

Second Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 14-0593.02 Ed DeCecco x4216

HOUSE BILL 14-1013

HOUSE SPONSORSHIP

Lee and Foote,

SENATE SPONSORSHIP

Todd,

House Committees

Business, Labor, Economic, & Workforce Development

Senate Committees

A BILL FOR AN ACT

101 CONCERNING THE CREATION OF THE ADVANCED INDUSTRIES
102 WORKFORCE DEVELOPMENT PROGRAM.

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://www.leg.state.co.us/billsummaries>.)

The bill creates the advanced industries workforce development program in the Colorado office of economic development (office). The purpose of the program is to allow the office to reimburse a business for one-half of its expenses related to a qualifying internship or apprenticeship. A qualifying internship or apprenticeship is one that:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

- ! Is in an advanced industry;
- ! Is for at least 160 hours and that lasts less than one year;
- ! Allows students to gain valuable work experience in at least 3 specified occupational areas;
- ! Pays the intern or apprentice a stipend;
- ! Provides a mentor or supervisor that will work closely with the intern or apprentice;
- ! Is not for the purpose of meeting required residency or clinical hours for the intern;
- ! Is with an advanced industry business that has a physical operation facility in the state;
- ! Is for a high-school or college student, a resident who is a student at an out-of-state college, or a recent grad of either; and
- ! Along with all other internships and apprenticeships, constitutes less than 50% of the business's workforce located in the state.

A business may be reimbursed for up to 5 interns and apprentices per location and up to 10 at all locations, but the maximum amount that a business may be reimbursed for each internship or apprenticeship is \$5,000, of which no more than \$2,500 may be for a stipend paid to the intern or apprentice. The office is required to contract with multiple intermediaries, which are advanced industry associations, to facilitate the program administration. The office may permit an intermediary to:

- ! Match an intern or apprentice with a business;
- ! Identify qualifying internships and apprenticeships;
- ! Submit reimbursement applications to the office;
- ! Provide assessments of the program to the office; and
- ! Identify job placement for the interns and apprentices.

For the next 3 fiscal years, the general assembly is required to annually appropriate \$450,000 from the general fund to the office for program reimbursements. The general assembly is also required to make a general fund appropriation to the office for program administration expenses.

The office is required to solicit information about apprenticeships and internships that were reimbursed through the program and to submit a report to legislative committees about the program.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-48.5-120 as
 3 follows:

4 **24-48.5-120. Advanced industries workforce development**

1 **program - legislative declaration - definitions - repeal.** (1) (a) THE
2 GENERAL ASSEMBLY FINDS AND DECLARES THAT:

3 (I) THE ADVANCED INDUSTRIES ARE A CRITICAL COMPONENT OF
4 THE STATE'S ECONOMY;

5 (II) FINDING QUALIFIED EMPLOYEES CAN BE A CHALLENGE FOR
6 ADVANCED INDUSTRY BUSINESSES;

7 (III) INTERNSHIPS AND APPRENTICESHIPS ARE A WAY TO BUILD A
8 PARTNERSHIP BETWEEN SCHOOLS AND ADVANCED INDUSTRY BUSINESSES
9 TO CREATE THE DYNAMIC WORKFORCE THAT THESE BUSINESSES NEED;
10 AND

11 (IV) BY PROVIDING AN INCENTIVE FOR BUSINESSES TO OFFER MORE
12 INTERNSHIPS AND APPRENTICESHIPS, THE STATE WILL CREATE MORE
13 OPPORTUNITIES FOR STUDENTS TO PARTICIPATE IN THE ADVANCED
14 INDUSTRIES.

15 (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO CREATE A NEW
16 PROGRAM TO PARTIALLY REIMBURSE COMPANIES THAT OFFER HIGH-LEVEL
17 INTERNSHIPS AND APPRENTICESHIPS IN THE ADVANCED INDUSTRIES.

18 (2) AS USED IN THIS SECTION:

19 (a) "ADVANCED INDUSTRY" HAS THE SAME MEANING AS SET FORTH
20 IN SECTION 24-48.5-117 (2) (a).

21 (b) "OFFICE" MEANS THE COLORADO OFFICE OF ECONOMIC
22 DEVELOPMENT CREATED IN SECTION 24-48.5-101.

23 (c) "PROGRAM" MEANS THE ADVANCED INDUSTRIES WORKFORCE
24 DEVELOPMENT PROGRAM CREATED IN SUBSECTION (3) OF THIS SECTION.

25 (d) "QUALIFYING INTERNSHIP OR APPRENTICESHIP" MEANS AN
26 INTERNSHIP OR APPRENTICESHIP THAT MEETS THE REQUIREMENTS UNDER
27 SUBSECTION (4) OF THIS SECTION.

1 (3) (a) THE ADVANCED INDUSTRIES WORKFORCE DEVELOPMENT
2 PROGRAM IS CREATED IN THE COLORADO OFFICE OF ECONOMIC
3 DEVELOPMENT. BEGINNING OCTOBER 1, 2014, THE OFFICE MAY
4 REIMBURSE A BUSINESS FOR UP TO ONE-HALF OF ITS EXPENSES RELATED TO
5 A QUALIFYING INTERNSHIP OR APPRENTICESHIP, SUBJECT TO AVAILABLE
6 APPROPRIATIONS. A BUSINESS MAY BE REIMBURSED FOR UP TO FIVE
7 INTERNS AND APPRENTICES PER LOCATION AND UP TO TEN INTERNS AND
8 APPRENTICES TOTAL AT ALL LOCATIONS, BUT THE MAXIMUM AMOUNT
9 THAT A BUSINESS MAY BE REIMBURSED FOR EACH INTERNSHIP OR
10 APPRENTICESHIP IS FIVE THOUSAND DOLLARS, OF WHICH NO MORE THAN
11 TWO THOUSAND FIVE HUNDRED DOLLARS MAY BE FOR A STIPEND PAID TO
12 THE INTERN OR APPRENTICE. THE OFFICE MAY CONDITIONALLY APPROVE
13 A REIMBURSEMENT PRIOR TO OR DURING AN INTERNSHIP OR
14 APPRENTICESHIP, BUT SHALL NOT PAY THE BUSINESS UNTIL AFTER THE
15 INTERNSHIP OR APPRENTICESHIP HAS BEEN COMPLETED.

16 (b) (I) THE OFFICE MAY CONTRACT WITH ONE OR MORE
17 INTERMEDIARIES TO FACILITATE THE OPERATION OF THE PROGRAM. AN
18 INTERMEDIARY IS AN ASSOCIATION THAT REPRESENTS AN ADVANCED
19 INDUSTRY SECTOR AND THAT HAS BOTH PRIVATE AND PUBLIC MEMBERS.

20 THE OFFICE MAY PERMIT AN INTERMEDIARY TO:

- 21 (A) MATCH AN INTERN OR APPRENTICE WITH A BUSINESS;
- 22 (B) IDENTIFY QUALIFYING INTERNSHIPS AND APPRENTICESHIPS;
- 23 (C) SUBMIT REIMBURSEMENT APPLICATIONS TO THE OFFICE;
- 24 (D) PROVIDE ASSESSMENTS OF THE PROGRAM TO THE OFFICE; AND
- 25 (E) IDENTIFY JOB PLACEMENTS FOR THE INTERNS AND
26 APPRENTICES.

27 (II) THE OFFICE MAY NOT CONTRACT WITH MORE THAN ONE

1 INTERMEDIARY FOR EACH ADVANCED INDUSTRY SECTOR.

2 (III) THE OFFICE SHALL CREATE AN APPLICATION FORM FOR
3 REIMBURSEMENT THAT INCLUDES THE FOLLOWING INFORMATION ABOUT
4 THE INTERNSHIP OR APPRENTICESHIP:

5 (A) NAMES OF THE BUSINESS AND INTERN OR APPRENTICE;

6 (B) LOCATION;

7 (C) FOCUS AREA;

8 (D) DURATION;

9 (E) INFORMATION IDENTIFYING THAT IT IS A QUALIFYING
10 INTERNSHIP OR APPRENTICESHIP;

11 (F) THE AMOUNT THE INTERN OR APPRENTICE WILL BE PAID; AND

12 (G) TOTAL OF ALL OTHER EXPENSES RELATED TO THE INTERNSHIP
13 OR APPRENTICESHIP FOR WHICH THE BUSINESS SEEKS REIMBURSEMENT.

14 (4) (a) TO QUALIFY FOR REIMBURSEMENT, AN APPRENTICESHIP OR
15 INTERNSHIP MUST:

16 (I) BE IN AN ADVANCED INDUSTRY;

17 (II) BE FOR AT LEAST ONE HUNDRED SIXTY HOURS AND LAST LESS
18 THAN ONE YEAR;

19 (III) ALLOW STUDENTS TO GAIN VALUABLE WORK EXPERIENCE IN
20 AT LEAST THREE OF THE FOLLOWING OCCUPATIONAL AREAS:

21 (A) COMPUTER SYSTEMS, INCLUDING SOFTWARE DEVELOPMENT
22 AND INFORMATION TECHNOLOGY SUPPORT;

23 (B) PRODUCTION, INCLUDING FABRICATION AND ASSEMBLY;

24 (C) ENGINEERING, INCLUDING PRODUCT DESIGN, TESTING, AND
25 DEVELOPMENT;

26 (D) BUSINESS AND FINANCIAL OPERATIONS, INCLUDING SUPPLY
27 CHAIN MANAGEMENT;

1 (E) CUSTOMER SERVICE, SALES, AND MARKETING, INCLUDING
2 PROPOSAL DEVELOPMENT;

3 (F) INSTALLATION, MAINTENANCE, AND REPAIR OF MACHINERY
4 AND EQUIPMENT; AND

5 (G) EXECUTIVE MANAGEMENT AND BUSINESS STRATEGY;

6 (IV) PAY THE INTERN OR APPRENTICE A STIPEND;

7 (V) PROVIDE A MENTOR OR SUPERVISOR THAT WILL WORK
8 CLOSELY WITH THE INTERN;

9 (VI) NOT BE FOR THE PURPOSE OF MEETING REQUIRED RESIDENCY
10 OR CLINICAL HOURS FOR THE INTERN;

11 (VII) BE WITH A BUSINESS THAT IS ELIGIBLE UNDER PARAGRAPH
12 (b) OF THIS SUBSECTION (4);

13 (VIII) BE FOR A STUDENT WHO IS ELIGIBLE UNDER PARAGRAPH (c)
14 OF THIS SUBSECTION (4); AND

15 (IX) ALONG WITH ALL OTHER INTERNSHIPS AND APPRENTICESHIPS,
16 CONSTITUTE LESS THAN FIFTY PERCENT OF THE BUSINESS'S WORKFORCE
17 LOCATED IN THE STATE.

18 (b) TO BE ELIGIBLE FOR REIMBURSEMENT, A BUSINESS MUST BE IN
19 AN ADVANCED INDUSTRY AND HAVE A PHYSICAL OPERATION FACILITY IN
20 THE STATE. THE BUSINESS MAY BE A FOR-PROFIT OR NON-PROFIT
21 ORGANIZATION, BUT MAY NOT BE A GOVERNMENTAL ENTITY OR AN
22 INSTITUTION OF HIGHER EDUCATION.

23 (c) (I) TO BE ELIGIBLE TO PARTICIPATE IN AN INTERNSHIP OR
24 APPRENTICESHIP IN THE PROGRAM, A PERSON MUST BE:

25 (A) ENROLLED FULL-TIME IN A SECONDARY SCHOOL OR AS AN
26 UNDERGRADUATE AT AN INSTITUTION OF HIGHER EDUCATION IN THE
27 STATE;

1 (B) A RESIDENT OF THE STATE WHO IS ENROLLED AS A FULL-TIME
2 UNDERGRADUATE AT AN INSTITUTION OF HIGHER EDUCATION OUTSIDE OF
3 THE STATE; OR

4 (C) A GRADUATE FROM A SCHOOL OR INSTITUTION LISTED IN
5 SUB-SUBPARAGRAPHS (A) AND (B) OF THIS SUBPARAGRAPH (I), IF THE
6 INTERNSHIP OR APPRENTICESHIP BEGINS WITHIN SIX MONTHS OF
7 GRADUATION.

8 (II) IF THERE ARE MORE APPLICANTS THAN CAN BE REIMBURSED,
9 THE OFFICE SHALL GIVE PREFERENCE TO A BUSINESS THAT HAD AN INTERN
10 OR APPRENTICE WHO IS:

11 (A) IN A CAREER AND TECHNICAL EDUCATION PROGRAM;

12 (B) PURSUING INDUSTRY-ENDORSED CERTIFICATES;

13 (C) ENROLLED IN TECHNOLOGY-RELATED,
14 MANUFACTURING-RELATED, OR ENGINEERING-RELATED ASSOCIATES OF
15 APPLIED SCIENCE DEGREE PROGRAMS; OR

16 (D) PURSUING A DEGREE IN THE CATEGORIES OF SCIENCE,
17 TECHNOLOGY, ENGINEERING, OR MATHEMATICS.

18 (5) (a) AFTER THE COMPLETION OF A PROGRAM INTERNSHIP OR
19 APPRENTICESHIP, THE OFFICE SHALL SURVEY THE BUSINESS AND
20 PARTICIPANT ABOUT THEIR EXPERIENCE. TO THE EXTENT REASONABLE,
21 THE OFFICE SHALL TAKE STEPS TO IDENTIFY JOB PLACEMENT FOR THE
22 INTERNS AND APPRENTICES.

23 (b) ON OR BEFORE NOVEMBER 1, 2015, AND NOVEMBER 1 OF THE
24 NEXT TWO YEARS THEREAFTER, THE OFFICE SHALL SUBMIT A REPORT TO
25 THE FINANCE AND THE BUSINESS, LABOR, ECONOMIC, AND WORKFORCE
26 DEVELOPMENT COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND TO
27 THE BUSINESS, LABOR, AND TECHNOLOGY AND THE FINANCE COMMITTEES

1 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, SUMMARIZING
2 PROGRAM ACTIVITIES DURING THE PRECEDING FISCAL YEAR, INCLUDING
3 ANY INFORMATION IDENTIFIED FROM PARAGRAPH (a) OF THIS SUBSECTION
4 (5).

5 (6) FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2014, AND JULY
6 1 OF THE NEXT TWO YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL
7 APPROPRIATE FOUR HUNDRED FIFTY THOUSAND DOLLARS FROM THE
8 GENERAL FUND TO THE OFFICE TO BE USED FOR PROGRAM
9 REIMBURSEMENTS. IN ADDITION, THE GENERAL ASSEMBLY SHALL
10 ANNUALLY APPROPRIATE MONEYS FROM THE GENERAL FUND TO THE
11 OFFICE FOR ITS EXPENSES ADMINISTERING THE PROGRAM, INCLUDING ANY
12 PAYMENTS TO INTERMEDIARIES.

13 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2020.

14 **SECTION 2. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.