

CHAPTER 163

LABOR AND INDUSTRY

HOUSE BILL 24-1439

BY REPRESENTATIVE(S) Willford and Weinberg, Amabile, Bacon, Bird, Boesenecker, Daugherty, English, Froelich, Hamrick, Herod, Jodeh, Kipp, Lieder, Lindsay, Lukens, Mabrey, Marvin, Mauro, McLachlan, Ortiz, Ricks, Rutinel, Titone, Young, McCluskie, Brown, Duran, Lindstedt, Velasco;
also SENATOR(S) Coleman and Baisley, Bridges, Buckner, Cutter, Exum, Fields, Jaquez Lewis, Michaelson Jenet, Mullica, Priola, Roberts, Smallwood.

AN ACT

CONCERNING FINANCIAL INCENTIVES RELATED TO APPRENTICESHIP PROGRAMS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **add** 39-22-562 as follows:

39-22-562. Apprenticeship tax credit - tax preference performance statement - legislative declaration - definitions - rules - repeal. (1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

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

(II) MANY EMPLOYERS ARE INTERESTED IN PROVIDING HIGH-QUALITY REGISTERED APPRENTICESHIPS TO ADDRESS THEIR SKILLED WORKER SHORTAGES BUT FACE FINANCIAL BARRIERS, ESPECIALLY SMALL BUSINESSES.

(b) IN ACCORDANCE WITH SECTION 39-21-304 (1), WHICH REQUIRES EACH BILL THAT CREATES A NEW TAX EXPENDITURE TO INCLUDE A TAX PREFERENCE PERFORMANCE STATEMENT AS PART OF A STATUTORY LEGISLATIVE DECLARATION, THE GENERAL ASSEMBLY FINDS AND DECLARES THAT THE PURPOSE OF THE TAX CREDIT PROVIDED FOR IN THIS SECTION IS TO INDUCE CERTAIN DESIGNATED BEHAVIOR BY TAXPAYERS AND TO PROVIDE A REDUCTION IN INCOME TAX LIABILITY

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.

FOR CERTAIN BUSINESSES THAT HIRE APPRENTICES. SPECIFICALLY, THIS TAX EXPENDITURE IS INTENDED TO INCENTIVIZE THE HIRING OF APPRENTICES AND GROWTH OF REGISTERED APPRENTICESHIP PROGRAMS IN NEW AND EMERGING INDUSTRIES.

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

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

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

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

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

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

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

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

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

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

(i) "SMALL BUSINESS" MEANS A BUSINESS WITH FEWER THAN FIFTY EMPLOYEES.

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

(3) (a) SUBJECT TO THE LIMITATIONS SET FORTH IN SUBSECTION (3)(b) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2025, BUT BEFORE JANUARY 1, 2035, A QUALIFIED TAXPAYER IN A NEW AND EMERGING INDUSTRY IS ALLOWED AN APPRENTICESHIP TAX CREDIT AGAINST THE INCOME TAX IMPOSED BY THIS ARTICLE 22 FOR EACH APPRENTICE WHO IS AN EMPLOYEE OF THE TAXPAYER IN THIS STATE FOR NO LESS THAN SIX MONTHS DURING THE TAXPAYER'S INCOME TAX YEAR. THE CREDIT IS EQUAL TO UP TO SIX THOUSAND THREE HUNDRED DOLLARS FOR SIX MONTHS OF EMPLOYMENT PLUS UP TO ONE THOUSAND FIFTY DOLLARS FOR EACH ADDITIONAL MONTH OF EMPLOYMENT, FOR A MAXIMUM OF

TWELVE THOUSAND SIX HUNDRED DOLLARS PER APPRENTICE PER INCOME TAX YEAR; EXCEPT THAT THE TAXPAYER SHALL NOT CLAIM A CREDIT FOR:

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

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

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

(b) A QUALIFIED TAXPAYER MUST EITHER:

(I) HAVE ESTABLISHED A REGISTERED APPRENTICESHIP PROGRAM IN GOOD STANDING WITH THE SAA AND RECEIVED A CERTIFICATE OF REGISTRATION FROM THE STATE APPRENTICESHIP AGENCY; OR

(II) BE AN EMPLOYER-PARTNER OF A REGISTERED APPRENTICESHIP PROGRAM IN GOOD STANDING WITH THE SAA AS VERIFIED BY THE QUALIFIED TAXPAYER'S INCLUSION ON THE COLORADO STATE APPRENTICESHIP RESOURCE DIRECTORY PURSUANT TO SECTION 8-83-308.

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

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

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

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

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

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

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

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

(II) THE AGGREGATE AMOUNT OF CREDITS RESERVED FOR ALL QUALIFIED TAXPAYERS MUST NOT EXCEED FIFTEEN MILLION DOLLARS PER CALENDAR YEAR. THE SAA MAY RESERVE CREDITS FOR THE CURRENT OR ANY FUTURE CALENDAR YEAR BASED UPON THE EXPECTED EMPLOYMENT DATES INDICATED IN A QUALIFIED TAXPAYER'S APPLICATION. FOR A QUALIFIED TAXPAYER WHOSE INCOME TAX YEAR IS NOT A CALENDAR YEAR, THE RESERVATION IS EFFECTIVE FOR THE INCOME TAX YEAR THAT BEGINS DURING THE CALENDAR YEAR FOR THE RESERVATION.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) THE TAXPAYER'S NAME;

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

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

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

(B) IN ESTABLISHING THE STANDARDS REQUIRED BY SUBSECTION (5)(c)(III)(A) OF THIS SECTION, THE SAA SHALL OBTAIN INPUT FROM EMPLOYERS AND APPRENTICES ON ELEMENTS OF PROGRAM QUALITY FOR REGISTERED APPRENTICESHIP PROGRAMS IN NEW AND EMERGING INDUSTRIES.

(C) QUALIFIED TAXPAYERS THAT HAVE PREVIOUSLY CLAIMED THE INCOME TAX CREDIT AND SEEK TO CLAIM THE INCOME TAX CREDIT IN FUTURE TAX YEARS SHALL PROVIDE INFORMATION REGARDING HOW THEY HAVE SATISFIED THE STANDARDS ISSUED PURSUANT TO SUBSECTION (5)(c)(III)(A) OF THIS SECTION RELATED TO PROGRAM QUALITY IN THEIR REAPPLICATION FOR THE INCOME TAX CREDIT.

(IV) THE SAA SHALL CONDUCT OUTREACH TO SMALL BUSINESSES TO ENSURE THEY ARE AWARE OF THE TAX CREDIT AND PROVIDE TECHNICAL ASSISTANCE TO MINIMIZE THE ADMINISTRATIVE BURDEN OF SUBMITTING AN APPLICATION FOR THE RESERVATION OF A TAX CREDIT.

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

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

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

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

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

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

(4) THIS SECTION IS REPEALED, EFFECTIVE DECEMBER 31, 2034.

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

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

(s) (I) REVIEW APPLICATIONS FOR AND ISSUE INCOME TAX CREDIT CERTIFICATES AS SPECIFIED IN SECTION 39-22-562 AND PROMULGATE RULES TO ESTABLISH STANDARDS FOR THE CERTIFICATES.

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

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

PART 3
SCALE-UP GRANT PROGRAM

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

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

(2) "SCALE-UP GRANT FUND" OR "FUND" MEANS THE SCALE-UP GRANT FUND CREATED IN SECTION 8-15.7-305.

(3) "SCALE-UP GRANT PROGRAM" OR "GRANT PROGRAM" MEANS THE SCALE-UP GRANT PROGRAM CREATED IN SECTION 8-15.7-302.

8-15.7-302. Scale-up grant program - creation - application process - data.

(1) ON OR BEFORE JANUARY 1, 2025, THE DEPARTMENT SHALL ESTABLISH THE SCALE-UP GRANT PROGRAM TO ESTABLISH NEW REGISTERED APPRENTICESHIP PROGRAMS OR EXPAND EXISTING PROGRAMS IN COLORADO.

(2) THE DEPARTMENT SHALL:

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

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

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

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

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

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

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

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

(III) THE WAGES FOR APPRENTICES BENEFITING FROM THE GRANT PROGRAM;

(IV) THE DEMOGRAPHICS OF THE APPRENTICES SERVED BY THE GRANT RECIPIENTS; AND

(V) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE DEPARTMENT.

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

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

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

(2) APPLICANTS MUST NOT HAVE RECEIVED OR HAVE BEEN SELECTED TO RECEIVE FUNDING FROM THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM PURSUANT TO SECTION 8-15.7-402.

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

8-15.7-305. Scale-up grant fund - creation - gifts, grants, or donations - transfer. (1) THERE IS CREATED IN THE STATE TREASURY THE SCALE-UP GRANT FUND. MONEY IN THE FUND IS ANNUALLY APPROPRIATED TO THE DEPARTMENT TO IMPLEMENT THE GRANT PROGRAM AND PAY FOR THE DEPARTMENT'S DIRECT AND INDIRECT COSTS IN ADMINISTERING THE GRANT PROGRAM.

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

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

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

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

PART 4
QUALIFIED APPRENTICESHIP INTERMEDIARY
GRANT PROGRAM

8-15.7-401. Definitions. AS USED IN THIS PART 4:

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

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

(3) "QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT FUND" OR "FUND" MEANS THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT FUND CREATED IN SECTION 8-15.7-405.

(4) "QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM" OR "GRANT PROGRAM" MEANS THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM CREATED IN SECTION 8-15.7-402.

8-15.7-402. Qualified apprenticeship intermediary grant program - creation - application process - data. (1) ON OR BEFORE JANUARY 1, 2025, THE DEPARTMENT SHALL ESTABLISH THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM 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.

(2) THE DEPARTMENT SHALL:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8-15.7-403. Application. (1) AN APPLICANT SHALL SUBMIT AN APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN THE APPLICATION, THE APPLICANT SHALL:

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

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

(2) AN APPLICANT MUST:

(a) BE A QUALIFIED APPRENTICESHIP INTERMEDIARY; AND

(b) APPLICANTS MUST NOT HAVE RECEIVED OR HAVE BEEN SELECTED TO RECEIVE FUNDING FROM THE SCALE-UP GRANT PROGRAM PURSUANT TO SECTION 8-15.7-302.

(3) THE SAA SHALL POST A LIST OF THE TYPES OF ENTITIES ELIGIBLE TO APPLY TO THE GRANT PROGRAM ON THE SAA'S WEBSITE, INCLUDING LABOR MANAGEMENT TRAINING PARTNERSHIPS, MULTIEmployer APPRENTICESHIP SPONSORS, ECONOMIC DEVELOPMENT ORGANIZATIONS, APPRENTICESHIP TRAINING COMMITTEES, LOCAL WORKFORCE BOARDS, LOCAL SCHOOL DISTRICTS OR BOARDS OF COOPERATIVE SERVICES, INDUSTRY OR TRADE ASSOCIATIONS, NONPROFIT ORGANIZATIONS, AND COMMUNITY COLLEGES.

8-15.7-404. Report. ON OR BEFORE DECEMBER 31, 2026, THE DEPARTMENT SHALL SUBMIT A REPORT COMPILING THE INFORMATION COLLECTED PURSUANT TO SECTION 8-15.7-402 (2)(d) TO THE HOUSE OF REPRESENTATIVES BUSINESS AFFAIRS AND LABOR COMMITTEE AND THE SENATE BUSINESS, LABOR, AND TECHNOLOGY COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

8-15.7-405. Qualified apprenticeship intermediary grant fund - creation - transfer - gifts, grants, or donations. (1) THERE IS CREATED IN THE STATE TREASURY THE QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT FUND. MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE DEPARTMENT TO IMPLEMENT THE GRANT PROGRAM AND PAY FOR THE DEPARTMENT'S DIRECT AND INDIRECT COSTS IN ADMINISTERING THE GRANT PROGRAM.

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

(3) THE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, AND DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF THIS PART 4.

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

8-15.7-406. Repeal of part. THIS PART 4 IS REPEALED, EFFECTIVE JULY 1, 2027.

SECTION 5. Appropriation. (1) For the 2024-25 state fiscal year, \$103,515 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 and is based on an assumption that the office will require an additional 0.8 FTE. To implement this act, the office may use this appropriation for program costs.

(2) For the 2024-25 state fiscal year, \$1,333,333 is appropriated to the department of labor and employment for use by the office of future of work. Of this appropriation, \$666,666 is from the scale-up grant fund created in section 8-15.7-305 (1), C.R.S., and \$666,667 is from the qualified apprenticeship intermediary grant fund created in section 8-15.7-405 (1), C.R.S., and is based on an assumption that the office will require an additional 2.5 FTE. To implement this act, the office may use this appropriation for program costs.

SECTION 6. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.

Approved: May 10, 2024