

CHAPTER 162

EDUCATION - POSTSECONDARY

SENATE BILL 24-143

BY SENATOR(S) Coleman and Zenzinger, Bridges, Buckner, Cutter, Exum, Ginal, Gonzales, Hinrichsen, Jaquez Lewis, Marchman, Michaelson Jenet, Mullica, Priola, Sullivan, Winter F., Fenberg;
also REPRESENTATIVE(S) Herod and Hamrick, Amabile, Bacon, Bird, Boesenecker, Brown, Clifford, Daugherty, English, Froelich, Garcia, Jodeh, Kipp, Lieder, Lindsay, Lukens, McLachlan, Ortiz, Ricks, Sirota, Snyder, Story, Titone, Woodrow, Young, McCluskie.

AN ACT

CONCERNING CREDENTIAL ASSESSMENT TOOLS, AND, IN CONNECTION THEREWITH, INTEGRATING FRAMEWORKS FOR NONDEGREE CREDENTIAL EVALUATION AND CLASSIFICATION INTO STATE EDUCATION AND WORKFORCE SYSTEMS, ALIGNING STACKABLE CREDENTIAL PATHWAYS AND APPRENTICESHIP PROGRAMS WITH INTERNATIONAL CLASSIFICATION STANDARDS, AND MAKING AN APPROPRIATION.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

(a) The strength and prosperity of Colorado's economy hinges on economic mobility and educational opportunities for all Coloradans and on the cultivation of a skilled workforce. According to the 2022 Colorado talent pipeline report, 91.4 percent of tier one top jobs and 70.4 percent of tier two top jobs in the state required some form of postsecondary education beyond high school, including traditional academic degrees, as well as industry certifications, badges, sub-baccalaureate certificates, professional licenses, and apprenticeships.

(b) Traditional undergraduate and graduate degree programs are the foundation of our postsecondary training system. However, they cannot fully meet Colorado's evolving skilled workforce needs. Nondegree credentials provide a valuable and complementary approach to bridging the skills gap. They offer learners a practical and expedited pathway to acquire the precise skills that employers urgently require to meet their immediate workforce needs.

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(c) In 2021, Credential Engine reported 967,734 unique secondary and postsecondary education credentials in the United States. Existing accreditation and regulation systems provide quality assurance for degree programs but, with the exception of sub-baccalaureate certifications, do not take a sufficiently holistic approach to quality assurance for nondegree credentials. Existing systems fail to validate the legitimacy of nondegree credentials, specify how they relate to degree programs, and fail to indicate whether they develop in-demand skills that lead to good jobs. This places a considerable burden on both learners and employers who lack the time, expertise, and resources to verify the legitimacy and quality of these credentials. As a result, employers and learners continue to rely heavily on traditional degrees while quality nondegree credentials remain underused and undervalued.

(d) To address this need, Colorado requires a system that brings quality assurance, clarity, and order to the complex landscape of both nondegree and traditional degree credentials by validating high-quality credentials and indicating the level of training or skill mastery they deliver; and

(e) With the help of a quality assurance framework and an internationally recognized standard classification system, Colorado employers can more easily assess candidate qualifications and skill profiles and align their hiring practices and policies with proper recognition of nondegree credentials. Knowing their chosen program carries validation, legitimacy, and value in the labor market empowers Colorado learners to make informed decisions about their careers.

(2) Therefore, the general assembly declares that the implementation of a quality nondegree credentials framework and a standard classification system is an essential step toward an equitable economy, economic mobility, workforce development, and clarity in educational and training attainment.

SECTION 2. In Colorado Revised Statutes, **add** 23-5-145.8 as follows:

23-5-145.8. Credential quality standards - report - definitions. (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "APPRENTICESHIP CERTIFICATE OF COMPLETION" MEANS A CERTIFICATE AWARDED TO AN APPRENTICE IN RECOGNITION OF THE SUCCESSFUL COMPLETION OF A REGISTERED APPRENTICESHIP PROGRAM.

(b) "COLORADO TALENT REPORT" MEANS THE REPORT PREPARED PURSUANT TO SECTION 24-46.3-103.

(c) "DEPARTMENT" MEANS THE DEPARTMENT OF HIGHER EDUCATION CREATED AND EXISTING PURSUANT TO SECTION 24-1-114.

(d) "INDUSTRY CERTIFICATION" MEANS A CREDENTIAL AWARDED BY AN INDUSTRY-RECOGNIZED THIRD PARTY OR INDUSTRY-GOVERNING BOARD BASED ON AN INDIVIDUAL DEMONSTRATING BY ASSESSMENT THAT THE INDIVIDUAL HAS ACQUIRED THE DESIGNATED KNOWLEDGE, SKILLS, AND ABILITIES RELATED TO A SPECIFIC OCCUPATION OR SKILL. INDUSTRY CERTIFICATIONS MAY BE TIME-LIMITED DEPENDENT UPON THE OCCUPATION OR INDUSTRY.

(e) "INTERNATIONAL STANDARD CLASSIFICATION OF EDUCATION" OR "ISCED" MEANS A COMPREHENSIVE FRAMEWORK FOR ORGANIZING EDUCATION AND TRAINING PROGRAMS THAT APPLIES UNIFORM AND INTERNATIONALLY AGREED-UPON CLASSIFICATIONS TO FACILITATE COMPARISONS OF EDUCATION AND TRAINING PROGRAMS ACROSS COUNTRIES.

(f) "NONDEGREE CREDENTIAL" MEANS A POSTSECONDARY CERTIFICATE, APPRENTICESHIP CERTIFICATE OF COMPLETION, PROFESSIONAL LICENSE, OR INDUSTRY CERTIFICATION.

(g) "POSTSECONDARY CERTIFICATE" MEANS A CREDENTIAL AWARDED BY AN INSTITUTION OF HIGHER EDUCATION AT AN UNDERGRADUATE LEVEL BASED ON COMPLETION OF ALL REQUIREMENTS FOR A PROGRAM OF STUDY, INCLUDING COURSEWORK AND EXAMS. POSTSECONDARY CERTIFICATES ARE NOT TIME-LIMITED AND DO NOT REQUIRE RENEWAL. "POSTSECONDARY CERTIFICATE" DOES NOT INCLUDE A DEGREE OR A CREDENTIAL AWARDED BY AN INSTITUTION OF HIGHER EDUCATION AFTER COMPLETION OF A BACHELOR'S DEGREE IN THE SAME PATHWAY.

(h) "QUALITY NONDEGREE CREDENTIALS FRAMEWORK" MEANS THE QUALITY AND IN-DEMAND NONDEGREE CREDENTIALS FRAMEWORK DEVELOPED PURSUANT TO SECTION 23-5-145.6 (2) TO ASSESS CERTIFICATIONS, OCCUPATIONAL LICENSES, APPRENTICESHIP CERTIFICATES OF COMPLETION, NON-CREDIT CERTIFICATES, MICRO-CREDENTIALS, AND SUB-BACCALAUREATE FOR-CREDIT CERTIFICATES AND ESTABLISHES A RUBRIC FOR EVALUATING CREDENTIALS IN STATE-RECOGNIZED PROGRAMS.

(i) "STACKABLE CREDENTIAL PATHWAY" MEANS A SEQUENCE OF DEGREE OR NONDEGREE CREDENTIALS EARNED THROUGH VARIOUS MEANS, INCLUDING THROUGH ASSESSMENT OF PRIOR LEARNING, THAT MAY BE ACCUMULATED OVER TIME AND MOVE AN INDIVIDUAL ALONG A CAREER PATHWAY OR UP A CAREER LADDER.

(j) "STATE INSTITUTION OF HIGHER EDUCATION" OR "INSTITUTION" HAS THE SAME MEANING AS SET FORTH IN SECTION 23-1-135.

(2) (a) THE STATE OF COLORADO FORMALLY RECOGNIZES THE QUALITY NONDEGREE CREDENTIALS FRAMEWORK DEVELOPED PURSUANT TO SECTION 23-5-145.6(2) AS THE PRIMARY TOOL FOR EVALUATING AND ENSURING THE QUALITY OF NONDEGREE CREDENTIALS OFFERED WITHIN THE STATE.

(b) THE DEPARTMENT, IN COLLABORATION WITH THE COLORADO WORK FORCE DEVELOPMENT COUNCIL, THE DEPARTMENT OF EDUCATION, THE DEPARTMENT OF LABOR AND EMPLOYMENT, THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT, AND THE COLORADO COMMUNITY COLLEGE SYSTEM SHALL ENSURE THE EFFECTIVE INTEGRATION OF THE QUALITY NONDEGREE CREDENTIALS FRAMEWORK WITHIN THE STATE'S EDUCATION AND WORKFORCE SYSTEMS.

(c) BEGINNING JANUARY 1, 2026, AND ANNUALLY THEREAFTER, THE DEPARTMENT, IN COLLABORATION WITH THE COLORADO WORK FORCE DEVELOPMENT COUNCIL, THE DEPARTMENT OF EDUCATION, THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT, SHALL EVALUATE NONDEGREE CREDENTIALS OFFERED THROUGH

STATE-RECOGNIZED PROGRAMS TO ENSURE THE CREDENTIALS MEET THE QUALITY STANDARDS SET FORTH IN THE QUALITY NONDEGREE CREDENTIALS FRAMEWORK. STATE-RECOGNIZED PROGRAMS THAT ARE REQUIRED TO ENSURE NONDEGREE CREDENTIAL OFFERINGS MEET THE QUALITY STANDARDS SET FORTH IN THE QUALITY NONDEGREE CREDENTIALS FRAMEWORK INCLUDE, BUT ARE NOT LIMITED TO:

(I) THE CAREER DEVELOPMENT SUCCESS PROGRAM CREATED PURSUANT TO SECTION 22-54-138; AND

(II) THE STACKABLE CREDENTIAL PATHWAYS IDENTIFIED PURSUANT TO SECTION 23-5-145.6 (3).

(d) BEGINNING JANUARY 1, 2026, AND ANNUALLY THEREAFTER, THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT OF EDUCATION, THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND THE COLORADO OFFICE OF ECONOMIC DEVELOPMENT, SHALL SUPPLY THE STATE WORKFORCE DEVELOPMENT COUNCIL WITH A LIST OF QUALITY NONDEGREE CREDENTIAL PROGRAMS THAT MEET THE QUALITY STANDARDS SET FORTH IN THE QUALITY NONDEGREE CREDENTIALS FRAMEWORK FOR INCLUSION IN THE COLORADO TALENT REPORT PRODUCED PURSUANT TO SECTION 24-46.3-103 (3)(a) AND IN A CREDENTIAL REGISTRY ENDORSED BY THE STATE.

(3) (a) THE DEPARTMENT SHALL ENGAGE STATE AGENCIES, EDUCATIONAL INSTITUTIONS, INTERNATIONAL ORGANIZATIONS, INDUSTRY ASSOCIATIONS, AND OTHER STAKEHOLDERS TO STUDY AND MAKE RECOMMENDATIONS CONCERNING THE ADOPTION OF ISCED AS THE STATE'S STANDARD FRAMEWORK FOR CLASSIFYING NONDEGREE CREDENTIALS AND ISCED'S WIDER APPLICATION IN THE STATE'S EDUCATION AND WORKFORCE SYSTEMS. ON OR BEFORE JULY 31, 2025, THE DEPARTMENT SHALL COMPLETE A STAKEHOLDER ENGAGEMENT PROCESS TO INFORM A REPORT. THE STAKEHOLDER ENGAGEMENT PROCESS MUST:

(I) SOLICIT INPUT FROM EMPLOYERS AND THEIR INDUSTRY OR TRADE ASSOCIATIONS;

(II) SOLICIT INPUT FROM STATE INSTITUTIONS OF HIGHER EDUCATION;

(III) SOLICIT INPUT FROM THE COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT, INCLUDING THE OFFICE OF FUTURE OF WORK AND THE STATE APPRENTICESHIP AGENCY, THE STATE WORKFORCE DEVELOPMENT COUNCIL, AND THE COLORADO DEPARTMENT OF EDUCATION STUDENT PATHWAYS UNIT; AND

(IV) LEVERAGE THE RESOURCES AND TOOLS OF THE ISCED COMMUNITY.

(b) THE DEPARTMENT SHALL STUDY AND MAKE RECOMMENDATIONS CONCERNING HOW ISCED EQUIVALENCY LEVELS MAY BE:

(I) IMPLEMENTED AS THE STATE'S STANDARD FRAMEWORK FOR ORGANIZING AND CLASSIFYING NONDEGREE CREDENTIALS;

(II) ASSIGNED TO CREDENTIALS OR PACKAGES OF CREDENTIALS IDENTIFIED AND APPROVED PURSUANT TO SECTION 23-5-145.6 (3) AND (4);

(III) ASSIGNED TO REGISTERED APPRENTICESHIPS;

(IV) WIDELY ADOPTED BY STAKEHOLDERS TO FACILITATE ALIGNMENT OF EDUCATION AND TRAINING PROGRAMS AND ASSOCIATED QUALIFICATIONS; AND

(V) EFFECTIVELY INTEGRATED WITHIN THE STATE'S EDUCATION AND WORKFORCE SYSTEMS.

(c) ON OR BEFORE JULY 31, 2025, THE DEPARTMENT SHALL REPORT ITS FINDINGS AND RECOMMENDATIONS TO THE EDUCATION COMMITTEES OF THE SENATE AND HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES.

(d) ON OR BEFORE JULY 31, 2025, USING THE PROCESS RECOMMENDED PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, THE DEPARTMENT SHALL ASSIGN ISCED EQUIVALENCY LEVELS TO THE CREDENTIALS INCLUDED IN THE STACKABLE CREDENTIAL PATHWAYS IDENTIFIED AND APPROVED PURSUANT TO SECTION 23-5-145.6 (3) AND (4). THE ISCED ALIGNMENT PROCESS MUST CONSIDER CREDENTIAL PROGRAM RIGOR AND RELEVANCE.

(4) THE DEPARTMENT SHALL IMPLEMENT THIS SECTION SUBJECT TO AVAILABLE APPROPRIATIONS.

SECTION 3. In Colorado Revised Statutes, **add** part 10 to article 83 of title 8 as follows:

PART 10
APPRENTICESHIP INTERNATIONAL STANDARDS

8-83-1001. Definitions. AS USED IN THIS PART 10, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "INTERNATIONAL STANDARD CLASSIFICATION OF EDUCATION" OR "ISCED" MEANS A COMPREHENSIVE FRAMEWORK FOR ORGANIZING EDUCATION AND TRAINING PROGRAMS THAT APPLIES UNIFORM AND INTERNATIONALLY AGREED-UPON CLASSIFICATIONS TO FACILITATE COMPARISONS OF EDUCATION AND TRAINING PROGRAMS ACROSS COUNTRIES.

(2) "OFFICE" MEANS THE OFFICE OF FUTURE OF WORK CREATED IN SECTION 8-15.8-103.

8-83-1002. Apprenticeship program alignment with international standards.

(1) BEGINNING JANUARY 1, 2026, AND ANNUALLY THEREAFTER, THE OFFICE, IN COORDINATION WITH THE DEPARTMENT OF EDUCATION, THE DEPARTMENT OF HIGHER EDUCATION, THE DEPARTMENT OF LABOR AND EMPLOYMENT, AND THE CAREER AND TECHNICAL EDUCATION DIVISION WITHIN THE COLORADO COMMUNITY COLLEGE SYSTEM, SHALL COLLABORATE WITH THE STATE APPRENTICESHIP AGENCY TO DETERMINE ISCED EQUIVALENCY LEVELS FOR EACH APPRENTICESHIP PROGRAM REGISTERED ON OR AFTER JULY 31, 2025. IN MAKING ISCED EQUIVALENCY LEVEL DETERMINATIONS, THE OFFICE SHALL:

(a) APPLY THE PROCESS RECOMMENDED PURSUANT TO SECTION 23-5-145.8 (3)(b);
AND

(b) REQUIRE POSTING OF THE DETERMINED ISCED LEVEL ALONGSIDE THE APPRENTICESHIP PROGRAM ON ALL ISSUED APPRENTICESHIP CERTIFICATES OF COMPLETION AND IN ALL PUBLIC LISTINGS, INCLUDING, BUT NOT LIMITED TO, THE ELIGIBLE TRAINING PROVIDER LISTS DISSEMINATED BY THE DEPARTMENT OF LABOR AND EMPLOYMENT PURSUANT TO SECTION 8-83-225 (1)(c) AND THE COLORADO STATE APPRENTICESHIP RESOURCE DIRECTORY CREATED PURSUANT TO SECTION 8-83-308.

(2) ON OR BEFORE JANUARY 1, 2027, THE OFFICE SHALL DETERMINE ISCED EQUIVALENCY LEVELS FOR EACH APPRENTICESHIP PROGRAM REGISTERED BEFORE JULY 31, 2025. AFTER MAKING ISCED EQUIVALENCY LEVEL DETERMINATIONS, THE OFFICE SHALL REQUIRE POSTING OF THE DETERMINED ISCED LEVEL ALONGSIDE THE APPRENTICESHIP PROGRAM ON ALL ISSUED APPRENTICESHIP CERTIFICATES OF COMPLETION AND IN ALL PUBLIC LISTINGS, INCLUDING, BUT NOT LIMITED TO, THE ELIGIBLE TRAINING PROVIDER LISTS DISSEMINATED BY THE DEPARTMENT OF LABOR AND EMPLOYMENT PURSUANT TO SECTION 8-83-225 (1)(c) AND THE COLORADO STATE APPRENTICESHIP RESOURCE DIRECTORY CREATED PURSUANT TO SECTION 8-83-308.

SECTION 4. In Colorado Revised Statutes, 22-54-138, **amend** (3)(a) as follows:

22-54-138. Career development success program - created - funding - report - legislative declaration - definitions - repeal. (3) (a) On or before August 15, 2016, and on or before July 1 each year thereafter, the work force development council, in collaboration with the department of higher education, the department of education, the department of labor and employment, the Colorado community college system, and the Colorado office of economic development, shall publish on the council's website a list of the qualified industry-credential programs and qualified workplace training programs THAT MEET THE QUALITY STANDARDS REQUIRED PURSUANT TO SECTION 23-5-145.8 (2)(c) for that school year. At least annually, the council and its partners shall identify and review the qualified industry-credential programs and qualified workplace training programs by identifying the jobs included in the Colorado talent report, prepared pursuant to section 24-46.3-103, with the greatest regional and state demand, including high-skill, high-wage jobs in in-demand industries, and, after consultation with relevant industries, identifying the programs that have labor market value and are likely to lead to the identified jobs. Any programs that the council determines do not demonstrate labor market value may be removed from the council's website.

SECTION 5. In Colorado Revised Statutes, 23-5-145.6, **add** (4.5) as follows:

23-5-145.6. Opportunities for credential attainment - fund - report - definitions - repeal. (4.5) THE STACKABLE CREDENTIAL PATHWAYS MUST MEET THE QUALITY STANDARDS REQUIRED PURSUANT TO SECTION 23-5-145.8 (2)(c).

SECTION 6. Appropriation. (1) For the 2024-25 state fiscal year, \$124,287 is appropriated to the department of higher education for use by the Colorado commission on higher education and higher education special purpose programs.

This appropriation is from the general fund and is based on an assumption that the commission will require an additional 1.2 FTE. To implement this act, the office may use this appropriation for S.B. 22-192 development and implementation of stackable credentials.

(2) For the 2024-25 state fiscal year, \$30,000 is appropriated to the department of labor and employment for use by the office of future of work. This appropriation is from the general fund. To implement this act, the office may use this appropriation for program costs.

SECTION 7. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2024 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 10, 2024