

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

**INTRODUCED**

LLS NO. 15-0493.01 Kristen Forrestal x4217

**HOUSE BILL 15-1230**

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**HOUSE SPONSORSHIP**

**Lee and Foote,**

**SENATE SPONSORSHIP**

**Heath,**

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**House Committees**  
Business Affairs and Labor

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE CREATION OF THE INNOVATIVE INDUSTRIES**  
102 **WORKFORCE DEVELOPMENT PROGRAM.**

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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/bills/summaries>.)*

The bill creates the innovative industries workforce development program in the department of labor and employment (department) to be jointly administered by the state work force development council (state council) and the division of employment and training (division). The state council will provide oversight and strategic administration and the division will provide operational administration. The purpose of the

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.*

program is to reimburse a business for one-half of its expenses related to a qualifying internship. A qualifying internship is one that:

- ! Is in an innovative industry;
- ! Is for at least 130 hours and lasts up to 6 months;
- ! Allows students to gain valuable work experience in at least 2 specified occupational areas;
- ! Pays the intern at least \$10 per hour;
- ! Provides a mentor or supervisor that will work closely with the intern;
- ! Is not for the purpose of meeting required residency or clinical hours for the intern;
- ! Is with an innovative-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 graduate of either; and
- ! Along with all other internships, constitutes less than 50% of the business's workforce located in the state.

A business may be reimbursed for up to 5 interns per location and up to 10 at all locations, but the maximum amount that a business may be reimbursed for each internship is \$5,000. At least one-half of the reimbursement amount must be paid to the intern. A business is required to receive preapproval from the division prior to or during the internship. The state council may enter into an agreement with one or more intermediaries, which are innovative-industry associations, to facilitate outreach to employers, market the program, and identify work experience opportunities.

The division is required to solicit information about internships that were reimbursed through the program, and the state council is required to submit a report to legislative committees about the program.

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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** 24-46.3-104 as  
3 follows:

4           **24-46.3-104. Innovative industries workforce development**  
5 **program - legislative declaration - definitions - appropriation -**

6 **repeal.** (1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

7           (I) INNOVATIVE INDUSTRIES HAVE HIGH PROJECTED GROWTH  
8 RATES AND ARE A CRITICAL COMPONENT OF THE STATE'S ECONOMIC

1 DEVELOPMENT AND JOB CREATION;

2 (II) FINDING QUALIFIED EMPLOYEES CAN BE A CHALLENGE FOR  
3 INNOVATIVE-INDUSTRY BUSINESSES;

4 (III) MANY TWENTY-FIRST-CENTURY JOBS IN THE INNOVATIVE  
5 INDUSTRIES REQUIRE FORMALIZED POSTSECONDARY TRAINING OR  
6 EDUCATION;

7 (IV) STUDENTS IN COLORADO HIGH SCHOOLS AND COLLEGES  
8 COULD BENEFIT FROM EXPOSURE TO CAREER EMPLOYMENT  
9 OPPORTUNITIES IN THE INNOVATIVE INDUSTRIES;

10 (V) INTERNSHIPS ARE A RECOGNIZED WAY TO BUILD A TALENT  
11 PIPELINE AND CAREER PATHWAY TO ALIGN EDUCATION, TRAINING, AND  
12 WORK-BASED LEARNING;

13 (VI) INTERNSHIPS CREATE OPPORTUNITIES FOR BUSINESSES TO  
14 FIND, TRAIN, AND EVALUATE POTENTIAL LONG-TERM EMPLOYEES AND FOR  
15 STUDENTS TO GET REAL-WORLD WORK EXPERIENCE WHILE EXPLORING  
16 CAREER OPTIONS;

17 (VII) BY OFFERING INCENTIVES TO BUSINESSES TO CREATE  
18 INTERNSHIPS, THE STATE WILL ENCOURAGE BUSINESSES TO CREATE MORE  
19 OPPORTUNITIES FOR STUDENTS TO OBTAIN WORK EXPERIENCE IN THE  
20 INNOVATIVE INDUSTRIES.

21 (b) IT IS THE INTENT OF THE GENERAL ASSEMBLY TO CREATE A  
22 NEW PROGRAM TO PARTIALLY REIMBURSE COMPANIES THAT OFFER  
23 HIGH-LEVEL INTERNSHIPS IN THE INNOVATIVE INDUSTRIES.

24 (2) AS USED IN THIS SECTION:

25 (a) "DEPARTMENT" MEANS THE DEPARTMENT OF LABOR AND  
26 EMPLOYMENT.

27 (b) "DIVISION" MEANS THE DIVISION OF EMPLOYMENT AND

1 TRAINING IN THE DEPARTMENT, CREATED IN SECTION 8-83-102, C.R.S.

2 (c) "INNOVATIVE INDUSTRY" MEANS ADVANCED MANUFACTURING,  
3 AEROSPACE, BIOSCIENCE, CONSTRUCTION, ELECTRONICS, ENERGY AND  
4 NATURAL RESOURCES, ENGINEERING, AND INFORMATION TECHNOLOGY  
5 INDUSTRIES, AND ANY OTHER INNOVATIVE INDUSTRY AS DETERMINED BY  
6 THE DEPARTMENT.

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

11 (e) "PROGRAM" MEANS THE INNOVATIVE INDUSTRIES WORKFORCE  
12 DEVELOPMENT PROGRAM CREATED IN SUBSECTION (3) OF THIS SECTION.

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

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

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

24 (b) (I) BEGINNING OCTOBER 1, 2015, THE DIVISION MAY  
25 REIMBURSE A BUSINESS FOR UP TO ONE-HALF OF ITS EXPENSES RELATED  
26 TO A QUALIFYING INTERNSHIP, SUBJECT TO AVAILABLE APPROPRIATIONS.  
27 AT LEAST EIGHTY PERCENT OF THE BUSINESSES RECEIVING

1 REIMBURSEMENT MONEYS MUST HAVE LESS THAN ONE HUNDRED  
2 EMPLOYEES. A BUSINESS MAY BE REIMBURSED FOR UP TO FIVE INTERNS  
3 PER LOCATION AND UP TO TEN INTERNS TOTAL AT ALL LOCATIONS, BUT  
4 THE MAXIMUM AMOUNT THAT A BUSINESS MAY BE REIMBURSED FOR EACH  
5 INTERNSHIP IS FIVE THOUSAND DOLLARS. AT LEAST HALF OF THE  
6 REIMBURSEMENT AMOUNT MUST BE PAID TO THE INTERN. TO BE  
7 REIMBURSED, A BUSINESS MUST RECEIVE APPROVAL FOR THE  
8 REIMBURSEMENT FROM THE DIVISION PRIOR TO THE START OF THE  
9 QUALIFYING INTERNSHIP. THE DIVISION SHALL PAY THE BUSINESS AT  
10 LEAST THE PREAPPROVED AMOUNT FOR A QUALIFYING INTERNSHIP BUT  
11 MAY NOT MAKE THE PAYMENT UNTIL AFTER THE INTERNSHIP HAS BEEN  
12 COMPLETED. THE STATE COUNCIL SHALL:

13 (A) PROVIDE TECHNICAL ASSISTANCE TO THE DIVISION AND  
14 INTEGRATE THE PROGRAM WITH EXISTING WORKFORCE DEVELOPMENT,  
15 SECONDARY EDUCATION, POSTSECONDARY EDUCATION, AND ECONOMIC  
16 DEVELOPMENT INFRASTRUCTURE AND RESOURCES, INCLUDING PRODUCING  
17 LINKS TO AND FROM THE STATE COUNCIL'S AND DIVISION'S WEB SITES; AND

18 (B) ESTABLISH A PARTNERSHIP WITH SECONDARY AND  
19 POSTSECONDARY EDUCATIONAL INSTITUTIONS, INCLUDING COMMUNITY  
20 COLLEGES, AND WORKFORCE CENTERS TO MARKET THE PROGRAM TO  
21 INTERESTED STUDENTS AND ASSIST WITH IDENTIFICATION OF STUDENTS  
22 AND VERIFICATION OF APPROPRIATE COURSE WORK.

23 (II) THE STATE COUNCIL MAY ENTER INTO AN AGREEMENT WITH  
24 ONE OR MORE INTERMEDIARIES TO FACILITATE OUTREACH TO EMPLOYERS,  
25 MARKET THE PROGRAM, DEVELOP THE INTERN CURRICULUM, AND  
26 IDENTIFY WORK EXPERIENCE OPPORTUNITIES IN THEIR RESPECTIVE  
27 INNOVATIVE INDUSTRIES. THE STATE COUNCIL MAY PROVIDE FOR EACH

1 INTERMEDIARY TO BE PAID UP TO TEN THOUSAND DOLLARS FOR ITS  
2 SERVICES. THE STATE COUNCIL MAY NOT USE MORE THAN ONE  
3 INTERMEDIARY FOR EACH INNOVATIVE-INDUSTRY SECTOR. THE DIVISION  
4 SHALL PAY AN INTERMEDIARY FOR ITS SERVICES, AS DIRECTED BY THE  
5 STATE COUNCIL.

6 (III) THE DIVISION SHALL DEVELOP A PROGRAM SCHEDULE FOR  
7 THE INITIAL AND FINAL APPLICATION PROCESSES AND REIMBURSEMENT.  
8 THE DIVISION SHALL CREATE AN INITIAL APPLICATION FORM FOR  
9 REIMBURSEMENT THAT INCLUDES THE FOLLOWING INFORMATION ABOUT  
10 THE INTERNSHIP:

- 11 (A) NAMES OF THE BUSINESS AND INTERN;
- 12 (B) LOCATION;
- 13 (C) NUMBER OF EMPLOYEES;
- 14 (D) FOCUS AREA;
- 15 (E) DESCRIPTION OF THE INTERNSHIP CURRICULUM;
- 16 (F) DURATION;
- 17 (G) INFORMATION IDENTIFYING THAT IT IS A QUALIFYING  
18 INTERNSHIP;
- 19 (H) THE AMOUNT THE INTERN WILL BE PAID; AND
- 20 (I) THE TOTAL OF ALL OTHER EXPENSES RELATED TO THE  
21 INTERNSHIP FOR WHICH THE BUSINESS SEEKS REIMBURSEMENT.

22 (IV) THE DIVISION SHALL CREATE A FINAL APPLICATION FORM IN  
23 WHICH A BUSINESS MAY IDENTIFY ANY NEW OR CHANGED INFORMATION  
24 FROM THE INITIAL APPLICATION FORM. BASED ON THE COMBINATION OF  
25 THE FORMS RECEIVED, THE DIVISION SHALL DETERMINE WHETHER THE  
26 INTERNSHIP IS A QUALIFYING INTERNSHIP. IF ACCEPTED INTO THE  
27 PROGRAM, THE BUSINESS MAY BE REQUIRED TO PAY A FEE OF UP TO SEVEN

1 HUNDRED FIFTY DOLLARS.

2 (V) THE DIVISION SHALL:

3 (A) IDENTIFY QUALIFYING INTERNSHIPS;

4 (B) MATCH INTERNS WITH BUSINESSES;

5 (C) PROVIDE ASSESSMENTS OF THE PROGRAM TO THE STATE  
6 COUNCIL; AND

7 (D) TO THE EXTENT POSSIBLE, IDENTIFY JOB PLACEMENTS FOR THE  
8 INTERNS.

9 (4) (a) TO QUALIFY FOR REIMBURSEMENT, AN INTERNSHIP MUST:

10 (I) BE IN AN INNOVATIVE INDUSTRY;

11 (II) BE FOR AT LEAST ONE HUNDRED THIRTY HOURS AND LAST UP  
12 TO SIX MONTHS;

13 (III) ALLOW STUDENTS TO GAIN VALUABLE WORK EXPERIENCE IN  
14 AT LEAST TWO OF THE FOLLOWING OCCUPATIONAL AREAS:

15 (A) COMPUTER SYSTEMS, INCLUDING SOFTWARE DEVELOPMENT  
16 AND INFORMATION TECHNOLOGY SUPPORT;

17 (B) PRODUCTION, INCLUDING FABRICATION, ASSEMBLY, AND  
18 QUALITY ASSURANCE;

19 (C) ENGINEERING;

20 (D) BUSINESS AND FINANCIAL OPERATIONS, INCLUDING SUPPLY  
21 CHAIN MANAGEMENT;

22 (E) CUSTOMER SERVICE, SALES, AND MARKETING, INCLUDING  
23 PROPOSAL DEVELOPMENT;

24 (F) RESEARCH, PRECLINICAL, CLINICAL, AND COMMERCIAL  
25 DEVELOPMENT;

26 (G) INSTALLATION, MAINTENANCE, AND REPAIR OF MACHINERY  
27 AND EQUIPMENT;

- 1 (H) EXECUTIVE MANAGEMENT AND BUSINESS STRATEGY; AND
- 2 (I) A SKILLED TRADE;
- 3 (IV) PAY THE INTERN AT LEAST TEN DOLLARS PER HOUR;
- 4 (V) PROVIDE A MENTOR OR SUPERVISOR THAT WILL WORK
- 5 CLOSELY WITH THE INTERN;
- 6 (VI) NOT BE FOR THE PURPOSE OF MEETING REQUIRED RESIDENCY
- 7 OR CLINICAL HOURS FOR THE INTERN;
- 8 (VII) BE WITH A BUSINESS THAT IS ELIGIBLE UNDER PARAGRAPH
- 9 (b) OF THIS SUBSECTION (4);
- 10 (VIII) BE FOR A STUDENT WHO IS ELIGIBLE UNDER PARAGRAPH (c)
- 11 OF THIS SUBSECTION (4); AND
- 12 (IX) ALONG WITH ALL OTHER INTERNSHIPS, CONSTITUTE LESS
- 13 THAN FIFTY PERCENT OF THE BUSINESS'S WORKFORCE LOCATED IN THE
- 14 STATE.
- 15 (b) TO BE ELIGIBLE FOR REIMBURSEMENT, A BUSINESS MUST BE IN
- 16 AN INNOVATIVE INDUSTRY AND HAVE A PHYSICAL OPERATION FACILITY IN
- 17 THE STATE. THE BUSINESS MAY BE A FOR-PROFIT OR NONPROFIT
- 18 ORGANIZATION BUT MAY NOT BE A GOVERNMENTAL ENTITY OR AN
- 19 INSTITUTION OF HIGHER EDUCATION. AN ELIGIBLE BUSINESS IS
- 20 RESPONSIBLE FOR WORKERS' COMPENSATION COVERAGE ASSOCIATED
- 21 WITH AN INTERNSHIP, AND SUCH COVERAGE MAY BE REIMBURSED UNDER
- 22 THE PROGRAM.
- 23 (c) TO BE ELIGIBLE TO PARTICIPATE IN AN INTERNSHIP IN THE
- 24 PROGRAM, A PERSON MUST BE:
- 25 (I) ENROLLED FULL-TIME IN A SECONDARY SCHOOL OR AS AN
- 26 UNDERGRADUATE AT AN INSTITUTION OF HIGHER EDUCATION, INCLUDING
- 27 A COMMUNITY COLLEGE, IN THE STATE;

1           (II) 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           (III) A GRADUATE FROM A SCHOOL OR INSTITUTION LISTED IN  
5 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (c), IF THE INTERNSHIP  
6 BEGINS WITHIN SIX MONTHS AFTER GRADUATION.

7           (d) TO BE ELIGIBLE TO PARTICIPATE IN AN INTERNSHIP IN THE  
8 PROGRAM, A PERSON MUST NOT:

9           (I) BE A CURRENT OR PAST EMPLOYEE OF A PARTICIPATING  
10 BUSINESS OR A RELATIVE OF AN OWNER OR OPERATOR OF A PARTICIPATING  
11 BUSINESS; OR

12           (II) DISPLACE A CURRENT EMPLOYEE OF THE BUSINESS.

13           (e) (I) IF THERE ARE MORE BUSINESSES SEEKING PREAPPROVAL  
14 THAN CAN BE REIMBURSED, THE STATE COUNCIL, IN COLLABORATION WITH  
15 THE INTERMEDIARIES, SHALL DETERMINE WHO THE DIVISION SHALL  
16 PREAPPROVE. IN MAKING THIS DETERMINATION, THE STATE COUNCIL  
17 SHALL GIVE PREFERENCE TO A BUSINESS THAT HAS AN INTERN WHO IS:

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

19           (B) PURSUING AN INDUSTRY-ENDORSED LICENSE, REGISTRATION,  
20 OR CERTIFICATION;

21           (C) ENROLLED IN TECHNOLOGY-, MANUFACTURING-, OR  
22 ENGINEERING-RELATED ASSOCIATES OF APPLIED SCIENCE DEGREE  
23 PROGRAMS;

24           (D) PURSUING A DEGREE IN THE CATEGORIES OF SCIENCE,  
25 TECHNOLOGY, ENGINEERING, OR MATHEMATICS;

26           (E) GAINING VALUABLE WORK EXPERIENCE IN MORE THAN TWO  
27 OCCUPATIONAL AREAS; OR

1 (F) EARNING COLLEGE CREDIT FOR THE INTERNSHIP.

2 (II) THE STATE COUNCIL SHALL DEVELOP A PRIORITY FOR  
3 APPLYING THE REIMBURSEMENT PREFERENCES.

4 (5) ON OR BEFORE NOVEMBER 1, 2016, AND NOVEMBER 1 OF THE  
5 NEXT TWO YEARS THEREAFTER, THE STATE COUNCIL SHALL SUBMIT A  
6 REPORT TO THE FINANCE AND THE BUSINESS AFFAIRS AND LABOR  
7 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND TO THE BUSINESS,  
8 LABOR, AND TECHNOLOGY AND THE FINANCE COMMITTEES OF THE  
9 SENATE, OR ANY SUCCESSOR COMMITTEES, SUMMARIZING PROGRAM  
10 ACTIVITIES DURING THE PRECEDING FISCAL YEAR, INCLUDING THE  
11 INFORMATION IN SUBPARAGRAPH (III) OF PARAGRAPH (b) OF SUBSECTION  
12 (3) OF THIS SECTION, THE NUMBER OF COMPANIES AND INTERNS WHO  
13 PARTICIPATED, THE OCCUPATIONAL AREAS THE INTERNS PARTICIPATED IN,  
14 THE NUMBER OF INTERNS WHO OBTAINED RELATED EMPLOYMENT, AND  
15 ANY INFORMATION IDENTIFIED BY THE DIVISION FROM THIS SUBSECTION  
16 (5). THE DIVISION SHALL ASSIST THE STATE COUNCIL IN COMPLETING THE  
17 ANNUAL REPORT.

18 (6) FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2015, THE  
19 GENERAL ASSEMBLY SHALL APPROPRIATE FOUR HUNDRED FIFTY  
20 THOUSAND DOLLARS FROM THE GENERAL FUND TO THE DIVISION TO BE  
21 USED FOR PROGRAM REIMBURSEMENTS. FOR THE NEXT TWO YEARS  
22 THEREAFTER, THE GENERAL ASSEMBLY MAY APPROPRIATE MONEYS FROM  
23 THE GENERAL FUND TO THE DIVISION TO BE USED FOR PROGRAM  
24 REIMBURSEMENTS. IN ADDITION, THE GENERAL ASSEMBLY SHALL  
25 ANNUALLY APPROPRIATE MONEYS FROM THE GENERAL FUND TO THE  
26 DEPARTMENT FOR ITS EXPENSES ADMINISTERING THE PROGRAM,  
27 INCLUDING ANY PAYMENTS TO INTERMEDIARIES. ANY UNEXPENDED AND

1 UNENCUMBERED MONEYS FROM AN APPROPRIATION MADE PURSUANT TO  
2 THIS SUBSECTION (6) REMAIN AVAILABLE FOR EXPENDITURE BY THE  
3 DEPARTMENT IN THE NEXT FISCAL YEAR WITHOUT FURTHER  
4 APPROPRIATION.

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

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

8 **8-83-103. Powers, duties, and functions - acceptance of moneys**  
9 **- repeal.** (3) (a) THE DIVISION SHALL ADMINISTER THE INNOVATIVE  
10 INDUSTRIES WORKFORCE DEVELOPMENT PROGRAM AS REQUIRED BY  
11 SECTION 24-46.3-104, C.R.S.

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

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