



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1284: REGULATING APPRENTICES IN LICENSED TRADES

Prime Sponsors:

Rep. Duran
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Published for: House Business Affairs & Labor**Drafting number:** LLS 25-0509**Version:** Initial Fiscal Note**Date:** March 10, 2025**Fiscal note status:** The fiscal note reflects the introduced bill.

Summary Information

Overview. The bill modifies regulations concerning apprenticeships in certain licensed trades.**Types of impacts.** The bill is projected to affect the following areas for certain fiscal years only:

- State Revenue
- State Expenditures

Appropriations. For FY 2025-26, the bill requires an appropriation of \$30,000 to the Department of Regulatory Agencies.

Table 1
State Fiscal Impacts

Type of Impact¹	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$10,000
State Expenditures	\$30,000	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$10,000
Change in State FTE	0.0 FTE	0.0 FTE

¹ Fund sources for these impacts are shown in the tables below.

Table 1A
State Revenue

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$0	\$0
Cash Funds	\$0	\$10,000
Total Revenue	\$0	\$10,000

Table 1B
State Expenditures

Fund Source	Budget Year FY 2025-26	Out Year FY 2026-27
General Fund	\$0	\$0
Cash Funds	\$30,000	\$0
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	\$0
Total Expenditures	\$30,000	\$0
Total FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill modifies regulations concerning registered apprenticeships in the electrical and plumbing trades by the Department of Labor and Employment (CDLE), which is the state apprenticeship agency, and the Department of Regulatory Agencies (DORA), which regulates these trades.

Apprentices

Under current law, apprentices must take the appropriate journeyworker license examination after completing required practical training time. The bill allows apprentices to instead take a residential-level licensure examination and specifies that DORA may exempt apprentices from completing the journeyworker license examination if they passed a residential-level examination and are only performing residential work.

Current law requires DORA to suspend an apprentice's license if training and classroom hours are not properly reported, or if an apprentice fails to take a license examination within a specified time frame. The bill instead allows regulators to make an apprentice's license inactive and establishes procedures to restore a license to active status.

Employers

Current law requires employers of apprentices, including apprenticeship programs registered with the federal Department of Labor or the CDLE, to register an apprentice with DORA within 30 days after an apprentice begins employment. The bill requires employers to notify DORA within 30 days of an apprentice no longer being employed.

Starting January 1, 2027, the bill requires that employers submit an apprentice's registration with DORA at least once a year and identifies training requirements that must be met for the registration to be granted. Employers are prohibited from registering an apprentice unless the apprentice is enrolled in an approved program.

The bill allows DORA to sanction employers who consistently and willfully demonstrate noncompliance or whose apprentices show a significant pattern of noncompliance.

State Agencies

The bill requires the CDLE and DORA to establish a data-sharing agreement to ensure apprentices are registered appropriately for training in electrical and plumbing work. If DORA cannot verify that an apprentice is training for electrical or plumbing work, DORA must remove the apprentice's registration. DORA must maintain an apprenticeship registration database and is authorized to charge a fee to cover the costs. Finally, CDLE is required to publish a list of registered apprenticeship programs that provide training in electrical or plumbing work.

State Revenue

The bill increases state revenue to the Division of Professions and Occupations Cash Fund in DORA by about \$10,000 per year for three fiscal years only, starting in FY 2026-27.

Revenue is from fees charged to both apprentices and employers in the electrical and plumbing trades, and will cover the one-time costs identified in the State Expenditures section. The fiscal note assumes fee revenue will be generated over three years to align with DORA's schedule for adjusting fees across all professions such that the increased fee is only charged for one period of DORA's fee schedule.

Fee Impact on Apprentices and Employers

Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by DORA based on cash fund balance, program costs, and the number of apprentices and employers subject to the fee.

Table 2
FY 2026-27 through FY 2028-29
Fee Impact on Apprentices and Employers

Type of Fee	Estimated Fee Increase	Number Affected	Total Fee Impact¹
Electrical Apprentice	\$0.96	6,475	\$6,216
Electrical Employer	\$6.59	340	\$2,241
Plumbing Apprentice	\$0.43	1,697	\$730
Plumbing Employer	\$3.02	271	\$818
Total Fee Revenue			\$10,000

¹ Totals may not sum due to rounding.

State Expenditures

The bill increases state expenditures in the Department of Regulatory Agencies by \$30,000 in FY 2025-26 only. These costs are paid from the Division of Professions and Occupations Cash Fund. The bill also minimally affects workload in the Department of Labor and Employment and some institutions of higher education.

Department of Regulatory Agencies

DORA will have one-time costs of \$30,000 for a vendor to update its licensing system to reflect the requirements of the bill regarding an apprenticeship registration database. Workload will minimally increase to adopt any necessary rules, handle any additional registrations and required enforcement actions, and establish a data-sharing agreement with the CDLE. No change in appropriations is required for these efforts.

Department of Labor and Employment

The Office of Future Work in the CDLE serves as the state apprenticeship agency. Workload in the CDLE will increase to establish data-sharing with DORA regarding electrical and plumbing registered apprenticeship programs and publish lists of registered electrical and plumbing apprenticeships programs. This workload increase is expected to be absorbable within existing resources and no change in appropriations is required.

Institutions of Higher Education

For any institutions of higher education that participate in electrical and plumbing registered apprenticeship programs, the bill increases workload to ensure compliance with reporting requirements established by the bill. Any costs are assumed to be paid from general institution funds, with no additional state appropriation required.

TABOR Refunds

The bill is expected to increase the amount of state revenue required to be refunded to taxpayers by the amounts shown in the State Revenue section above. This estimate assumes the December 2024 LCS revenue forecast. A forecast of state revenue subject to TABOR is not available beyond FY 2026-27. Because TABOR refunds are paid from the General Fund, increased cash fund revenue will reduce the amount of General Fund available to spend or save.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2025-26, the bill requires an appropriation of \$30,000 from the Division of Professions and Occupations Cash Fund to the Department of Regulatory Agencies.

State and Local Government Contacts

Education

Labor

Higher Education

Regulatory Agencies

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).