

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 13, 2014
Date

Committee on Business, Labor, Economic, & Workforce Development.

After consideration on the merits, the Committee recommends the following:

HB14-1013 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 2, strike everything below the enacting clause
2 and substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 24-46.3-103 as
4 follows:

5 **24-46.3-103. Advanced industries workforce development**
6 **program - legislative declaration - definitions - repeal.** (1) (a) THE
7 GENERAL ASSEMBLY FINDS AND DECLARES THAT:

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

10 (II) FINDING QUALIFIED EMPLOYEES CAN BE A CHALLENGE FOR
11 ADVANCED INDUSTRY BUSINESSES;

12 (III) INTERNSHIPS ARE A WAY TO BUILD A PARTNERSHIP BETWEEN
13 SCHOOLS AND ADVANCED INDUSTRY BUSINESSES TO CREATE THE DYNAMIC
14 WORKFORCE THAT THESE BUSINESSES NEED; AND

15 (IV) BY PROVIDING AN INCENTIVE FOR BUSINESSES TO OFFER MORE
16 INTERNSHIPS, THE STATE WILL CREATE MORE OPPORTUNITIES FOR
17 STUDENTS TO PARTICIPATE IN THE ADVANCED INDUSTRIES.

18 (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO CREATE A NEW
19 PROGRAM TO PARTIALLY REIMBURSE COMPANIES THAT OFFER HIGH-LEVEL
20 INTERNSHIPS IN THE ADVANCED INDUSTRIES.

21 (2) AS USED IN THIS SECTION:

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

1 (b) "DEPARTMENT" MEANS THE DEPARTMENT OF LABOR AND
2 EMPLOYMENT.

3 (c) "DIVISION" MEANS THE DIVISION OF EMPLOYMENT AND
4 TRAINING IN THE DEPARTMENT CREATED IN SECTION 8-83-102, C.R.S.

5 (d) "INTERMEDIARY" MEANS AN ASSOCIATION THAT REPRESENTS
6 AN ADVANCED INDUSTRY SECTOR THAT HAS ENTERED INTO AN
7 AGREEMENT WITH THE STATE COUNCIL UNDER SUBPARAGRAPH (II) OF
8 PARAGRAPH (c) OF SUBSECTION (3) OF THIS SECTION.

9 (e) "PROGRAM" MEANS THE ADVANCED INDUSTRIES WORKFORCE
10 DEVELOPMENT PROGRAM CREATED IN SUBSECTION (3) OF THIS SECTION.

11 (f) "QUALIFYING INTERNSHIP" MEANS AN INTERNSHIP THAT MEETS
12 THE REQUIREMENTS UNDER SUBSECTION (4) OF THIS SECTION.

13 (g) "STATE COUNCIL" MEANS THE STATE WORK FORCE
14 DEVELOPMENT COUNCIL ESTABLISHED IN SECTION 24-46.3-101.

15 (3) (a) THE ADVANCED INDUSTRIES WORKFORCE DEVELOPMENT
16 PROGRAM IS CREATED IN THE DEPARTMENT FOR THE PURPOSE OF
17 PROVIDING REIMBURSEMENT FOR QUALIFYING INTERNSHIPS. THE
18 PROGRAM IS JOINTLY ADMINISTERED BY THE STATE COUNCIL AND THE
19 DIVISION, WITH THE STATE COUNCIL PROVIDING OVERSIGHT AND
20 STRATEGIC ADMINISTRATION AND THE DIVISION PROVIDING OPERATIONAL
21 ADMINISTRATION.

22 (b) (I) BEGINNING OCTOBER 1, 2014, THE DIVISION MAY
23 REIMBURSE A BUSINESS FOR UP TO ONE-HALF OF ITS EXPENSES RELATED TO
24 A QUALIFYING INTERNSHIP, SUBJECT TO AVAILABLE APPROPRIATIONS. A
25 BUSINESS MAY BE REIMBURSED FOR UP TO FIVE INTERNS PER LOCATION
26 AND UP TO TEN INTERNS TOTAL AT ALL LOCATIONS, BUT THE MAXIMUM
27 AMOUNT THAT A BUSINESS MAY BE REIMBURSED FOR EACH INTERNSHIP IS
28 FIVE THOUSAND DOLLARS, OF WHICH NO MORE THAN TWO THOUSAND FIVE
29 HUNDRED DOLLARS MAY BE FOR A STIPEND PAID TO THE INTERN. TO BE
30 REIMBURSED, A BUSINESS MUST RECEIVE PREAPPROVAL FOR THE
31 REIMBURSEMENT FROM THE DIVISION PRIOR TO OR DURING THE
32 QUALIFYING INTERNSHIP. THE DIVISION SHALL PAY THE BUSINESS AT
33 LEAST THE PREAPPROVED AMOUNT FOR A QUALIFYING INTERNSHIP, BUT
34 MAY NOT MAKE THE PAYMENT UNTIL AFTER THE INTERNSHIP HAS BEEN
35 COMPLETED. THE STATE COUNCIL SHALL:

36 (A) PROVIDE TECHNICAL ASSISTANCE TO THE DIVISION AND
37 INTEGRATE THE PROGRAM WITH EXISTING WORKFORCE DEVELOPMENT,
38 POST-SECONDARY EDUCATION, AND ECONOMIC DEVELOPMENT
39 INFRASTRUCTURE AND RESOURCES;

40 (B) DEVELOP A PROGRAM SCHEDULE FOR THE PREAPPROVAL AND
41 FINAL APPLICATION PROCESSES AND REIMBURSEMENT; AND

1 (C) ESTABLISH A PARTNERSHIP WITH SECONDARY AND
2 POST-SECONDARY EDUCATIONAL INSTITUTIONS TO MARKET THE PROGRAM
3 TO INTERESTED STUDENTS AND ASSIST WITH IDENTIFICATION OF STUDENTS
4 AND VERIFICATION OF APPROPRIATE COURSE WORK.
5 (II) THE DIVISION SHALL CREATE A PREAPPROVAL APPLICATION
6 FORM FOR REIMBURSEMENT THAT INCLUDES THE FOLLOWING
7 INFORMATION ABOUT THE INTERNSHIP:
8 (A) NAMES OF THE BUSINESS AND INTERN;
9 (B) LOCATION;
10 (C) FOCUS AREA;
11 (D) DURATION;
12 (E) INFORMATION IDENTIFYING THAT IT IS A QUALIFYING
13 INTERNSHIP;
14 (F) THE AMOUNT THE INTERN WILL BE PAID; AND
15 (G) TOTAL OF ALL OTHER EXPENSES RELATED TO THE INTERNSHIP
16 FOR WHICH THE BUSINESS SEEKS REIMBURSEMENT.
17 (III) THE DIVISION SHALL CREATE A FINAL APPLICATION FORM IN
18 WHICH A BUSINESS MAY IDENTIFY ANY NEW OR CHANGED INFORMATION
19 FROM THE PREAPPROVAL FORM. BASED ON THE COMBINATION OF THE
20 FORMS RECEIVED, THE DIVISION SHALL DETERMINE WHETHER THE
21 INTERNSHIP IS A QUALIFYING INTERNSHIP.
22 (IV) THE DIVISION SHALL:
23 (A) MATCH INTERNS WITH BUSINESSES;
24 (B) IDENTIFY QUALIFYING INTERNSHIPS;
25 (C) PROVIDE ASSESSMENTS OF THE PROGRAM TO THE STATE
26 COUNCIL; AND
27 (D) TO THE EXTENT POSSIBLE, IDENTIFY JOB PLACEMENTS FOR THE
28 INTERNS.
29 (c) THE STATE COUNCIL MAY ENTER INTO AN AGREEMENT WITH
30 ONE OR MORE INTERMEDIARIES TO FACILITATE OUTREACH TO EMPLOYERS,
31 MARKET THE PROGRAM, AND IDENTIFY WORK EXPERIENCE OPPORTUNITIES
32 IN THEIR RESPECTIVE INDUSTRIES. THE STATE COUNCIL MAY PROVIDE FOR
33 AN INTERMEDIARY TO BE PAID FOR ITS SERVICES. THE STATE COUNCIL MAY
34 NOT USE MORE THAN ONE INTERMEDIARY FOR EACH ADVANCED INDUSTRY
35 SECTOR. THE DIVISION SHALL PAY AN INTERMEDIARY FOR ITS SERVICES, AS
36 DIRECTED BY THE STATE COUNCIL.
37 (4) (a) TO QUALIFY FOR REIMBURSEMENT, AN INTERNSHIP MUST:
38 (I) BE IN AN ADVANCED INDUSTRY;
39 (II) BE FOR AT LEAST ONE HUNDRED SIXTY HOURS AND LAST LESS
40 THAN ONE YEAR;
41 (III) ALLOW STUDENTS TO GAIN VALUABLE WORK EXPERIENCE IN

1 AT LEAST TWO OF THE FOLLOWING OCCUPATIONAL AREAS:
2 (A) COMPUTER SYSTEMS, INCLUDING SOFTWARE DEVELOPMENT
3 AND INFORMATION TECHNOLOGY SUPPORT;
4 (B) PRODUCTION, INCLUDING FABRICATION AND ASSEMBLY;
5 (C) ENGINEERING, INCLUDING PRODUCT DESIGN, TESTING, AND
6 DEVELOPMENT;
7 (D) BUSINESS AND FINANCIAL OPERATIONS, INCLUDING SUPPLY
8 CHAIN MANAGEMENT;
9 (E) CUSTOMER SERVICE, SALES, AND MARKETING, INCLUDING
10 PROPOSAL DEVELOPMENT;
11 (F) RESEARCH, PRECLINICAL, CLINICAL, AND COMMERCIAL
12 DEVELOPMENT;
13 (G) INSTALLATION, MAINTENANCE, AND REPAIR OF MACHINERY
14 AND EQUIPMENT; AND
15 (H) EXECUTIVE MANAGEMENT AND BUSINESS STRATEGY;
16 (IV) PAY THE INTERN A STIPEND;
17 (V) PROVIDE A MENTOR OR SUPERVISOR THAT WILL WORK
18 CLOSELY WITH THE INTERN;
19 (VI) NOT BE FOR THE PURPOSE OF MEETING REQUIRED RESIDENCY
20 OR CLINICAL HOURS FOR THE INTERN;
21 (VII) BE WITH A BUSINESS THAT IS ELIGIBLE UNDER PARAGRAPH
22 (b) OF THIS SUBSECTION (4);
23 (VIII) BE FOR A STUDENT WHO IS ELIGIBLE UNDER PARAGRAPH (C)
24 OF THIS SUBSECTION (4); AND
25 (IX) ALONG WITH ALL OTHER INTERNSHIPS, CONSTITUTE LESS
26 THAN FIFTY PERCENT OF THE BUSINESS'S WORKFORCE LOCATED IN THE
27 STATE.
28 (b) TO BE ELIGIBLE FOR REIMBURSEMENT, A BUSINESS MUST BE IN
29 AN ADVANCED INDUSTRY AND HAVE A PHYSICAL OPERATION FACILITY IN
30 THE STATE. THE BUSINESS MAY BE A FOR-PROFIT OR NONPROFIT
31 ORGANIZATION, BUT MAY NOT BE A GOVERNMENTAL ENTITY OR AN
32 INSTITUTION OF HIGHER EDUCATION. AN ELIGIBLE BUSINESS IS
33 RESPONSIBLE FOR WORKERS' COMPENSATION COVERAGE ASSOCIATED WITH
34 AN INTERNSHIP, AND SUCH COVERAGE MAY BE REIMBURSED UNDER THE
35 PROGRAM.
36 (c) TO BE ELIGIBLE TO PARTICIPATE IN AN INTERNSHIP IN THE
37 PROGRAM, A PERSON MUST BE:
38 (I) ENROLLED FULL-TIME IN A SECONDARY SCHOOL OR AS AN
39 UNDERGRADUATE AT AN INSTITUTION OF HIGHER EDUCATION IN THE
40 STATE;
41 (II) A RESIDENT OF THE STATE WHO IS ENROLLED AS A FULL-TIME

1 UNDERGRADUATE AT AN INSTITUTION OF HIGHER EDUCATION OUTSIDE OF
2 THE STATE; OR
3 (III) A GRADUATE FROM A SCHOOL OR INSTITUTION LISTED IN
4 SUB-SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (c), IF THE
5 INTERNSHIP BEGINS WITHIN SIX MONTHS OF GRADUATION.
6 (d) (I) IF THERE ARE MORE BUSINESSES SEEKING PREAPPROVAL
7 THAN CAN BE REIMBURSED, THE STATE COUNCIL, IN COLLABORATION WITH
8 THE INTERMEDIARIES, SHALL DETERMINE WHO THE DIVISION SHALL
9 PREAPPROVE. IN MAKING THIS DETERMINATION, THE STATE COUNCIL
10 SHALL GIVE PREFERENCE TO A BUSINESS THAT HAD AN INTERN 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;
16 (D) PURSUING A DEGREE IN THE CATEGORIES OF SCIENCE,
17 TECHNOLOGY, ENGINEERING, OR MATHEMATICS;
18 (E) GAINED VALUABLE WORK EXPERIENCE IN MORE THAN TWO
19 OCCUPATIONAL AREAS; OR
20 (F) EARNED COLLEGE CREDIT FOR THE INTERNSHIP.
21 (II) THE STATE COUNCIL SHALL DEVELOP A PRIORITY FOR
22 APPLYING THE REIMBURSEMENT PREFERENCES.
23 (5) (a) AFTER THE COMPLETION OF A PROGRAM INTERNSHIP, THE
24 DIVISION SHALL SURVEY THE BUSINESS AND PARTICIPANT ABOUT THEIR
25 EXPERIENCE. TO THE EXTENT REASONABLE, THE DIVISION SHALL TAKE
26 STEPS TO IDENTIFY JOB PLACEMENT FOR THE INTERNS.
27 (b) ON OR BEFORE NOVEMBER 1, 2015, AND NOVEMBER 1 OF THE
28 NEXT TWO YEARS THEREAFTER, THE STATE COUNCIL SHALL SUBMIT A
29 REPORT TO THE FINANCE AND THE BUSINESS, LABOR, ECONOMIC, AND
30 WORKFORCE DEVELOPMENT COMMITTEES OF THE HOUSE OF
31 REPRESENTATIVES AND TO THE BUSINESS, LABOR, AND TECHNOLOGY AND
32 THE FINANCE COMMITTEES OF THE SENATE, OR ANY SUCCESSOR
33 COMMITTEES, SUMMARIZING PROGRAM ACTIVITIES DURING THE PRECEDING
34 FISCAL YEAR, INCLUDING ANY INFORMATION IDENTIFIED BY THE DIVISION
35 FROM PARAGRAPH (a) OF THIS SUBSECTION (5). THE DIVISION SHALL
36 ASSIST THE STATE COUNCIL IN COMPLETING THE ANNUAL REPORT.
37 (6) FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2014, AND JULY
38 1 OF THE NEXT TWO YEARS THEREAFTER, THE GENERAL ASSEMBLY SHALL
39 APPROPRIATE FOUR HUNDRED FIFTY THOUSAND DOLLARS FROM THE
40 GENERAL FUND TO THE DIVISION TO BE USED FOR PROGRAM
41 REIMBURSEMENTS. IN ADDITION, THE GENERAL ASSEMBLY SHALL

1 ANNUALLY APPROPRIATE MONEYS FROM THE GENERAL FUND TO THE
2 DEPARTMENT FOR ITS EXPENSES ADMINISTERING THE PROGRAM,
3 INCLUDING ANY PAYMENTS TO INTERMEDIARIES.

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

5 **SECTION 2.** In Colorado Revised Statutes, 8-83-103, **add** (3) as
6 follows:

7 **8-83-103. Powers, duties, and functions - acceptance of**
8 **moneys - repeal.** (3) (a) THE DIVISION SHALL ADMINISTER THE
9 ADVANCED INDUSTRIES WORKFORCE DEVELOPMENT PROGRAM AS
10 REQUIRED BY SECTION 24-46.3-103, C.R.S.

11 (b) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2020.

12 **SECTION 3. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, and safety."

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