT LABOR; AND
13	(II) CERTIFY THAT ALL CONTRACTORS OR SUBCONTRACTORS
14	IDENTIFIED PARTICIPATE IN APPRENTICESHIP TRAINING PROGRAMS
15	REGISTERED WITH THE UNITED STATES DEPARTMENT OF LABOR'S
16	EMPLOYMENT AND TRAINING ADMINISTRATION OR STATE APPRENTICESHIP
17	COUNCILS RECOGNIZED BY THE UNITED STATES DEPARTMENT OF LABOR'S
18	EMPLOYMENT AND TRAINING ADMINISTRATION AND HAVE A PROVEN
19	RECORD OF GRADUATING APPRENTICES FOR AT LEAST THREE OF THE PAST
20	FIVE YEARS.
21	(b) Subsections (1)(a) to (1)(c) of this section apply to
22	MECHANICAL, ELECTRICAL, AND PLUMBING CONTRACTORS AND
23	SUBCONTRACTORS SUBJECT TO THIS SUBSECTION (7).
24	(c) CONTRACTORS AND SUBCONTRACTORS THAT ARE SUBJECT TO

(c) CONTRACTORS AND SUBCONTRACTORS THAT ARE SUBJECT TO
THE REQUIREMENTS OF THIS SUBSECTION (7) AND THAT PROVIDE
CONSTRUCTION CRAFT LABOR MUST CERTIFY THAT ALL FIRMS IDENTIFIED
PARTICIPATE IN APPRENTICESHIP TRAINING PROGRAMS THAT ARE

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1	REGISTERED WITH THE UNITED STATES DEPARTMENT OF LABOR'S
2	EMPLOYMENT AND TRAINING ADMINISTRATION OR A STATE
3	APPRENTICESHIP COUNCIL RECOGNIZED BY THE UNITED STATES
4	DEPARTMENT OF LABOR'S EMPLOYMENT AND TRAINING ADMINISTRATION
5	AND THAT:
6	(I) ARE SUBJECT TO THE GRADUATION REQUIREMENTS OF
7	SUBSECTIONS $(1)(a)(II)(A)$ TO $(1)(a)(II)(C)$ OF THIS SECTION; AND
8	(II) PROVIDE DOCUMENTATION REQUIRED IN SUBSECTION
9	(1)(a)(III) OF THIS SECTION.
10	(d) Upon evaluation of the submitted bids, a public utility,
11	INDEPENDENT POWER PRODUCER, OR COOPERATIVE ELECTRIC
12	ASSOCIATION MAY WAIVE THE REQUIREMENTS OF THIS SECTION IF IT
13	DETERMINES THAT THERE IS SUBSTANTIAL EVIDENCE THAT THERE ARE NO
14	RESPONSIVE ELIGIBLE CONTRACTORS OR SUBCONTRACTORS FOR ANY
15	TRADES AVAILABLE TO FULFILL THE APPRENTICESHIP REQUIREMENTS FOR
16	ONE OR MORE OF THE TRADES SUBJECT TO THIS SECTION. ANY PARTY
17	EXERCISING A WAIVER PURSUANT TO THIS SUBSECTION (7)(d) SHALL
18	DISCLOSE THE WAIVER ON A PUBLICLY ACCESSIBLE WEBSITE, INCLUDING
19	THE CONTRACTOR OR SUBCONTRACTOR TO WHICH THE WAIVER APPLIES
20	AND THE SPECIFIC RATIONALE FOR THE WAIVER.
21	(e) IN THE EVENT OF AN EXTREME WEATHER EVENT, A WILDFIRE,
22	OR AN EMERGENCY DECLARED BY THE STATE OF COLORADO OR THE
23	FEDERAL GOVERNMENT, A PUBLIC UTILITY OR COOPERATIVE ELECTRIC
24	ASSOCIATION MAY WAIVE THE REQUIREMENTS OF THIS SUBSECTION (7)
25	WHEN PERFORMING REPAIR WORK TO RESTORE ELECTRIC SERVICE TO
26	CUSTOMERS OR ASSOCIATION MEMBERS WHEN IT CAN REASONABLY
27	DEMONSTRATE THAT:

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1	(I) THE CAPACITY NEEDED TO RESTORE POWER EXCEEDS THE
2	PUBLIC UTILITY'S OR COOPERATIVE ELECTRIC ASSOCIATION'S AVAILABLE
3	CAPACITY FOR EMERGENCY REPAIRS THROUGH ITS EMPLOYEES, STANDBY
4	CONTRACTOR CAPACITY, OR APPLICABLE MUTUAL AID AGREEMENTS; AND
5	(II) A GOOD FAITH EFFORT TO IDENTIFY CONTRACTORS AND
6	SUBCONTRACTORS THAT CAN COMPLY WITH THIS SUBSECTION (7) WAS
7	MADE AND NO ELIGIBLE CONTRACTORS OR SUBCONTRACTORS WERE
8	AVAILABLE FOR THE TIME FRAME FOR WHICH THE EMERGENCY CAPACITY
9	WAS NEEDED.
10	SECTION 4. In Colorado Revised Statutes, 40-2-123, add (5) as
11	follows:
12	40-2-123. Energy technologies - consideration by commission
13	- incentives - demonstration projects - definitions - repeal. (5) ANY
14	PROJECT APPROVED PURSUANT TO THIS SECTION THAT IS AN ENERGY
15	SECTOR PUBLIC WORKS PROJECT, AS DEFINED IN SECTION 24-92-303 (5),
16	MUST COMPLY WITH THE APPLICABLE REQUIREMENTS OF THE "COLORADO
17	ENERGY SECTOR PUBLIC WORKS PROJECT CRAFT LABOR REQUIREMENTS
18	ACT", PART 3 OF ARTICLE 92 OF TITLE 24.
19	SECTION 5. In Colorado Revised Statutes, 40-2-127, add (3.7)
20	as follows:
21	40-2-127. Community energy funds - community solar
22	gardens - definitions - rules - legislative declaration - repeal.
23	(3.7) Energy sector public works projects. If the development of a
24	COMMUNITY SOLAR GARDEN IS AN ENERGY SECTOR PUBLIC WORKS
25	PROJECT, AS DEFINED IN SECTION $24-92-303(5)$, THEN THE PROJECT MUST
26	COMPLY WITH THE APPLICABLE REQUIREMENTS OF THE "COLORADO
27	ENERGY SECTOR PUBLIC WORKS PROJECT CRAFT LABOR REQUIREMENTS

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1	ACT", PART 3 OF ARTICLE 92 OF TITLE 24.
2	SECTION 6. In Colorado Revised Statutes, 40-2-129, amend
3	(1)(a); repeal (4); and add (5) and (6) as follows:
4	40-2-129. New resource acquisitions - factors in determination
5	-local employment - "best value" employment metrics - performance
6	audit. (1) (a) (I) When evaluating electric resource acquisitions and
7	requests for a certificate of convenience and necessity for construction or
8	expansion of generating facilities, including but not limited to pollution
9	control or fuel conversion upgrades and conversion of existing coal-fired
10	plants to natural gas plants, the commission shall consider, in all
11	decisions involved in electric resource acquisition processes, best value
12	regarding employment of Colorado labor, as defined in section 8-17-101
13	(2)(a), and positive impacts on the long-term economic viability of
14	Colorado communities. To this end, the commission shall require utilities
15	to obtain and provide to the commission the following information
16	regarding "best value" employment metrics:
17	(A) The availability of training programs, including training
18	through apprenticeship programs registered with the United States
19	department of labor's office of apprenticeship or by state apprenticeship
20	councils recognized by that office FOR ALL APPRENTICEABLE TRADES
21	REQUIRED TO EFFECTIVELY DELIVER THE PROJECT TO COMPLETION;
22	(B) Employment of Colorado labor as compared to importation of
23	out-of-state workers;
24	(C) THE ABILITY OF THE PROJECT TO EMPLOY WORKERS FROM
25	TRADITIONALLY UNDERSERVED COMMUNITIES OR DISPROPORTIONATELY
26	IMPACTED COMMUNITIES AS DEFINED IN SECTION 24-4-109 (2)(b)(II);
27	(D) How the project supports domestic manufacturing

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1	$THROUGH\ THE\ UTILIZATION\ OF\ COLORADO\ AND\ DOMESTICALLY\ PRODUCED$
2	MATERIALS;
3	(E) Long-term career opportunities; and
4	(F) Industry-standard wages, health care, and pension benefits.
5	(II) When a utility proposes to construct new facilities of its own,
6	the utility shall supply similar information to the commission.
7	(4) (a) The state auditor shall conduct or cause to be conducted a
8	performance audit of the commission's implementation of the "best value"
9	employment metrics requirements of this section, including review of:
10	(I) The projects subject to subsection (1)(a) of this section that
11	have been approved in the previous ten years;
12	(II) Whether the work done used contractors that met the criteria
13	specified in this section;
14	(III) Any shortfalls in enforcement capacity or implementation by
15	the commission;
16	(IV) Current enforcement procedures for investor-owned utilities,
17	independent power producers, and wholesale generation and transmission
18	electric cooperatives; and
19	(V) Whether and how delayed rule-making proceedings have
20	prevented the "best value" employment metrics requirements of this
21	section from being implemented.
22	(b) The governor's office, the commission, and commission staff
23	shall cooperate with stakeholders and the state auditor in conducting the
24	audit and making recommendations for reforms of, or potential
25	alternatives to, the implementation and enforcement of "best value"
26	employment metrics.
27	(c) Upon completion of a performance audit, the state auditor shall

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1	submit a written report to the legislative audit committee, together with
2	any findings and recommendations.
3	(5) THE COMMISSION SHALL PROMULGATE RULES REQUIRING
4	UTILITIES, WHEN SUBMITTING ANNUAL PROGRESS REPORTS FOR AN
5	ELECTRIC RESOURCE ACQUISITION, TO COLLECT AND PROVIDE TO THE
6	COMMISSION INFORMATION CONCERNING THE IMPLEMENTATION OF "BEST
7	VALUE" EMPLOYMENT METRICS, AS DESCRIBED IN SUBSECTION (1)(a) OF
8	THIS SECTION, WHICH METRICS WERE APPROVED BY THE COMMISSION
9	DURING THE ACQUISITION PLANNING PROCESS AND WHICH ACQUISITIONS
10	ARE UNDER CONSTRUCTION BY EITHER THE UTILITY OR BY OTHERS.
11	(6) (a) On or before December 31, 2024, and on or before
12	DECEMBER 31 OF EACH YEAR THEREAFTER, THE COMMISSION SHALL
13	SUBMIT A REPORT TO THE ENERGY AND ENVIRONMENT COMMITTEE OF THE
14	HOUSE OF REPRESENTATIVES AND THE TRANSPORTATION AND ENERGY
15	COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES. THE
16	REPORT MUST SUMMARIZE THE INFORMATION CONCERNING "BEST VALUE"
17	EMPLOYMENT METRICS THAT IS REPORTED TO THE COMMISSION BY
18	UTILITIES PURSUANT TO SUBSECTIONS (1)(a) AND (5) OF THIS SECTION AND
19	INDICATE THE MANNER IN WHICH THE COMMISSION CONSIDERED THE
20	INFORMATION.
21	(b) NOTWITHSTANDING THE LIMITATION DESCRIBED IN SECTION
22	24-1-136 (11)(a)(I), THE REPORTING REQUIREMENT DESCRIBED IN
23	SUBSECTION (6)(a) OF THIS SECTION CONTINUES IN PERPETUITY.
24	SECTION 7. In Colorado Revised Statutes, 40-3.2-105.5, add
25	(5), (6), and (7) as follows:
26	40-3.2-105.5. Labor standards for gas DSM projects.
27	(5) (a) FOR A PLUMBING, MECHANICAL, OR ELECTRICAL PROJECT IN A NEW

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1	OR EXISTING INDUSTRIAL, COMMERCIAL, OR MULTIFAMILY RESIDENTIAL
2	BUILDING THAT CONTAINS TWENTY THOUSAND SQUARE FEET OR MORE OF
3	CONDITIONED FLOOR SPACE AND FOR WHICH A REBATE IS TO BE PROVIDED
4	DIRECTLY TO THE CUSTOMER AS PART OF A GAS DSM PROGRAM, A UTILITY
5	SHALL NOT ISSUE ANY REBATES OR INCENTIVES UNLESS THE LEAD
6	GENERAL CONTRACTOR PERFORMING THE WORK FOR THE PROJECT SIGNS
7	A NOTARIZED AFFIDAVIT UNDER PENALTY OF PERJURY STATING THAT ALL
8	OF THE REQUIREMENTS OF THIS SECTION HAVE BEEN MET AND PROVIDES
9	THE SIGNED AFFIDAVIT TO THE SPONSORING UTILITY. THE AFFIDAVIT
10	MUST:
11	(I) IDENTIFY THE CONTRACTORS OR SUBCONTRACTORS THAT WILL
12	BE USED FOR ALL MECHANICAL, SHEET METAL, FIRE SUPPRESSION,
13	SPRINKLER FITTING, ELECTRICAL, AND PLUMBING WORK, REQUIRED ON THE
14	PROJECT;
15	(II) CERTIFY THAT ALL FIRMS IDENTIFIED PARTICIPATE IN
16	APPRENTICESHIP PROGRAMS REGISTERED WITH THE UNITED STATES
17	DEPARTMENT OF LABOR'S EMPLOYMENT AND TRAINING ADMINISTRATION
18	OR STATE APPRENTICESHIP COUNCILS RECOGNIZED BY THE UNITED STATES
19	DEPARTMENT OF LABOR AND HAVE A PROVEN RECORD OF GRADUATING
20	APPRENTICES AS FOLLOWS:
21	(A) BEGINNING JULY 1, 2021, THROUGH JUNE 30, 2026, A
22	MINIMUM OF FIFTEEN PERCENT OF ITS APPRENTICES FOR AT LEAST THREE
23	OF THE PAST FIVE YEARS;
24	(B) BEGINNING JULY 1, 2026, THROUGH JUNE 30, 2031, A
25	MINIMUM OF TWENTY PERCENT OF APPRENTICES FOR AT LEAST THREE OF
26	THE PAST FIVE YEARS; AND
27	(C) Beginning July 1, 2031, and each year thereafter, a

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1	MINIMUM OF THIRTY PERCENT OF APPRENTICES FOR AT LEAST THREE OF
2	THE PAST FIVE YEARS; AND
3	(III) SUPPLY SUPPORTING DOCUMENTATION FROM THE UNITED
4	STATES DEPARTMENT OF LABOR'S OFFICE OF APPRENTICESHIP OR STATE
5	APPRENTICESHIP AGENCY VERIFYING THE INFORMATION PROVIDED IN THE
6	CERTIFICATION SPECIFIED IN SUBSECTION (1)(a)(II) OF THIS SECTION.
7	(b) THE UTILITY MUST MAINTAIN A DATABASE OF THE
8	INFORMATION CONTAINED IN THE AFFIDAVIT FOR EACH PROJECT AWARDED
9	A REBATE OR INCENTIVE.
10	(6) (a) To ensure compliance with the requirements of
11	SUBSECTION (5) OF THIS SECTION, THE GENERAL CONTRACTOR OR OTHER
12	FIRM TO WHICH THE CONTRACT IS AWARDED MUST AGREE TO PROVIDE
13	ADDITIONAL DOCUMENTATION TO THE PARTICIPATING UTILITY OFFERING
14	THE REBATE OR INCENTIVE REGARDING THE REQUIREMENTS FOR AFFECTED
15	APPRENTICESHIP TRAINING PROGRAMS SPECIFIED IN SUBSECTION $(5)(a)$ of
16	THIS SECTION.
17	(b) If the utility offering the rebate or incentive
18	DETERMINES THAT A MECHANICAL, ELECTRICAL, OR PLUMBING
19	SUBCONTRACTOR HAS WILLFULLY FALSIFIED DOCUMENTATION OR
20	WILLFULLY MISREPRESENTED THEIR QUALIFICATIONS AS REQUIRED TO
21	COMPLY WITH THIS SECTION IN THE CONTRACT, THE UTILITY SHALL DIRECT
22	THE CONTRACTOR TO TERMINATE THE SUBCONTRACTOR CONTRACT
23	IMMEDIATELY AND THE SUBCONTRACTOR SHALL IMMEDIATELY BE
24	REMOVED FROM THE PUBLIC PROJECT. THE UTILITY MAY ALSO DEBAR THE
25	OFFENDING SUBCONTRACTORS FOR FUTURE PARTICIPATION IN REBATES OR
26	INCENTIVE PROGRAMS ESTABLISHED UNDER THIS SECTION.
27	(c) IF AFTER ISSUING A REBATE OR INCENTIVE PURSUANT TO THIS

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1	SECTION, A UTILITY DETERMINES THAT A CONTRACTOR OR
2	SUBCONTRACTOR HAS WILLFULLY VIOLATED ANY REQUIREMENT OF THIS
3	SECTION, THE UTILITY MAY DEMAND A FULL REFUND OF THE REBATE OR
4	INCENTIVE WITH REASONABLE PENALTIES AND INTEREST AND MAY PURSUE
5	ANY REMEDY PROVIDED BY LAW.
6	(d) A UTILITY MUST MAINTAIN A LIST OF CONTRACTORS AND
7	SUBCONTRACTORS THAT HAVE WILLFULLY FALSIFIED DOCUMENTATION OR
8	WILLFULLY MISREPRESENTED THEIR QUALIFICATIONS OR THAT ARE
9	DEBARRED FROM RECEIVING FUTURE REBATES OR INCENTIVES AND MAKE
10	THAT LIST AVAILABLE TO THEIR CUSTOMERS ON THEIR WEBSITE.
11	(7) (a) When the qualifying rebate or incentive for a
12	PROGRAM ESTABLISHED PURSUANT TO THIS SECTION IS OVER FIFTY
13	THOUSAND DOLLARS, THE UTILITY THAT OFFERS THE REBATE OR
14	INCENTIVE MUST ESTABLISH PERIODIC AUDITS AT LEAST EVERY THREE
15	YEARS TO ENSURE THAT THE CONTRACTOR OR SUBCONTRACTOR
16	MAINTAINS COMPLIANCE WITH THIS SECTION.
17	(b) If the audit determines that there were willful
18	VIOLATIONS OF THIS SECTION, THE UTILITY MAY DEMAND A FULL REFUND
19	OF THE REBATE OR INCENTIVE WITH REASONABLE PENALTIES AND
20	INTEREST AND MAY PURSUE ANY REMEDY PROVIDED BY LAW.
21	SECTION 8. In Colorado Revised Statutes, 40-3.2-105.6, add
22	(5), (6), and (7) as follows:
23	40-3.2-105.6. Labor standards for beneficial electrification
24	projects. (5) (a) FOR A BENEFICIAL ELECTRIFICATION PROJECT IN A NEW
25	OR EXISTING INDUSTRIAL, COMMERCIAL, OR MULTIFAMILY RESIDENTIAL
26	BUILDING THAT CONTAINS TWENTY THOUSAND SQUARE FEET OR MORE OF
27	CONDITIONED FLOOR SPACE AND FOR WHICH A REBATE IS TO BE PROVIDED

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1	DIRECTLY TO THE CUSTOMER, A UTILITY SHALL NOT ISSUE ANY REBATES
2	OR INCENTIVES UNLESS THE LEAD GENERAL CONTRACTOR PERFORMING
3	THE WORK FOR THE PROJECT SIGNS A NOTARIZED AFFIDAVIT UNDER
4	PENALTY OF PERJURY STATING THAT ALL OF THE REQUIREMENTS OF THIS
5	SECTION HAVE BEEN MET AND PROVIDES THE SIGNED AFFIDAVIT TO THE
6	SPONSORING UTILITY. THE AFFIDAVIT MUST:
7	(I) IDENTIFY THE CONTRACTORS OR SUBCONTRACTORS THAT WILL
8	BE USED FOR ALL MECHANICAL, SHEET METAL, FIRE SUPPRESSION,
9	SPRINKLER FITTING, ELECTRICAL, AND PLUMBING WORK REQUIRED ON THE
10	PROJECT;
11	(II) CERTIFY THAT ALL FIRMS IDENTIFIED PARTICIPATE IN
12	APPRENTICESHIP PROGRAMS REGISTERED WITH THE UNITED STATES
13	DEPARTMENT OF LABOR'S EMPLOYMENT AND TRAINING ADMINISTRATION
14	OR STATE APPRENTICESHIP COUNCILS RECOGNIZED BY THE UNITED STATES
15	DEPARTMENT OF LABOR AND HAVE A PROVEN RECORD OF GRADUATING
16	APPRENTICES AS FOLLOWS:
17	(A) BEGINNING JULY 1, 2021, THROUGH JUNE 30, 2026, A
18	MINIMUM OF FIFTEEN PERCENT OF ITS APPRENTICES FOR AT LEAST THREE
19	OF THE PAST FIVE YEARS;
20	(B) BEGINNING JULY 1, 2026, THROUGH JUNE 30, 2031, A
21	MINIMUM OF TWENTY PERCENT OF APPRENTICES FOR AT LEAST THREE OF
22	THE PAST FIVE YEARS; AND
23	(C) Beginning July 1, 2031, and each year thereafter, a
24	MINIMUM OF THIRTY PERCENT OF APPRENTICES FOR AT LEAST THREE OF
25	THE PAST FIVE YEARS; AND
26	(III) SUPPLY SUPPORTING DOCUMENTATION FROM THE UNITED
2.7	STATES DEPARTMENT OF LABOR'S OFFICE OF APPRENTICESHIP OR STATE

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- 1 APPRENTICESHIP AGENCY VERIFYING THE INFORMATION PROVIDED IN THE 2 CERTIFICATION SPECIFIED IN SUBSECTION (1)(a)(II) OF THIS SECTION.
- 3 (b) THE UTILITY MUST MAINTAIN A DATABASE OF THE
 4 INFORMATION CONTAINED IN THE AFFIDAVIT FOR EACH PROJECT AWARDED
 5 A REBATE OR INCENTIVE.

- (6) (a) TO ENSURE COMPLIANCE WITH THE REQUIREMENTS OF SUBSECTION (5) OF THIS SECTION, THE GENERAL CONTRACTOR OR OTHER FIRM TO WHICH THE CONTRACT IS AWARDED MUST AGREE TO PROVIDE ADDITIONAL DOCUMENTATION TO THE PARTICIPATING UTILITY OFFERING THE REBATE OR INCENTIVE REGARDING THE REQUIREMENTS FOR AFFECTED APPRENTICESHIP TRAINING PROGRAMS SPECIFIED IN SUBSECTION (5)(a) OF THIS SECTION.
 - (b) IF THE UTILITY OFFERING THE REBATE OR INCENTIVE DETERMINES THAT A MECHANICAL, ELECTRICAL, OR PLUMBING SUBCONTRACTOR HAS WILLFULLY FALSIFIED DOCUMENTATION OR WILLFULLY MISREPRESENTED THEIR QUALIFICATIONS AS REQUIRED TO COMPLY WITH THIS SECTION IN THE CONTRACT, THE UTILITY SHALL DIRECT THE CONTRACTOR TO TERMINATE THE SUBCONTRACTOR CONTRACT IMMEDIATELY AND THE SUBCONTRACTOR MUST IMMEDIATELY BE REMOVED FROM THE PUBLIC PROJECT. THE UTILITY MAY DEBAR THE OFFENDING SUBCONTRACTORS FOR FUTURE PARTICIPATION IN REBATE OR INCENTIVE PROGRAMS ESTABLISHED UNDER THIS SECTION.
 - (c) If AFTER ISSUING A REBATE OR INCENTIVE PURSUANT TO THIS SECTION, A UTILITY DETERMINES THAT A CONTRACTOR OR SUBCONTRACTOR HAS WILLFULLY VIOLATED ANY REQUIREMENT OF THIS SECTION, THE UTILITY MAY DEMAND A FULL REFUND OF THE REBATE OR INCENTIVE WITH REASONABLE PENALTIES AND INTEREST AND MAY PURSUE

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1	ANY REMEDY PROVIDED BY LAW.
2	(d) A UTILITY SHALL MAINTAIN A LIST OF CONTRACTORS AND
3	SUBCONTRACTORS THAT HAVE WILLFULLY FALSIFIED DOCUMENTATION OR
4	WILLFULLY MISREPRESENTED THEIR QUALIFICATIONS OR THAT ARE
5	DEBARRED FROM RECEIVING FUTURE REBATES OR INCENTIVES AND MAKE
6	THAT LIST AVAILABLE TO THEIR CUSTOMERS ON THEIR WEBSITE.
7	(7) (a) When the qualifying rebate or incentive for
8	PROGRAMS ESTABLISHED PURSUANT TO THIS SECTION IS OVER FIFTY
9	THOUSAND DOLLARS, THE UTILITY THAT OFFERS THE REBATE OR
10	INCENTIVE MUST ESTABLISH PERIODIC AUDITS AT LEAST EVERY THREE
11	YEARS TO ENSURE THAT THE CONTRACTOR OR SUBCONTRACTOR
12	MAINTAINS COMPLIANCE WITH THIS SECTION.
13	(b) If the audit determines that there were willful
14	VIOLATIONS OF THIS SECTION, THE UTILITY MAY DEMAND A FULL REFUND
15	OF THE REBATE OR INCENTIVE WITH REASONABLE PENALTIES AND
16	INTEREST AND MAY PURSUE ANY REMEDY PROVIDED BY LAW.
17	SECTION 9. In Colorado Revised Statutes, 40-3.2-108, add
18	(8)(e) as follows:
19	40-3.2-108. Clean heat targets - legislative declaration -
20	definitions - plans - rules - reports. (8) Employment and utility
21	workforce. (e) If a project in connection with a clean heat plan,
22	IS AN ENERGY SECTOR PUBLIC WORKS PROJECT, AS DEFINED IN SECTION
23	24-92-303 (5), THE PROJECT MUST COMPLY WITH THE APPLICABLE
24	REQUIREMENTS OF THE "COLORADO ENERGY SECTOR PUBLIC WORKS
25	PROJECT CRAFT LABOR REQUIREMENTS ACT", PART 3 OF ARTICLE 92 OF
26	TITLE 24.

SECTION 10. In Colorado Revised Statutes, 40-5-107, add

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1	(3)(c) as follows:
2	40-5-107. Electric vehicle programs - definitions - repeal.
3	(3) (c) An electric vehicle infrastructure project that is an
4	ENERGY SECTOR PUBLIC WORKS PROJECT, AS DEFINED IN SECTION
5	24-92-303 (5), MUST COMPLY WITH THE APPLICABLE REQUIREMENTS OF
6	THE "COLORADO ENERGY SECTOR PUBLIC WORKS PROJECT CRAFT LABOR
7	REQUIREMENTS ACT", PART 3 OF ARTICLE 92 OF TITLE 24.
8	SECTION 11. In Colorado Revised Statutes, 40-42-107, add (4)
9	as follows:
10	40-42-107. Labor standards - apprenticeship - supervision.
11	(4) ANY PROJECT FOR THE CONSTRUCTION, EXPANSION, OR MAINTENANCE
12	of facilities undertaken in Colorado pursuant to this article 42
13	THAT IS AN ENERGY SECTOR PUBLIC WORKS PROJECT, AS DEFINED IN
14	SECTION 24-92-303 (5), MUST COMPLY WITH THE APPLICABLE
15	REQUIREMENTS OF THE "COLORADO ENERGY SECTOR PUBLIC WORKS
16	PROJECT CRAFT LABOR REQUIREMENTS ACT", PART 3 OF ARTICLE 92 OF
17	TITLE 24.
18	SECTION 12. Act subject to petition - effective date -
19	applicability. (1) This act takes effect January 1, 2024; except that, if a
20	referendum petition is filed pursuant to section 1 (3) of article V of the
21	state constitution against this act or an item, section, or part of this act
22	within the ninety-day period after final adjournment of the general
23	assembly, then the act, item, section, or part will not take effect unless
24	approved by the people at the general election to be held in November
25	2024 and, in such case, will take effect on the date of the official
26	declaration of the vote thereon by the governor.
27	(2) This act applies to any energy sector public works project for

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- 1 which an invitation for bids or proposals is issued on or after January 1,
- 2 2024.

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