

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 15-0181.01 Bob Lackner x4350

**HOUSE BILL 15-1238**

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**HOUSE SPONSORSHIP**

**Buck,**

**SENATE SPONSORSHIP**

**Cooke,**

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**House Committees**

Health, Insurance, & Environment  
Finance  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101      **CONCERNING THE CREATION OF A CREDIT AGAINST THE STATE INCOME**  
102              **TAX FOR CERTAIN HEALTH CARE PRECEPTORS OFFERING THEIR**  
103              **PROFESSIONAL SERVICES IN HEALTH PROFESSIONAL SHORTAGE**  
104              **AREAS.**

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**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>.)*

For income tax years commencing on or after January 1, 2015, but prior to January 1, 2022, the bill grants a preceptor, or a noncompensated health care professional in one of a number of specialized fields of health

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.*

care practice, who personally provides a mentoring experience of personalized instruction, training, and supervision representing a full clinical rotation to an advanced graduate student seeking a professional degree in one of these fields, a credit against the state income tax in amounts specified in the bill for a tax year in which the preceptor undertakes such work in a health professional shortage area. The tax credit is increased if a portion of the preceptor's health care practice consists of a certain percentage of medicaid patients during the particular tax year as specified in the bill.

The bill imposes an aggregate limit on the amount of the credit to be awarded any one taxpayer for any one income tax year.

The bill specifies the manner in which the taxpayer is required to apply for the credit and procedures to be followed if a preceptor fails to satisfy the requirements of the bill for a particular tax year.

If the amount of the credit allowed exceeds the amount of the income tax otherwise due, the bill allows the balance to be carried forward and applied against the income tax due in each of the 5 succeeding income tax years.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 39-22-538 as  
3 follows:

4 **39-22-538. Credit for health care preceptors working in health**  
5 **professional shortage areas - definitions - legislative declaration -**  
6 **repeal.** (1) (a) THE GENERAL ASSEMBLY FINDS, DETERMINES, AND  
7 DECLARES THAT:

8 (I) IT IS VITAL TO THE WELL-BEING, QUALITY OF LIFE, AND  
9 ECONOMIC DEVELOPMENT OF THE ENTIRE STATE THAT EXCELLENT HEALTH  
10 CARE BE AVAILABLE IN ALL REGIONS OF THE STATE;

11 (II) THE STATE CURRENTLY SUFFERS FROM A SHORTAGE OF  
12 HEALTH CARE PROFESSIONALS IN MANY AREAS OF THE STATE, AND, AS A  
13 RESULT, THESE HEALTH PROFESSIONAL SHORTAGE AREAS SUFFER FROM  
14 NOT HAVING THE BREADTH OF HEALTH CARE PROFESSIONALS THAT  
15 REGULARLY PRACTICE IN MORE URBAN AREAS OF THE STATE;

1 (III) A CONSISTENT PROBLEM IS A LACK OF PROFESSIONAL  
2 INSTRUCTION, TRAINING, AND SUPERVISION IN HEALTH PROFESSIONAL  
3 SHORTAGE AREAS THAT ALLOWS STUDENTS STUDYING IN THESE AREAS TO  
4 OBTAIN THE REQUISITE PROFESSIONAL MENTORING AND SUPERVISION TO  
5 ALLOW THEM TO PRACTICE IN SUCH AREAS UPON OBTAINING A  
6 PROFESSIONAL DEGREE AND THEREBY PROVIDE THE NECESSARY SCOPE OF  
7 HEALTH CARE ASSISTANCE REQUIRED BY THE RESIDENTS OF SHORTAGE  
8 AREAS.

9 (b) THE INTENDED USE OF THE TAX CREDIT CREATED IN THIS  
10 SECTION IS TO PROVIDE SUFFICIENT FINANCIAL INCENTIVES TO ENCOURAGE  
11 PRECEPTORS TO OFFER PROFESSIONAL INSTRUCTION, TRAINING, AND  
12 SUPERVISION TO STUDENTS SEEKING CAREERS AS HEALTH CARE  
13 PROFESSIONALS IN HEALTH PROFESSIONAL SHORTAGE AREAS IN THE STATE.

14 (c) THIS SECTION IS INTENDED TO SERVE AS AN INITIAL STEP IN  
15 PROVIDING SUFFICIENT INCENTIVES TO ENABLE PRECEPTORS TO OFFER  
16 MENTORING, TEACHING, AND TRAINING SERVICES TO STUDENTS IN  
17 UNDERSERVED AREAS OF THE STATE AND, IN SO FAR AS THIS SECTION  
18 SUCCEEDS IN ACHIEVING ITS OBJECTIVES, THE GENERAL ASSEMBLY HOPES  
19 TO BE ABLE TO EXPAND THE SCOPE OF THIS SECTION IN FUTURE YEARS  
20 CONSISTENT WITH HEALTH CARE NEEDS ACROSS THE STATE AND THE  
21 STATE'S FISCAL REALITIES.

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

24 (a) "COLORADO AREA HEALTH EDUCATION CENTER PROGRAM" OR  
25 "CAHEC PROGRAM" MEANS THE PROGRAM ADMINISTERED BY THE  
26 UNIVERSITY OF COLORADO AT THE ANSCHUTZ MEDICAL CAMPUS. THE  
27 COLORADO AREA HEALTH EDUCATION CENTER PROGRAM IS A NETWORK

1 THAT PROVIDES MULTIDISCIPLINARY EDUCATIONAL SERVICES TO  
2 STUDENTS, FACULTY, AND MEDICAL PRACTITIONERS IN LOCAL  
3 COMMUNITIES. THE PROGRAM DIVIDES THE STATE INTO SIX REGIONS WITH  
4 AN AREA HEALTH EDUCATION CENTER OFFICE IN EACH REGION.

5 (b) "HEALTH PROFESSIONAL SHORTAGE AREA" MEANS AN AREA  
6 THAT THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HEALTH  
7 AND HUMAN SERVICES HAS DESIGNATED AS A HEALTH PROFESSIONAL  
8 SHORTAGE AREA PURSUANT TO SECTION 254e OF THE FEDERAL "PUBLIC  
9 HEALTH SERVICE ACT".

10 (c) "PRECEPTOR" MEANS A [REDACTED] PHYSICIAN, DENTIST, PHYSICAL  
11 THERAPIST, ADVANCED PRACTICE REGISTERED NURSE, PHYSICIAN  
12 ASSISTANT, OR PHARMACIST WHO:

13 (I) (A) HAS A FACULTY APPOINTMENT OR THE EQUIVALENT AT AN  
14 ACCREDITED COLORADO INSTITUTION OF HIGHER EDUCATION; OR

15 (B) IS DESIGNATED AS A PRECEPTOR BY A NATIONALLY  
16 ACCREDITED GRADUATE EDUCATION PROGRAM; AND

17 (II) PERSONALLY PROVIDES A SINGLE PRECEPTORSHIP FOR THE  
18 PURPOSES OF CLAIMING THE TAX CREDIT ALLOWED BY THIS SECTION TO A  
19 SINGLE STUDENT IN A HEALTH PROFESSIONAL SHORTAGE AREA IN A  
20 PARTICULAR INCOME TAX YEAR.

21 (d) "PRECEPTORSHIP" MEANS A MENTORING EXPERIENCE IN WHICH  
22 A PRECEPTOR PROVIDES A PROGRAM OF PERSONALIZED INSTRUCTION,  
23 TRAINING, AND SUPERVISION REPRESENTING A FULL CLINICAL ROTATION  
24 THAT IS APPROXIMATELY ONE MONTH IN DURATION TO A GRADUATE  
25 STUDENT CERTIFIED TO PROVIDE HEALTH CARE SERVICES AS REQUIRED TO  
26 ENABLE THE STUDENT TO OBTAIN HIS OR HER PROFESSIONAL DEGREE. THE  
27 ONE-MONTH CLINICAL ROTATION MUST BE COMPLETED WITHIN ONE

1 ACADEMIC TERM OR SEMESTER, BUT IT IS NOT A REQUIREMENT OF THIS  
2 SECTION THAT THE ROTATION BE COMPLETED OVER ANY PARTICULAR  
3 NUMBER OF CONSECUTIVE DAYS.

4 (e) "STUDENT" MEANS AN INDIVIDUAL MATRICULATING AT THE  
5 GRADUATE LEVEL AT AN ACCREDITED COLORADO INSTITUTION OF HIGHER  
6 EDUCATION IN THE AREA OF MEDICINE, ADVANCED PRACTICE REGISTERED  
7 NURSING, DENTISTRY, PHYSICIAN ASSISTANTSHIP, PHYSICAL THERAPY,  
8 OR PHARMACY.

9 (f) "TAXPAYER" MEANS A PRECEPTOR WHO FILES AN INCOME TAX  
10 RETURN UNDER THIS ARTICLE.

11 (3) (a) FOR INCOME TAX YEARS COMMENCING ON OR AFTER  
12 JANUARY 1, 2015, BUT PRIOR TO JANUARY 1, 2018, AND SUBJECT TO THE  
13 REQUIREMENTS OF PARAGRAPH (b) OF THIS SUBSECTION (3), A TAXPAYER  
14 IS ALLOWED A CREDIT AGAINST THE INCOME TAXES IMPOSED BY THIS  
15 ARTICLE IN AN AMOUNT EQUAL TO:

16 (I) ONE THOUSAND DOLLARS FOR THE SINGLE PRECEPTORSHIP  
17 PROVIDED BY THE PRECEPTOR DURING THE TAX YEAR FOR WHICH THE  
18 CREDIT IS CLAIMED; AND

19 (II) ONE THOUSAND FIVE HUNDRED DOLLARS FOR ANY PRECEPTOR  
20 IF NOT LESS THAN TEN PERCENT OF HIS OR HER HEALTH CARE PRACTICE  
21 CONSISTS OF SEEING MEDICAID PATIENTS DURING THE PARTICULAR TAX  
22 YEAR IN ADDITION TO SATISFYING ALL APPLICABLE REQUIREMENTS  
23 IMPOSED UPON A PRECEPTOR PURSUANT TO THIS SECTION.

24 (b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION:

25 (I) THE AGGREGATE AMOUNT OF THE CREDIT AWARDED TO ANY  
26 ONE TAXPAYER UNDER THIS SECTION SHALL NOT EXCEED ONE THOUSAND  
27 FIVE HUNDRED DOLLARS FOR ANY ONE INCOME TAX YEAR; AND

1           (II) A TAXPAYER IS NOT ENTITLED TO CLAIM THE CREDIT  
2 AUTHORIZED BY THIS SECTION FOR COMPLETING MORE THAN A SINGLE  
3 PRECEPTORSHIP DURING A PARTICULAR INCOME TAX YEAR.

4           (4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
5 THE CREDIT ALLOWED BY THIS SECTION IS ONLY ALLOWED FOR ONE OR  
6 MORE INCOME TAX YEARS IN WHICH THE TAXPAYER:

7           (a) PERSONALLY PROVIDES A SINGLE PRECEPTORSHIP FOR THE  
8 PURPOSES OF CLAIMING THE TAX CREDIT ALLOWED BY THIS SECTION TO A  
9 SINGLE STUDENT IN A HEALTH PROFESSIONAL SHORTAGE AREA IN A  
10 PARTICULAR INCOME TAX YEAR; OR

11           (b) SATISFIES THE REQUIREMENTS OF SUBPARAGRAPH (II) OF  
12 PARAGRAPH (a) OF SUBSECTION (3) OF THIS SECTION IN ADDITION TO  
13 SATISFYING THE REQUIREMENTS OF PARAGRAPH (a) OF THIS SUBSECTION  
14 (4).

15           (5) TO QUALIFY FOR THE CREDIT PROVIDED BY THIS SECTION, THE  
16 TAXPAYER SHALL SUBMIT A CERTIFICATION FORM WITH EACH INCOME TAX  
17 RETURN. CERTIFICATION MAY BE PROVIDED BY EITHER THE INSTITUTION  
18 WITH WHICH THE PRECEPTOR IS EMPLOYED, WHETHER IT IS AN INSTITUTION  
19 OF HIGHER EDUCATION OR IS A HOSPITAL, CLINIC, OR OTHER MEDICAL  
20 FACILITY, OR BY THE PARTICULAR REGIONAL OFFICE OF THE CAHEC  
21 PROGRAM. IN THE CASE OF CERTIFICATION BY AN INSTITUTION WITH WHICH  
22 THE TAXPAYER IS EMPLOYED, THE INSTITUTION MUST EXECUTE THE FORM  
23 CERTIFYING THAT THE TAXPAYER HAS SATISFIED THE REQUIREMENTS FOR  
24 ALLOWANCE OF THE TAX CREDIT AS SPECIFIED IN THIS SECTION. IN THE  
25 CASE OF CERTIFICATION BY CAHEC PROGRAM, THE CERTIFICATION FORM  
26 MUST BE OBTAINED FROM THE PARTICULAR REGIONAL OFFICE OF THE  
27 CAHEC PROGRAM, AS DESCRIBED IN PARAGRAPH (a) OF SUBSECTION (2)

1 OF THIS SECTION, IN WHICH THE PRECEPTOR WAS WORKING DURING THE  
2 RELEVANT INCOME TAX YEAR, WHICH OFFICE SHALL CERTIFY THAT THE  
3 TAXPAYER HAS SATISFIED THE REQUIREMENTS FOR ALLOWANCE OF THE  
4 TAX CREDIT AS SPECIFIED IN THIS SECTION. CAHEC PROGRAM MAY  
5 CHARGE THE TAXPAYER A REASONABLE FEE FOR PROVIDING SUCH  
6 CERTIFICATION, WHICH FEE SHALL NOT EXCEED THE LESSER OF THE  
7 ACTUAL COSTS INCURRED BY CAHEC PROGRAM IN COMPLETING THE  
8 CERTIFICATION OR SEVENTY-FIVE DOLLARS FOR EACH CERTIFICATION.

9 (6) WHERE A TAXPAYER CLAIMS THE CREDIT PROVIDED BY THIS  
10 SECTION BUT FAILS TO SATISFY THE REQUIREMENTS OF THIS SECTION  
11 DURING THE INCOME TAX YEAR FOR WHICH THE CREDIT IS CLAIMED, THE  
12 TAXPAYER SHALL REPAY THE ENTIRE AMOUNT OF THE TOTAL CREDIT THAT  
13 IS ATTRIBUTED TO HIM OR HER PURSUANT TO THIS SECTION. THE  
14 TAXPAYER SHALL REPORT THE RECAPTURE REQUIRED BY THIS SUBSECTION  
15 (6) BY INCREASING THE TAXPAYER'S INCOME TAX LIABILITY BY THE  
16 AMOUNT OF THE TOTAL CREDIT CLAIMED FOR THE YEAR IN WHICH THE  
17 RECAPTURE OCCURS.

18 (7) IF THE AMOUNT OF THE CREDIT ALLOWED PURSUANT TO THIS  
19 SECTION EXCEEDS THE AMOUNT OF THE INCOME TAX OTHERWISE DUE ON  
20 THE TAXPAYER'S INCOME IN THE INCOME TAX YEAR FOR WHICH THE  
21 CREDIT IS BEING CLAIMED, THE AMOUNT OF THE CREDIT NOT USED AS AN  
22 OFFSET AGAINST INCOME TAXES IN THE INCOME TAX YEAR IS NOT  
23 ALLOWED AS A REFUND BUT MAY BE CARRIED FORWARD AND APPLIED  
24 AGAINST THE INCOME TAX DUE IN EACH OF THE FIVE SUCCEEDING INCOME  
25 TAX YEARS, BUT MUST FIRST BE APPLIED AGAINST THE INCOME TAX DUE  
26 FOR THE EARLIEST OF THE INCOME TAX YEARS POSSIBLE.

27 (8) NOTHING IN THIS SECTION MODIFIES OR CHANGES THE

1 DEFINITION OF "PUBLIC EMPLOYEE" SPECIFIED IN SECTION 24-10-103 (4)  
2 (b) (II) AND (4) (b) (V), C.R.S.

3 **SECTION 2. Act subject to petition - effective date.** This act  
4 takes effect at 12:01 a.m. on the day following the expiration of the  
5 ninety-day period after final adjournment of the general assembly (August  
6 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a  
7 referendum petition is filed pursuant to section 1 (3) of article V of the  
8 state constitution against this act or an item, section, or part of this act  
9 within such period, then the act, item, section, or part will not take effect  
10 unless approved by the people at the general election to be held in  
11 November 2016 and, in such case, will take effect on the date of the  
12 official declaration of the vote thereon by the governor.