

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 24-1124.01 Josh Schultz x5486

HOUSE BILL 24-1439

HOUSE SPONSORSHIP

Willford and Weinberg, Amabile, Bacon, Bird, Boesenecker, Daugherty, English, Froelich, Hamrick, Herod, Jodeh, Kipp, Lieder, Lindsay, Lukens, Mabrey, Marvin, Mauro, McCluskie, McLachlan, Ortiz, Ricks, Rutinel, Titone, Young

SENATE SPONSORSHIP

Coleman and Baisley,

House Committees

Finance
Appropriations

Senate Committees

A BILL FOR AN ACT

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

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

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.*

HOUSE
3rd Reading Unamended
May 1, 2024

HOUSE
Amended 2nd Reading
April 30, 2024

employer-partner of a registered apprenticeship program. The amount of 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 *Be it enacted by the General Assembly of the State of Colorado:*

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

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

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

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

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

26 (c) THE GENERAL ASSEMBLY AND THE STATE AUDITOR SHALL
27 MEASURE THE EFFECTIVENESS OF THE TAX CREDIT IN ACHIEVING THE

1 PURPOSES SPECIFIED IN SUBSECTION (1)(b) OF THIS SECTION BASED ON THE
2 NUMBER AND VALUE OF THE CREDITS CLAIMED.

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

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

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

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

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

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

16 (f) "NEW AND EMERGING INDUSTRY" DOES NOT INCLUDE THE
17 BUILDING AND CONSTRUCTION TRADES AS DESCRIBED IN SECTION
18 8-15.7-105 (4).

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

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

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

27 (j) "STATE APPRENTICESHIP AGENCY" OR "SAA" HAS THE SAME

1 MEANING AS SET FORTH IN SECTION 8-15.7-101 (16).

2 (3) (a) SUBJECT TO THE LIMITATIONS SET FORTH IN SUBSECTION
3 (3)(b) OF THIS SECTION, FOR INCOME TAX YEARS COMMENCING ON OR
4 AFTER JANUARY 1, 2025, BUT BEFORE JANUARY 1, 2035, A QUALIFIED
5 TAXPAYER IN A NEW AND EMERGING INDUSTRY IS ALLOWED AN
6 APPRENTICESHIP TAX CREDIT AGAINST THE INCOME TAX IMPOSED BY THIS
7 ARTICLE 22 FOR EACH APPRENTICE WHO IS AN EMPLOYEE OF THE
8 TAXPAYER IN THIS STATE FOR NO LESS THAN SIX MONTHS DURING THE
9 TAXPAYER'S INCOME TAX YEAR. THE CREDIT IS EQUAL TO UP TO SIX
10 THOUSAND THREE HUNDRED DOLLARS FOR SIX MONTHS OF EMPLOYMENT
11 PLUS UP TO ONE THOUSAND FIFTY DOLLARS FOR EACH ADDITIONAL MONTH
12 OF EMPLOYMENT, FOR A MAXIMUM OF TWELVE THOUSAND SIX HUNDRED
13 DOLLARS PER APPRENTICE PER INCOME TAX YEAR; EXCEPT THAT THE
14 TAXPAYER SHALL NOT CLAIM A CREDIT FOR:

- 15 (I) MORE THAN TEN APPRENTICES PER INCOME TAX YEAR;
- 16 (II) THE SAME APPRENTICE FOR MORE THAN TWO CONSECUTIVE
17 INCOME TAX YEARS; AND
- 18 (III) AN APPRENTICE FOR MONTHS WHEN THE APPRENTICE DID NOT
19 RECEIVE WAGES FROM THE TAXPAYER.

- 20 (b) A QUALIFIED TAXPAYER MUST EITHER:
 - 21 (I) HAVE ESTABLISHED A REGISTERED APPRENTICESHIP PROGRAM
22 IN GOOD STANDING WITH THE SAA AND RECEIVED A CERTIFICATE OF
23 REGISTRATION FROM THE STATE APPRENTICESHIP AGENCY; OR
 - 24 (II) BE AN EMPLOYER-PARTNER OF A REGISTERED APPRENTICESHIP
25 PROGRAM IN GOOD STANDING WITH THE SAA AS VERIFIED BY THE
26 QUALIFIED TAXPAYER'S INCLUSION ON THE COLORADO STATE
27 APPRENTICESHIP RESOURCE DIRECTORY PURSUANT TO SECTION 8-83-308.

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

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

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

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

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

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

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

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

27 (II) THE AGGREGATE AMOUNT OF CREDITS RESERVED FOR ALL

1 QUALIFIED TAXPAYERS MUST NOT EXCEED TWENTY-FIVE MILLION
2 DOLLARS PER CALENDAR YEAR. THE SAA MAY RESERVE CREDITS FOR THE
3 CURRENT OR ANY FUTURE CALENDAR YEAR BASED UPON THE EXPECTED
4 EMPLOYMENT DATES INDICATED IN A QUALIFIED TAXPAYER'S
5 APPLICATION. FOR A QUALIFIED TAXPAYER WHOSE INCOME TAX YEAR IS
6 NOT A CALENDAR YEAR, THE RESERVATION IS EFFECTIVE FOR THE INCOME
7 TAX YEAR THAT BEGINS DURING THE CALENDAR YEAR FOR THE
8 RESERVATION.

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

23 (d) (I) IF THE SAA RESERVES CREDITS FOR THE BENEFIT OF A
24 QUALIFIED TAXPAYER, THE SAA SHALL NOTIFY THE QUALIFIED TAXPAYER
25 OF THE RESERVATION AND THE AMOUNT RESERVED. THE RESERVATION OF
26 TAX CREDITS DOES NOT ENTITLE THE QUALIFIED TAXPAYER TO AN
27 ISSUANCE OF A TAX CREDIT CERTIFICATE UNTIL THE QUALIFIED TAXPAYER

1 COMPLIES WITH ALL OF THE REQUIREMENTS OF THIS SECTION OR
2 STANDARDS OF THE SAA FOR THE ISSUANCE OF A TAX CREDIT
3 CERTIFICATE.

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

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

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

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

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

27 (II) EXCEPT AS PROVIDED IN SUBSECTION (5)(b)(II) OF THIS

1 SECTION, THE SAA:

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

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

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

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

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

21

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

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

24 (C) QUALIFIED TAXPAYERS THAT HAVE PREVIOUSLY CLAIMED THE
25 INCOME TAX CREDIT AND SEEK TO CLAIM THE INCOME TAX CREDIT IN
26 FUTURE TAX YEARS SHALL PROVIDE INFORMATION REGARDING HOW THEY
27 HAVE SATISFIED THE STANDARDS ISSUED PURSUANT TO SECTION

1 (5)(c)(III)(A) OF THIS SECTION RELATED TO PROGRAM QUALITY IN THEIR
2 REAPPLICATION FOR THE INCOME TAX CREDIT.

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

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

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

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

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

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

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

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

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

4 **8-15.7-102. State apprenticeship agency - created - director -**
5 **powers and duties - rules - repeal.** (1) There is created in the
6 department the state apprenticeship agency. The executive director shall
7 appoint a director of the SAA. The SAA shall:

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

11 (II) THIS SUBSECTION (1)(s) IS REPEALED, EFFECTIVE DECEMBER
12 31, 2037.

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

15 **PART 2**

16 **SCALE-UP GRANT PROGRAM**

17 **8-15.7-201. Definitions.** AS USED IN THIS PART 2:

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

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

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

24 **8-15.7-202. Scale-up grant program - creation - application**
25 **process - data.** (1) ON OR BEFORE JANUARY 1, 2025, THE DEPARTMENT
26 SHALL ESTABLISH THE SCALE-UP GRANT PROGRAM TO ESTABLISH NEW
27 REGISTERED APPRENTICESHIP PROGRAMS OR EXPAND EXISTING PROGRAMS

1 IN COLORADO.

2 (2) THE DEPARTMENT SHALL:

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

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

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

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

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

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

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

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

27 (III) THE WAGES FOR APPRENTICES BENEFITING FROM THE GRANT

1 PROGRAM;

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

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

6 **8-15.7-203. Applicants.** (1) AN APPLICANT SHALL SUBMIT AN
7 APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED
8 BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN
9 THE APPLICATION, THE APPLICANT SHALL:

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

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

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

18 **8-15.7-204. Report.** ON OR BEFORE DECEMBER 31, 2026, THE
19 DEPARTMENT SHALL SUBMIT A REPORT COMPILING THE INFORMATION
20 COLLECTED PURSUANT TO SECTION 8-15.7-202 (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 **8-15.7-205. Scale-up grant fund - creation - gifts, grants, or**
25 **donations - transfer.** (1) THERE IS CREATED IN THE STATE TREASURY
26 THE SCALE-UP GRANT FUND. MONEY IN THE FUND IS ANNUALLY
27 APPROPRIATED TO THE DEPARTMENT TO IMPLEMENT THE GRANT PROGRAM

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

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

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

14 PART 3

15 QUALIFIED APPRENTICESHIP INTERMEDIARY

16 GRANT PROGRAM

17 **8-15.7-301. Definitions.** AS USED IN THIS PART 3:

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

21 (2) "QUALIFIED APPRENTICESHIP INTERMEDIARY" HAS THE SAME
22 MEANING AS "QUALIFIED INTERMEDIARY" AS SET FORTH IN SECTION
23 8-15.7-101 (11).

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

27 (4) "QUALIFIED APPRENTICESHIP INTERMEDIARY GRANT PROGRAM"

1 OR "GRANT PROGRAM" MEANS THE QUALIFIED APPRENTICESHIP
2 INTERMEDIARY GRANT PROGRAM CREATED IN SECTION 8-15.7-302.

3 **8-15.7-302. Qualified apprenticeship intermediary grant**
4 **program - creation - application process - data.** (1) ON OR BEFORE
5 JANUARY 1, 2025, THE DEPARTMENT SHALL ESTABLISH THE QUALIFIED
6 APPRENTICESHIP INTERMEDIARY GRANT PROGRAM TO SUPPORT ENTITIES
7 THAT DEMONSTRATE EXPERTISE IN CONNECTING EMPLOYERS OR
8 APPRENTICESHIP PROGRAM PARTICIPANTS TO REGISTERED APPRENTICESHIP
9 PROGRAMS OR IN CONVENING STAKEHOLDERS TO DEVELOP REGISTERED
10 APPRENTICESHIP PROGRAMS.

11 (2) THE DEPARTMENT SHALL:

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

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

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

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

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

26 AND

27 (IV) HOW THE REGISTERED APPRENTICESHIP PROGRAMS SERVED

1 BY THE APPLICANT MEET TALENT NEEDS IN HIGH-PRIORITY, HIGH-DEMAND
2 INDUSTRIES;

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

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

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

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

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

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

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

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

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

22 **8-15.7-303. Application.** (1) AN APPLICANT SHALL SUBMIT AN
23 APPLICATION TO THE DEPARTMENT IN A FORM AND MANNER ESTABLISHED
24 BY THE DEPARTMENT THAT IS DESIGNED TO MAXIMIZE PARTICIPATION. IN
25 THE APPLICATION, THE APPLICANT SHALL:

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

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

3 (2) AN APPLICANT MUST:

4 (a) BE A QUALIFIED APPRENTICESHIP INTERMEDIARY; AND

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

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

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

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

1 ADMINISTERING THE GRANT PROGRAM.

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

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

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

10 **8-15.7-306. Repeal of part.** THIS PART 3 IS REPEALED, EFFECTIVE
11 JULY 1, 2027.

12 **SECTION 5. Appropriation.** (1) For the 2024-25 state fiscal
13 year, \$103,515 is appropriated to the department of labor and employment
14 for use by the office of future of work. This appropriation is from the
15 general fund and is based on an assumption that the office will require an
16 additional 0.8 FTE. To implement this act, the office may use this
17 appropriation for program costs.

18 (2) For the 2024-25 state fiscal year, \$1,333,333 is appropriated
19 to the department of labor and employment for use by the office of future
20 of work. Of this appropriation, \$666,666 is from the scale-up grant fund
21 created in section 8-15.7-205 (1), C.R.S., and \$666,667 is from the
22 qualified apprenticeship intermediary grant fund created in section
23 8-15.7-305 (1), C.R.S, and is based on an assumption that the office will
24 require an additional 2.5 FTE. To implement this act, the office may use
25 this appropriation for program costs.

26 **SECTION 6. Safety clause.** The general assembly finds,
27 determines, and declares that this act is necessary for the immediate

1 preservation of the public peace, health, or safety or for appropriations for
2 the support and maintenance of the departments of the state and state
3 institutions.