

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 24-1124.01 Josh Schultz x5486

HOUSE BILL 24-1439

HOUSE SPONSORSHIP

Willford,

SENATE SPONSORSHIP

Coleman,

House Committees

Finance
Appropriations

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) THE AGGREGATE AMOUNT OF CREDITS RESERVED FOR ALL
24 QUALIFIED TAXPAYERS MUST NOT EXCEED THIRTY MILLION DOLLARS PER
25 CALENDAR YEAR. THE SAA MAY RESERVE CREDITS FOR THE CURRENT OR
26 ANY FUTURE CALENDAR YEAR BASED UPON THE EXPECTED EMPLOYMENT
27 DATES INDICATED IN A QUALIFIED TAXPAYER'S APPLICATION. FOR A

1 QUALIFIED TAXPAYER WHOSE INCOME TAX YEAR IS NOT A CALENDAR
2 YEAR, THE RESERVATION IS EFFECTIVE FOR THE INCOME TAX YEAR THAT
3 BEGINS DURING THE CALENDAR YEAR FOR THE RESERVATION.

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

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

26 (II) THE SAA SHALL NOTIFY ANY QUALIFIED TAXPAYER FOR
27 WHICH THE SAA DID NOT RESERVE A CREDIT UNDER SUBSECTION (4)(c) OF

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

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

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

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

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

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


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

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

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

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

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

16 

17 (c) (I) THE SAA SHALL MAINTAIN A DATABASE OF ANY
18 INFORMATION DETERMINED NECESSARY BY THE SAA TO EVALUATE THE
19 EFFECTIVENESS OF THE INCOME TAX CREDIT ALLOWED IN THIS SECTION IN
20 MEETING THE PURPOSE SET FORTH IN SUBSECTION (1)(b) OF THIS SECTION
21 AND SHALL PROVIDE SUCH INFORMATION, AND ANY OTHER INFORMATION
22 THAT MAY BE NEEDED, IF AVAILABLE, TO THE STATE AUDITOR AS PART OF
23 THE STATE AUDITOR'S EVALUATION OF THE TAX EXPENDITURE REQUIRED
24 BY SECTION 39-21-305.

25 (II) THE SAA SHALL, IN A SUFFICIENTLY TIMELY MANNER TO
26 ALLOW THE DEPARTMENT TO PROCESS RETURNS CLAIMING THE INCOME
27 TAX CREDIT ALLOWED IN THIS SECTION, PROVIDE THE DEPARTMENT WITH

1 AN ELECTRONIC REPORT FOR THE PRECEDING TAX YEAR LISTING EACH
2 QUALIFIED TAXPAYER TO WHICH THE SAA ISSUED AN INCOME TAX CREDIT
3 CERTIFICATE AND THAT INCLUDES THE FOLLOWING INFORMATION:

4 (A) THE TAXPAYER'S NAME;

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

7 (C) THE TAXPAYER'S SOCIAL SECURITY NUMBER OR THE
8 TAXPAYER'S COLORADO ACCOUNT NUMBER AND FEDERAL EMPLOYER
9 IDENTIFICATION NUMBER.

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

14 (6) TO CLAIM THE CREDIT AUTHORIZED BY THIS SECTION, A
15 TAXPAYER SHALL FILE THE INCOME TAX CREDIT CERTIFICATE WITH THE
16 TAXPAYER'S STATE INCOME TAX RETURN. THE AMOUNT OF THE CREDIT
17 THAT THE TAXPAYER MAY CLAIM PURSUANT TO THIS SECTION IS THE
18 AMOUNT STATED ON THE INCOME TAX CREDIT CERTIFICATE.

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

22 (8) IF AN INCOME TAX CREDIT AUTHORIZED IN THIS SECTION
23 EXCEEDS THE INCOME TAX DUE ON THE INCOME OF THE TAXPAYER FOR
24 THE TAXABLE YEAR, THE EXCESS CREDIT SHALL NOT BE CARRIED
25 FORWARD AND MUST BE REFUNDED TO THE TAXPAYER.

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

27 **SECTION 2.** In Colorado Revised Statutes, 39-22-520, **amend**

1 (2)(a); and **add** (4) as follows:

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

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

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

11 **8-15.7-102. State apprenticeship agency - created - director -**
12 **powers and duties - rules - repeal.** (1) There is created in the
13 department the state apprenticeship agency. The executive director shall
14 appoint a director of the SAA. The SAA shall:

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

18 (II) THIS SUBSECTION (1)(s) IS REPEALED, EFFECTIVE DECEMBER
19 31, 2037.

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

22 PART 2

23 SCALE-UP GRANT PROGRAM

24 **8-15.7-201. Definitions.** AS USED IN THIS PART 2:

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

27 (2) "SCALE-UP GRANT FUND" OR "FUND" MEANS THE SCALE-UP

1 GRANT FUND CREATED IN SECTION 8-15.7-205.

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

4 **8-15.7-202. Scale-up grant program - creation - application**
5 **process - data.** (1) ON OR BEFORE JANUARY 1, 2025, THE DEPARTMENT
6 SHALL ESTABLISH THE SCALE-UP GRANT PROGRAM TO ESTABLISH NEW
7 REGISTERED APPRENTICESHIP PROGRAMS OR EXPANDE EXISTING PROGRAMS
8 IN COLORADO.

9 (2) THE DEPARTMENT SHALL:

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

17 (b) SELECT GRANT RECIPIENTS THAT ARE EMPLOYERS OR SPONSORS
18 THAT:

19 (I) PLAN TO DEVELOP AND REGISTER A NEW REGISTERED
20 APPRENTICESHIP PROGRAM; OR

21 (II) CURRENTLY OFFER A REGISTERED APPRENTICESHIP PROGRAM
22 AND PLAN TO EXPAND IT;

23 (c) OUTLINE PERFORMANCE EXPECTATIONS FOR GRANT RECIPIENTS
24 PARTICIPATING IN THE GRANT PROGRAM, INCLUDING MAINTAINING
25 ACCURATE AND TIMELY DATA IN THE FEDERAL REGISTERED
26 APPRENTICESHIP PARTNERS INFORMATION DATABASE SYSTEM, OR A
27 SUCCESSOR DATABASE; AND

1 (d) COLLECT DATA CONCERNING THE GRANT PROGRAM,
2 INCLUDING:

3 (I) THE NUMBER OF EMPLOYERS BENEFITING FROM THE GRANT
4 PROGRAM;

5 (II) THE NUMBER OF APPRENTICES BENEFITING FROM THE GRANT
6 PROGRAM;

7 (III) THE DEMOGRAPHICS OF THE APPRENTICES SERVED BY THE
8 GRANT RECIPIENTS; AND

9 (IV) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE
10 DEPARTMENT.

11 **8-15.7-203. Applicants.** (1) AN APPLICANT SHALL SUBMIT AN
12 APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED
13 BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN
14 THE APPLICATION, THE APPLICANT SHALL:

15 (a) PROVIDE A DETAILED PROPOSAL AND OPERATIONS PLAN FOR
16 THE GROWTH OR DEVELOPMENT OF A REGISTERED APPRENTICESHIP
17 PROGRAM; AND

18 (b) SUBMIT ANY OTHER INFORMATION DEEMED APPROPRIATE BY
19 THE DEPARTMENT.

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

23 **8-15.7-204. Report.** ON OR BEFORE DECEMBER 31, 2026, THE
24 DEPARTMENT SHALL SUBMIT A REPORT COMPILING THE INFORMATION
25 COLLECTED PURSUANT TO SECTION 8-15.7-202 (2)(d) TO THE HOUSE OF
26 REPRESENTATIVES BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE
27 SENATE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR

1 SUCCESSOR COMMITTEES.

2 **8-15.7-205. Scale-up grant fund - creation - gifts, grants, or**
3 **donations - transfer.** (1) THERE IS CREATED IN THE STATE TREASURY
4 THE SCALE-UP GRANT FUND. MONEY IN THE FUND IS CONTINUOUSLY
5 APPROPRIATED TO THE DEPARTMENT TO IMPLEMENT THE GRANT PROGRAM
6 AND PAY FOR THE DEPARTMENT'S DIRECT AND INDIRECT COSTS IN
7 ADMINISTERING THE GRANT PROGRAM.

8 (2) ON JULY 1, 2024, THE STATE TREASURER SHALL TRANSFER TWO
9 MILLION DOLLARS FROM THE GENERAL FUND TO THE SCALE-UP GRANT
10 FUND.

11 (3) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS,
12 GRANTS, AND DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE
13 PURPOSES OF THIS PART 2.

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

17 **8-15.7-206. Repeal of part.** THIS PART 2 IS REPEALED, EFFECTIVE
18 JULY 1, 2027.

19 PART 3

20 QUALIFIED APPRENTICESHIP INTERMEDIARY

21 GRANT PROGRAM

22 **8-15.7-301. Definitions.** AS USED IN THIS PART 3:

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

26 (2) "QUALIFIED APPRENTICESHIP INTERMEDIARY" HAS THE SAME
27 MEANING AS "QUALIFIED INTERMEDIARY" AS SET FORTH IN SECTION

1 8-15.7-101 (11).

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

5 (4) "QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM"
6 OR "GRANT PROGRAM" MEANS THE QUALIFIED APPRENTICESHIP
7 INTERMEDIARY GRANT PROGRAM CREATED IN SECTION 8-15.7-302.

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

16 (2) THE DEPARTMENT SHALL:

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

24 (b) SELECT AND PRIORITIZE GRANT PROGRAM RECIPIENTS BASED
25 ON:

26 (I) AN APPLICANT'S RECORD OF SUCCESS IN SUPPORTING JOB
27 SEEKERS, APPRENTICES, EMPLOYERS, AND SPONSORS;

1 (II) THE REGIONAL DIVERSITY OF THE AREAS SERVED BY AN
2 APPLICANT;

3 (III) THE DIVERSITY OF POPULATIONS SERVED BY AN APPLICANT;
4 AND

5 (IV) HOW THE REGISTERED APPRENTICESHIP PROGRAMS SERVED
6 BY THE APPLICANT MEET TALENT NEEDS IN HIGH-PRIORITY, HIGH-DEMAND
7 INDUSTRIES;

8 (c) OUTLINE PERFORMANCE EXPECTATIONS FOR GRANT RECIPIENTS
9 PARTICIPATING IN THE GRANT PROGRAM; AND

10 (d) COLLECT DATA CONCERNING THE GRANT PROGRAM THAT
11 INCLUDES:

12 (I) THE NUMBER OF EMPLOYERS BENEFITING FROM THE GRANT
13 PROGRAM;

14 (II) THE NUMBER OF APPRENTICES BENEFITING FROM THE GRANT
15 PROGRAM;

16 (III) THE DEMOGRAPHICS OF THE APPRENTICES SERVED BY THE
17 GRANT RECIPIENTS;

18 (IV) A DESCRIPTION OF THE SERVICES PROVIDED BY THE GRANT
19 RECIPIENT;

20 (V) THE NAMES OF THE REGISTERED APPRENTICESHIP PROGRAMS
21 AND OCCUPATIONS IMPACTED BY THE SERVICES PROVIDED BY THE GRANT
22 RECIPIENT; AND

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

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

27 **8-15.7-303. Application.** (1) AN APPLICANT SHALL SUBMIT AN

1 APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED
2 BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN
3 THE APPLICATION, THE APPLICANT SHALL:

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

6 (b) SUBMIT ANY OTHER INFORMATION DEEMED APPROPRIATE BY
7 THE DEPARTMENT.

8 (2) AN APPLICANT MUST:

9 (a) BE A QUALIFIED APPRENTICESHIP INTERMEDIARY; AND

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

13 **8-15.7-304. Report.** ON OR BEFORE DECEMBER 31, 2026, THE
14 DEPARTMENT SHALL SUBMIT A REPORT COMPILING THE INFORMATION
15 COLLECTED PURSUANT TO SECTION 8-15.7-302 (2)(d) TO THE HOUSE OF
16 REPRESENTATIVES BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE
17 SENATE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR
18 SUCCESSOR COMMITTEES.

19 **8-15.7-305. Qualified apprenticeship intermediary grant fund**
20 **- creation - transfer - gifts, grants, or donations.** (1) THERE IS
21 CREATED IN THE STATE TREASURY THE QUALIFIED APPRENTICESHIP
22 INTERMEDIARY GRANT FUND. MONEY IN THE FUND IS CONTINUOUSLY
23 APPROPRIATED TO THE DEPARTMENT TO IMPLEMENT THE GRANT PROGRAM
24 AND PAY FOR THE DEPARTMENT'S DIRECT AND INDIRECT COSTS IN
25 ADMINISTERING THE GRANT PROGRAM.

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

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

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

7 **8-15.7-306. Repeal of part.** THIS PART 3 IS REPEALED, EFFECTIVE
8 JULY 1, 2027.

9 **SECTION 5. Safety clause.** The general assembly finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, or safety or for appropriations for
12 the support and maintenance of the departments of the state and state
13 institutions.