

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 24-1124.01 Josh Schultz x5486

HOUSE BILL 24-1439

HOUSE SPONSORSHIP

Willford,

SENATE SPONSORSHIP

Coleman,

House Committees
Finance

Senate Committees

A BILL FOR AN ACT

101 CONCERNING FINANCIAL INCENTIVES RELATED TO APPRENTICESHIP
102 PROGRAMS.

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>.)

For income tax years commencing on or after January 1, 2025, but before January 1, 2035, **section 1** of the bill creates a refundable state income tax credit (tax credit) that an employer may claim if the employer employs an apprentice for at least 6 months during an income tax year and either has a registered apprenticeship program or is an employer-partner of a registered apprenticeship program. The amount of

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.

the tax credit is up to \$6,300 for 6 months of employment plus up to \$1,050 for each consecutive additional month of employment, for a maximum of up to \$12,600 per apprentice per income tax year. An employer may not claim a credit for:

- More than 10 apprentices per income tax year;
- The same apprentice for more than 24 consecutive months; and
- An apprentice for months when the apprentice did not receive wages from the employer.

To claim a tax credit, an employer must submit an application for the reservation of the tax credit and an application to receive an income tax credit certificate to the state apprenticeship agency (SAA) in the department of labor and employment (department). The SAA shall review the applications for specified criteria to determine whether the employer qualifies for the tax credit and tax credit certificate.

Section 2 ends the state income tax credit for qualified investments made in a qualified school-to-career program for income tax years after December 31, 2024.

Section 4 creates the scale-up grant program in the department to start new registered apprenticeship programs or expand existing programs in Colorado. The scale-up grant program awards grants from the money in the scale-up grant fund, which is created in the bill. Eligible grant recipients include employers or entities operating an apprenticeship program and that:

- Plan to develop and register a new registered apprenticeship program; or
- Currently offer a registered apprenticeship program and plan to expand it.

The bill requires the department to collect specified data regarding the scale-up grant program and submit a report to specified committees of the general assembly.

Section 5 creates the qualified apprenticeship intermediary grant program in the department to support entities that demonstrate expertise in connecting employers or apprenticeship program participants to registered apprenticeship programs or in convening stakeholders to develop registered apprenticeship programs. The qualified apprenticeship intermediary grant program awards grants from the money in the qualified apprenticeship intermediary grant fund, which is created in the bill. An eligible grant recipient must be a qualified apprenticeship intermediary.

The bill requires the department to collect specified data regarding the qualified apprenticeship intermediary grant program and submit a report to specified committees of the general assembly.

1 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-560 as
2 follows:

3 **39-22-560. Apprenticeship tax credit - tax preference**
4 **performance statement - legislative declaration - definitions - rules -**
5 **repeal.** (1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

6 (I) COLORADO IS COMMITTED TO ACCELERATING NEW
7 APPRENTICESHIP PROGRAM GROWTH ON A DIVERSE BASIS, ESPECIALLY IN
8 NEW AND EMERGING INDUSTRIES THAT HAVE BEEN TRADITIONALLY
9 UNDERREPRESENTED IN REGISTERED APPRENTICESHIPS; AND

10 (II) MANY EMPLOYERS ARE INTERESTED IN PROVIDING
11 HIGH-QUALITY REGISTERED APPRENTICESHIPS TO ADDRESS THEIR SKILLED
12 WORKER SHORTAGES BUT FACE FINANCIAL BARRIERS.

13 (b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH
14 REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE
15 A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY
16 LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND
17 DECLARES THAT THE PURPOSE OF THE TAX CREDIT PROVIDED FOR IN THIS
18 SECTION IS TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS
19 AND TO PROVIDE A REDUCTION IN INCOME TAX LIABILITY FOR CERTAIN
20 BUSINESSES THAT HIRE APPRENTICES. SPECIFICALLY, THIS TAX
21 EXPENDITURE IS INTENDED TO INCENTIVIZE THE HIRING OF APPRENTICES
22 AND GROWTH OF REGISTERED APPRENTICESHIP PROGRAMS IN NEW AND
23 EMERGING INDUSTRIES.

24 (c) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
25 MEASURE THE EFFECTIVENESS OF THE TAX CREDIT IN ACHIEVING THE
26 PURPOSES SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION BASED ON THE
27 NUMBER AND VALUE OF THE CREDITS CLAIMED.

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

3 (a) "APPRENTICE" HAS THE SAME MEANING AS SET FORTH IN
4 SECTION 8-15.7-101 (1).

5 (b) "CERTIFICATE OF REGISTRATION" HAS THE SAME MEANING AS
6 SET FORTH IN SECTION 8-15.7-101 (6).

7 (c) "CREDIT" MEANS THE CREDIT AGAINST INCOME TAX CREATED
8 IN THIS SECTION.

9 (d) "DEPARTMENT" MEANS THE DEPARTMENT OF REVENUE.

10 (e) "EMPLOYEE" HAS THE SAME MEANING AS SET FORTH IN
11 SECTION 39-22-604 (2)(a); EXCEPT THAT "EMPLOYEE" INCLUDES ONLY
12 THOSE INDIVIDUALS WHO PERFORM SERVICES FOR THE TAXPAYER FOR AT
13 LEAST ONE THOUSAND FORTY HOURS PER INCOME TAX YEAR.

14 (f) "NEW AND EMERGING INDUSTRY" DOES NOT INCLUDE THE
15 BUILDING AND CONSTRUCTION TRADES AS DESCRIBED IN SECTION
16 8-15.7-105 (4).

17 (g) "QUALIFIED TAXPAYER" OR "TAXPAYER" MEANS A PERSON
18 SUBJECT TO TAX PURSUANT TO THIS ARTICLE 22 THAT IS DOING BUSINESS
19 IN THIS STATE AND THAT EMPLOYS AN APPRENTICE IN THE RELEVANT TAX
20 YEAR.

21 (h) "REGISTERED APPRENTICESHIP PROGRAM" HAS THE SAME
22 MEANING AS SET FORTH IN SECTION 8-15.7-101 (13).

23 (i) "STATE APPRENTICESHIP AGENCY" OR "SAA" HAS THE SAME
24 MEANING AS SET FORTH IN SECTION 8-15.7-101 (16).

25 (3) (a) SUBJECT TO THE LIMITATIONS SET FORTH IN SUBSECTION
26 (3)(b) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING ON OR
27 AFTER JANUARY 1, 2025, BUT BEFORE JANUARY 1, 2035, A QUALIFIED

1 TAXPAYER IN A NEW AND EMERGING INDUSTRY IS ALLOWED AN
2 APPRENTICESHIP TAX CREDIT AGAINST THE INCOME TAX IMPOSED BY THIS
3 ARTICLE 22 FOR EACH APPRENTICE WHO IS AN EMPLOYEE OF THE
4 TAXPAYER IN THIS STATE FOR NO LESS THAN SIX MONTHS DURING THE
5 TAXPAYER'S INCOME TAX YEAR. THE CREDIT IS EQUAL TO UP TO SIX
6 THOUSAND THREE HUNDRED DOLLARS FOR SIX MONTHS OF EMPLOYMENT
7 PLUS UP TO ONE THOUSAND FIFTY DOLLARS FOR EACH ADDITIONAL MONTH
8 OF EMPLOYMENT, FOR A MAXIMUM OF TWELVE THOUSAND SIX HUNDRED
9 DOLLARS PER APPRENTICE PER INCOME TAX YEAR; EXCEPT THAT THE
10 TAXPAYER SHALL NOT CLAIM A CREDIT FOR:

11 (I) MORE THAN TEN APPRENTICES PER INCOME TAX YEAR;

12 (II) THE SAME APPRENTICE FOR MORE THAN TWO CONSECUTIVE
13 INCOME TAX YEARS; AND

14 (III) AN APPRENTICE FOR MONTHS WHEN THE APPRENTICE DID NOT
15 RECEIVE WAGES FROM THE TAXPAYER.

16 (b) A QUALIFIED TAXPAYER MUST EITHER:

17 (I) HAVE ESTABLISHED A REGISTERED APPRENTICESHIP PROGRAM
18 AND RECEIVED A CERTIFICATE OF REGISTRATION FROM THE STATE
19 APPRENTICESHIP AGENCY; OR

20 (II) BE AN EMPLOYER-PARTNER OF A REGISTERED APPRENTICESHIP
21 PROGRAM AS VERIFIED BY THE QUALIFIED TAXPAYER'S INCLUSION ON THE
22 COLORADO STATE APPRENTICESHIP RESOURCE DIRECTORY PURSUANT TO
23 SECTION 8-83-308.

24 (c) TO CLAIM THE CREDIT, THE TAXPAYER MUST RESERVE THE
25 CREDIT AS SET FORTH IN SUBSECTION (4) OF THIS SECTION AND ANNUALLY
26 APPLY FOR AND RECEIVE AN INCOME TAX CREDIT CERTIFICATE FROM THE
27 STATE APPRENTICESHIP AGENCY PURSUANT TO SUBSECTION (5) OF THIS

1 SECTION.

2 (4) (a) TO CLAIM A CREDIT PURSUANT TO THIS SECTION, A
3 TAXPAYER MUST SUBMIT AN APPLICATION FOR THE RESERVATION OF A TAX
4 CREDIT TO THE SAA IN THE FORM AND MANNER PRESCRIBED BY THE SAA.

5 (b) THE SAA SHALL REVIEW ALL SUBMITTED APPLICATIONS TO:

6 (I) DETERMINE WHETHER THE APPLICANT IS A QUALIFIED
7 TAXPAYER;

8 (II) DETERMINE WHETHER THE APPLICANT HAS COMPLIED WITH
9 THE REQUIREMENTS OF SUBSECTION (3)(b) OF THIS SECTION;

10 (III) DETERMINE WHETHER THE INDIVIDUAL FOR WHOM THE
11 APPLICATION IS SUBMITTED IS AN APPRENTICE, IS AN EMPLOYEE, AND
12 COMPLIES WITH ANY STANDARDS SET FORTH IN ARTICLE 15.7 OF TITLE 8;
13 AND

14 (IV) CALCULATE THE NUMBER OF MONTHS EACH PROSPECTIVE
15 APPRENTICE IS EXPECTED TO BE EMPLOYED.

16 (c) (I) BASED UPON THE NUMBER OF APPRENTICES THE QUALIFIED
17 TAXPAYER EXPECTS TO EMPLOY, AND THE NUMBER OF MONTHS EACH
18 APPRENTICE IS EXPECTED TO BE EMPLOYED, THE SAA MAY RESERVE FOR
19 THE BENEFIT OF EACH QUALIFIED TAXPAYER ALL OR PART OF THE CREDIT
20 AMOUNT REQUESTED BY THE QUALIFIED TAXPAYER; EXCEPT THAT THE
21 SAA SHALL NOT RESERVE AN AMOUNT IN EXCESS OF THE CREDIT
22 ALLOWED BY SUBSECTION (3)(a) OF THIS SECTION.

23 (II) EXCEPT AS PROVIDED IN SUBSECTION (5)(b)(III) OF THIS
24 SECTION, THE AGGREGATE AMOUNT OF CREDITS RESERVED FOR ALL
25 QUALIFIED TAXPAYERS MUST NOT EXCEED THIRTY MILLION DOLLARS PER
26 CALENDAR YEAR. THE SAA MAY RESERVE CREDITS FOR THE CURRENT OR
27 ANY FUTURE CALENDAR YEAR BASED UPON THE EXPECTED EMPLOYMENT

1 DATES INDICATED IN A QUALIFIED TAXPAYER'S APPLICATION. FOR A
2 QUALIFIED TAXPAYER WHOSE INCOME TAX YEAR IS NOT A CALENDAR
3 YEAR, THE RESERVATION IS EFFECTIVE FOR THE INCOME TAX YEAR THAT
4 BEGINS DURING THE CALENDAR YEAR FOR THE RESERVATION.

5 (III) IF, FOR ANY CALENDAR YEAR, THE AGGREGATE AMOUNT OF
6 RESERVATIONS FOR TAX CREDITS THE SAA HAS APPROVED IS EQUAL TO
7 THE TOTAL AMOUNT OF TAX CREDITS AVAILABLE FOR RESERVATION FOR
8 A CURRENT OR FUTURE CALENDAR YEAR, THE SAA SHALL NOTIFY ALL
9 QUALIFIED TAXPAYERS THAT HAVE SUBMITTED APPLICATIONS THEN
10 AWAITING APPROVAL OR THAT HAVE SUBMITTED APPLICATIONS FOR
11 APPROVAL AFTER THE CALCULATION IS MADE THAT ADDITIONAL
12 APPROVALS OF APPLICATIONS FOR RESERVATIONS OF TAX CREDITS SHALL
13 NOT BE GRANTED FOR THE CALENDAR YEAR. THE PENDING APPLICATIONS
14 MUST REMAIN PENDING IN THE ORDER RECEIVED FOR UP TO TWO YEARS
15 AFTER THE DATE THE ORIGINAL APPLICATION IS RECEIVED BY THE SAA
16 AND SHALL BE CONSIDERED FOR RESERVATIONS OF TAX CREDITS IN THE
17 EVENT THAT ADDITIONAL CREDITS BECOME AVAILABLE PURSUANT TO
18 SUBSECTION (5)(b) OF THIS SECTION.

19 (d) (I) IF THE SAA RESERVES CREDITS FOR THE BENEFIT OF A
20 QUALIFIED TAXPAYER, THE SAA SHALL NOTIFY THE QUALIFIED TAXPAYER
21 OF THE RESERVATION AND THE AMOUNT RESERVED. THE RESERVATION OF
22 TAX CREDITS DOES NOT ENTITLE THE QUALIFIED TAXPAYER TO AN
23 ISSUANCE OF A TAX CREDIT CERTIFICATE UNTIL THE QUALIFIED TAXPAYER
24 COMPLIES WITH ALL OF THE REQUIREMENTS OF THIS SECTION OR
25 STANDARDS OF THE SAA FOR THE ISSUANCE OF A TAX CREDIT
26 CERTIFICATE.

27 (II) THE SAA SHALL NOTIFY ANY QUALIFIED TAXPAYER FOR

1 WHICH THE SAA DID NOT RESERVE A CREDIT UNDER SUBSECTION (4)(c) OF
2 THIS SECTION OF ITS DECISION IN WRITING. IF THE SAA DETERMINES THAT
3 A QUALIFIED TAXPAYER'S APPLICATION IS INCOMPLETE OR THAT THE
4 APPLICATION DOES NOT COMPLY WITH THE REQUIREMENTS OF THIS
5 SECTION OR THE STANDARDS ESTABLISHED BY THE SAA, THE SAA SHALL
6 REMOVE THE APPLICATION FROM THE REVIEW PROCESS AND NOTIFY THE
7 QUALIFIED TAXPAYER IN WRITING OF ITS DECISION.

8 (5) (a) (I) A QUALIFIED TAXPAYER SHALL SUBMIT AN APPLICATION
9 TO THE SAA FOR AN INCOME TAX CREDIT CERTIFICATE TO CLAIM THE
10 CREDIT ALLOWED BY THIS SECTION ON A FORM AND IN A MANNER
11 PRESCRIBED BY THE SAA. THE APPLICATION MUST INCLUDE IDENTIFYING
12 INFORMATION FOR EACH APPRENTICE EMPLOYED IN THE STATE FOR WHICH
13 THE QUALIFIED TAXPAYER IS SUBMITTING AN APPLICATION FOR A TAX
14 CREDIT, THE AMOUNT OF CREDIT REQUESTED, AND SUFFICIENT
15 INFORMATION TO ALLOW THE SAA TO MAKE A DETERMINATION THAT:

16 (A) THE TAXPAYER MEETS THE REQUIREMENTS SET FORTH IN THIS
17 SECTION;

18 (B) THE APPRENTICE FOR WHOM THE APPLICATION IS SUBMITTED
19 MEETS THE STANDARDS SET FORTH IN ARTICLE 15.7 OF TITLE 8; AND

20 (C) THE APPRENTICE FOR WHOM THE APPLICATION IS SUBMITTED
21 HAS NOT BEEN THE SUBJECT OF A TAXPAYER'S APPLICATION FOR MORE
22 THAN TWO INCOME TAX YEARS.

23 (II) EXCEPT AS PROVIDED IN SUBSECTION (5)(b)(II) OF THIS
24 SECTION, THE SAA:

25 (A) MAY ISSUE ONE INCOME TAX CREDIT CERTIFICATE PER INCOME
26 TAX YEAR TO EACH QUALIFIED TAXPAYER THAT, AT A MINIMUM, SPECIFIES
27 THE TAXPAYER'S IDENTIFYING INFORMATION AND THE TOTAL AMOUNT OF

1 THE CREDIT ALLOWED; AND

2 (B) SHALL NOT ISSUE AN INCOME TAX CREDIT CERTIFICATE IN
3 EXCESS OF THE AMOUNT RESERVED FOR THE QUALIFIED TAXPAYER FOR
4 THE CALENDAR YEAR PURSUANT TO SUBSECTION (4) OF THIS SECTION.

5 (b) IF THE ACTUAL AGGREGATE AMOUNT OF INCOME TAX CREDIT
6 CERTIFICATES ISSUED FOR A CALENDAR YEAR IS LESS THAN THE MAXIMUM
7 AGGREGATE AMOUNT OF CREDITS ALLOWED TO BE RESERVED FOR ALL
8 QUALIFIED TAXPAYERS, THE SAA SHALL APPLY THE REMAINING BALANCE
9 IN THE FOLLOWING ORDER:

10 (I) RESERVE THE REMAINING BALANCE FOR ANY APPLICATIONS
11 PENDING IN ORDER OF PRIORITY PURSUANT TO SUBSECTION (4)(c)(III) OF
12 THIS SECTION;

13 (II) ISSUE AN ADDITIONAL TAX CREDIT CERTIFICATE UP TO THE
14 AMOUNT ALLOWED PURSUANT TO SUBSECTION (3)(a) OF THIS SECTION TO
15 ANY QUALIFIED TAXPAYER WHOSE ACTUAL CREDIT EARNED EXCEEDED THE
16 AMOUNT RESERVED PURSUANT TO SUBSECTION (4) OF THIS SECTION; AND

17 (III) INCREASE THE MAXIMUM AGGREGATE AMOUNT OF CREDITS
18 ALLOWED TO BE RESERVED FOR ALL QUALIFIED TAXPAYERS FOR THE NEXT
19 CALENDAR YEAR; EXCEPT THAT UNUSED CREDITS SHALL NOT BE CARRIED
20 FORWARD TO A CALENDAR YEAR BEGINNING ON OR AFTER JANUARY 1,
21 2035.

22 (c) (I) THE SAA SHALL MAINTAIN A DATABASE OF ANY
23 INFORMATION DETERMINED NECESSARY BY THE SAA TO EVALUATE THE
24 EFFECTIVENESS OF THE INCOME TAX CREDIT ALLOWED IN THIS SECTION IN
25 MEETING THE PURPOSE SET FORTH IN SUBSECTION (1)(b) OF THIS SECTION
26 AND SHALL PROVIDE SUCH INFORMATION, AND ANY OTHER INFORMATION
27 THAT MAY BE NEEDED, IF AVAILABLE, TO THE STATE AUDITOR AS PART OF

1 THE STATE AUDITOR'S EVALUATION OF THE TAX EXPENDITURE REQUIRED
2 BY SECTION 39-21-305.

3 (II) THE SAA SHALL, IN A SUFFICIENTLY TIMELY MANNER TO
4 ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE INCOME
5 TAX CREDIT ALLOWED IN THIS SECTION, PROVIDE THE DEPARTMENT WITH
6 AN ELECTRONIC REPORT FOR THE PRECEDING TAX YEAR LISTING EACH
7 QUALIFIED TAXPAYER TO WHICH THE SAA ISSUED AN INCOME TAX CREDIT
8 CERTIFICATE AND THAT INCLUDES THE FOLLOWING INFORMATION:

9 (A) THE TAXPAYER'S NAME;

10 (B) THE AMOUNT OF THE INCOME TAX CREDIT THAT THE TAX
11 CREDIT CERTIFICATE INDICATES THE TAXPAYER IS ELIGIBLE TO CLAIM; AND

12 (C) THE TAXPAYER'S SOCIAL SECURITY NUMBER OR THE
13 TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL EMPLOYER
14 IDENTIFICATION NUMBER.

15 (III) THE SAA SHALL PRESCRIBE FORMS AND PROMULGATE RULES
16 PURSUANT TO ARTICLE 4 OF TITLE 24 ESTABLISHING THE STANDARDS FOR
17 WHICH AN INCOME TAX CREDIT CERTIFICATE UNDER THIS SUBSECTION (5)
18 IS ISSUED.

19 (6) TO CLAIM THE CREDIT AUTHORIZED BY THIS SECTION, A
20 TAXPAYER SHALL FILE THE INCOME TAX CREDIT CERTIFICATE WITH THE
21 TAXPAYER'S STATE INCOME TAX RETURN. THE AMOUNT OF THE CREDIT
22 THAT THE TAXPAYER MAY CLAIM PURSUANT TO THIS SECTION IS THE
23 AMOUNT STATED ON THE INCOME TAX CREDIT CERTIFICATE.

24 (7) IF A TAXPAYER CLAIMS THE CREDIT ALLOWED IN THIS SECTION,
25 THE TAXPAYER SHALL NOT CLAIM A CREDIT FOR THE SAME APPRENTICE
26 PURSUANT TO SECTION 39-22-531, 39-30-105.1, OR 39-30.5-105.

27 (8) IF AN INCOME TAX CREDIT AUTHORIZED IN THIS SECTION

1 EXCEEDS THE INCOME TAX DUE ON THE INCOME OF THE TAXPAYER FOR
2 THE TAXABLE YEAR, THE EXCESS CREDIT SHALL NOT BE CARRIED
3 FORWARD AND MUST BE REFUNDED TO THE TAXPAYER.

4 (9) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2037.

5 **SECTION 2.** In Colorado Revised Statutes, 39-22-520, **amend**
6 (2)(a); and **add** (4) as follows:

7 **39-22-520. Credit against tax - investment in school-to-career**
8 **program - definitions - repeal.** (2) (a) For income tax years beginning
9 on or after January 1, 1997, BUT BEFORE JANUARY 1, 2025, there shall be
10 allowed to any person as a credit against the tax imposed by this ~~article~~
11 ARTICLE 22 an amount equal to ten percent of the total qualified
12 investment made in a qualified school-to-career program.

13 (4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2028.

14 **SECTION 3.** In Colorado Revised Statutes, 8-15.7-102, **add**
15 (1)(s) as follows:

16 **8-15.7-102. State apprenticeship agency - created - director -**
17 **powers and duties - rules - repeal.** (1) There is created in the
18 department the state apprenticeship agency. The executive director shall
19 appoint a director of the SAA. The SAA shall:

20 (s) (I) REVIEW APPLICATIONS FOR AND ISSUE INCOME TAX CREDIT
21 CERTIFICATES AS SPECIFIED IN SECTION 39-22-560 AND PROMULGATE
22 RULES TO ESTABLISH STANDARDS FOR THE CERTIFICATES.

23 (II) THIS SUBSECTION (1)(s) IS REPEALED, EFFECTIVE DECEMBER
24 31, 2037.

25 **SECTION 4.** In Colorado Revised Statutes, **add** parts 2 and 3 to
26 article 15.7 of title 8 as follows:

27 **PART 2**

1 SCALE-UP GRANT PROGRAM

2 **8-15.7-201. Definitions.** AS USED IN THIS PART 2:

3 (1) "APPLICANT" MEANS A PERSON THAT APPLIES TO RECEIVE A
4 GRANT FROM THE SCALE-UP GRANT PROGRAM.

5 (2) "SCALE-UP GRANT FUND" OR "FUND" MEANS THE SCALE-UP
6 GRANT FUND CREATED IN SECTION 8-15.7-205.

7 (3) "SCALE-UP GRANT PROGRAM" OR "GRANT PROGRAM" MEANS
8 THE SCALE-UP GRANT PROGRAM CREATED IN SECTION 8-15.7-202.

9 **8-15.7-202. Scale-up grant program - creation - application**
10 **process - data.** (1) ON OR BEFORE JANUARY 1, 2025, THE DEPARTMENT
11 SHALL ESTABLISH THE SCALE-UP GRANT PROGRAM TO ESTABLISH NEW
12 REGISTERED APPRENTICESHIP PROGRAMS OR EXPANDE EXISTING PROGRAMS
13 IN COLORADO.

14 (2) THE DEPARTMENT SHALL:

15 (a) CREATE AN APPLICATION PROCESS THROUGH WHICH IT SELECTS
16 GRANT RECIPIENTS TO PARTICIPATE IN THE GRANT PROGRAM, WITH THE
17 GOAL OF ACCELERATING NEW APPRENTICESHIP PROGRAM GROWTH,
18 DIVERSIFYING PARTICIPANTS IN APPRENTICESHIP PROGRAMS, AND
19 DIVERSIFYING THE GEOGRAPHIC DISTRIBUTION OF APPRENTICESHIP
20 PROGRAMS, ESPECIALLY IN HIGH-PRIORITY, HIGH-DEMAND INDUSTRIES,
21 WHILE ENSURING QUALITY STANDARDS;

22 (b) SELECT GRANT RECIPIENTS THAT ARE EMPLOYERS OR SPONSORS
23 THAT:

24 (I) PLAN TO DEVELOP AND REGISTER A NEW REGISTERED
25 APPRENTICESHIP PROGRAM; OR

26 (II) CURRENTLY OFFER A REGISTERED APPRENTICESHIP PROGRAM
27 AND PLAN TO EXPAND IT;

1 (c) OUTLINE PERFORMANCE EXPECTATIONS FOR GRANT RECIPIENTS
2 PARTICIPATING IN THE GRANT PROGRAM, INCLUDING MAINTAINING
3 ACCURATE AND TIMELY DATA IN THE FEDERAL REGISTERED
4 APPRENTICESHIP PARTNERS INFORMATION DATABASE SYSTEM, OR A
5 SUCCESSOR DATABASE; AND

6 (d) COLLECT DATA CONCERNING THE GRANT PROGRAM,
7 INCLUDING:

8 (I) THE NUMBER OF EMPLOYERS BENEFITING FROM THE GRANT
9 PROGRAM;

10 (II) THE NUMBER OF APPRENTICES BENEFITING FROM THE GRANT
11 PROGRAM;

12 (III) THE DEMOGRAPHICS OF THE APPRENTICES SERVED BY THE
13 GRANT RECIPIENTS; AND

14 (IV) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE
15 DEPARTMENT.

16 **8-15.7-203. Applicants.** (1) AN APPLICANT SHALL SUBMIT AN
17 APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED
18 BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN
19 THE APPLICATION, THE APPLICANT SHALL:

20 (a) PROVIDE A DETAILED PROPOSAL AND OPERATIONS PLAN FOR
21 THE GROWTH OR DEVELOPMENT OF A REGISTERED APPRENTICESHIP
22 PROGRAM; AND

23 (b) SUBMIT ANY OTHER INFORMATION DEEMED APPROPRIATE BY
24 THE DEPARTMENT.

25 (2) APPLICANTS MUST NOT HAVE RECEIVED OR HAVE BEEN
26 SELECTED TO RECEIVE FUNDING FROM THE QUALIFIED APPRENTICESHIP
27 INTERMEDIARY GRANT PROGRAM PURSUANT TO SECTION 8-15.7-302.

1 (1) "APPLICANT" MEANS A PERSON THAT APPLIES TO RECEIVE A
2 GRANT FROM THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT
3 PROGRAM.

4 (2) "QUALIFIED APPRENTICESHIP INTERMEDIARY" HAS THE SAME
5 MEANING AS "QUALIFIED INTERMEDIARY" AS SET FORTH IN SECTION
6 8-15.7-101 (11).

7 (3) "QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT FUND" OR
8 "FUND" MEANS THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT
9 FUND CREATED IN SECTION 8-15.7-305.

10 (4) "QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM"
11 OR "GRANT PROGRAM" MEANS THE QUALIFIED APPRENTICESHIP
12 INTERMEDIARY GRANT PROGRAM CREATED IN SECTION 8-15.7-302.

13 **8-15.7-302. Qualified apprenticeship intermediary grant**
14 **program - creation - application process - data.** (1) ON OR BEFORE
15 JANUARY 1, 2025, THE DEPARTMENT SHALL ESTABLISH THE QUALIFIED
16 APPRENTICESHIP INTERMEDIARY GRANT PROGRAM TO SUPPORT ENTITIES
17 THAT DEMONSTRATE EXPERTISE IN CONNECTING EMPLOYERS OR
18 APPRENTICESHIP PROGRAM PARTICIPANTS TO REGISTERED APPRENTICESHIP
19 PROGRAMS OR IN CONVENING STAKEHOLDERS TO DEVELOP REGISTERED
20 APPRENTICESHIP PROGRAMS.

21 (2) THE DEPARTMENT SHALL:

22 (a) CREATE AN APPLICATION PROCESS THROUGH WHICH IT SELECTS
23 GRANT RECIPIENTS TO PARTICIPATE IN THE GRANT PROGRAM, WITH THE
24 GOAL OF EXPANDING APPRENTICESHIP PROGRAMS, DIVERSIFYING
25 PARTICIPANTS IN APPRENTICESHIP PROGRAMS, AND DIVERSIFYING
26 GEOGRAPHIC DISTRIBUTION OF APPRENTICESHIP PROGRAMS, ESPECIALLY
27 IN HIGH-PRIORITY, HIGH-DEMAND INDUSTRIES, WHILE ENSURING QUALITY

1 STANDARDS;

2 (b) SELECT AND PRIORITIZE GRANT PROGRAM RECIPIENTS BASED

3 ON:

4 (I) AN APPLICANT'S RECORD OF SUCCESS IN SUPPORTING JOB

5 SEEKERS, APPRENTICES, EMPLOYERS, AND SPONSORS;

6 (II) THE REGIONAL DIVERSITY OF THE AREAS SERVED BY AN

7 APPLICANT;

8 (III) THE DIVERSITY OF POPULATIONS SERVED BY AN APPLICANT;

9 AND

10 (IV) HOW THE REGISTERED APPRENTICESHIP PROGRAMS SERVED

11 BY THE APPLICANT MEET TALENT NEEDS IN HIGH-PRIORITY, HIGH-DEMAND

12 INDUSTRIES;

13 (c) OUTLINE PERFORMANCE EXPECTATIONS FOR GRANT RECIPIENTS

14 PARTICIPATING IN THE GRANT PROGRAM; AND

15 (d) COLLECT DATA CONCERNING THE GRANT PROGRAM THAT

16 INCLUDES:

17 (I) THE NUMBER OF EMPLOYERS BENEFITING FROM THE GRANT

18 PROGRAM;

19 (II) THE NUMBER OF APPRENTICES BENEFITING FROM THE GRANT

20 PROGRAM;

21 (III) THE DEMOGRAPHICS OF THE APPRENTICES SERVED BY THE

22 GRANT RECIPIENTS;

23 (IV) A DESCRIPTION OF THE SERVICES PROVIDED BY THE GRANT

24 RECIPIENT;

25 (V) THE NAMES OF THE REGISTERED APPRENTICESHIP PROGRAMS

26 AND OCCUPATIONS IMPACTED BY THE SERVICES PROVIDED BY THE GRANT

27 RECIPIENT; AND

1 (VI) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE
2 DEPARTMENT.

3 (3) GRANT RECIPIENTS SHALL NOT USE MONEY FROM THE GRANT
4 PROGRAM FOR APPRENTICE WAGES.

5 **8-15.7-303. Application.** (1) AN APPLICANT SHALL SUBMIT AN
6 APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED
7 BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN
8 THE APPLICATION, THE APPLICANT SHALL:

9 (a) DESCRIBE HOW THE GRANT WILL BE USED TO EXPAND OR
10 DIVERSIFY REGISTERED APPRENTICESHIP PROGRAMS IN COLORADO; AND

11 (b) SUBMIT ANY OTHER INFORMATION DEEMED APPROPRIATE BY
12 THE DEPARTMENT.

13 (2) AN APPLICANT MUST:

14 (a) BE A QUALIFIED APPRENTICESHIP INTERMEDIARY; AND

15 (b) APPLICANTS MUST NOT HAVE RECEIVED OR HAVE BEEN
16 SELECTED TO RECEIVE FUNDING FROM THE SCALE-UP GRANT PROGRAM
17 PURSUANT TO SECTION 8-15.7-202.

18 **8-15.7-304. Report.** ON OR BEFORE DECEMBER 31, 2026, THE
19 DEPARTMENT SHALL SUBMIT A REPORT COMPILING THE INFORMATION
20 COLLECTED PURSUANT TO SECTION 8-15.7-302 (2)(d) TO THE HOUSE OF
21 REPRESENTATIVES BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE
22 SENATE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR
23 SUCCESSOR COMMITTEES.

24 **8-15.7-305. Qualified apprenticeship intermediary grant fund**
25 **- creation - transfer - gifts, grants, or donations.** (1) THERE IS
26 CREATED IN THE STATE TREASURY THE QUALIFIED APPRENTICESHIP
27 INTERMEDIARY GRANT FUND. MONEY IN THE FUND IS CONTINUOUSLY

1 APPROPRIATED TO THE DEPARTMENT TO IMPLEMENT THE GRANT PROGRAM
2 AND PAY FOR THE DEPARTMENT'S DIRECT AND INDIRECT COSTS IN
3 ADMINISTERING THE GRANT PROGRAM.

4 (2) ON JULY 1, 2024, THE STATE TREASURER SHALL TRANSFER TWO
5 MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND.

6 (3) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS,
7 GRANTS, AND DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE
8 PURPOSES OF THIS PART 3.

9 (4) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED
10 AND UNENCUMBERED MONEY REMAINING IN THE FUND AT THE END OF
11 STATE FISCAL YEAR 2026-27 TO THE GENERAL FUND.

12 **8-15.7-306. Repeal of part.** THIS PART 3 IS REPEALED, EFFECTIVE
13 JULY 1, 2027.

14 **SECTION 5. Safety clause.** The general assembly finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, or safety or for appropriations for
17 the support and maintenance of the departments of the state and state
18 institutions.