

**NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.**

# An Act

HOUSE BILL 12-1120

BY REPRESENTATIVE(S) Swerdfeger, Brown, Duran, Liston, Massey, Pabon, Pace, Williams A., Schafer S., Todd, Tyler, Vigil;  
also SENATOR(S) Tochtrop, Aguilar, Newell.

CONCERNING THE CREATION OF THE DIVISION OF UNEMPLOYMENT INSURANCE IN THE DEPARTMENT OF LABOR AND EMPLOYMENT TO ADMINISTER THE UNEMPLOYMENT INSURANCE PROGRAM.

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

**SECTION 1.** In Colorado Revised Statutes, 24-1-121, **amend** (3) introductory portion and (3) (b); and **add** (3) (g) as follows:

**24-1-121. Department of labor and employment - creation.**

(3) The department of labor and employment ~~shall consist~~ CONSISTS of the following divisions:

(b) The division of employment and training, the head of which ~~shall be~~ IS the director of the division of employment and training. ~~Said~~ THE division, created by article ~~71~~ 83 of title 8, C.R.S., and the director ~~thereof~~ OF THE DIVISION shall exercise their powers, duties, and functions under the department of labor and employment as if transferred by a **type 2** transfer.

(g) THE DIVISION OF UNEMPLOYMENT INSURANCE, THE HEAD OF WHICH IS THE DIRECTOR OF THE DIVISION OF UNEMPLOYMENT INSURANCE. THE DIVISION, CREATED IN ARTICLE 71 OF TITLE 8, C.R.S., AND THE DIRECTOR OF THE DIVISION SHALL EXERCISE THEIR POWERS, DUTIES, AND FUNCTIONS UNDER THE DEPARTMENT OF LABOR AND EMPLOYMENT AS IF TRANSFERRED BY A **TYPE 2** TRANSFER.

**SECTION 2.** In Colorado Revised Statutes, 8-70-103, **amend** (8) as follows:

**8-70-103. Definitions.** As used in articles 70 to 82 of this title, unless the context otherwise requires:

(8) "Division" means the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE.

**SECTION 3.** In Colorado Revised Statutes, **amend** 8-71-101 as follows:

**8-71-101. Division of unemployment insurance created - director.** There is hereby created a division of ~~employment and training~~ UNEMPLOYMENT INSURANCE within the department of labor and employment, the head of which ~~shall be~~ IS the director of the division. ~~of employment and training. Whenever any law of this state refers to the division of employment, said law shall be deemed to refer to the division of employment and training.~~

**SECTION 4.** In Colorado Revised Statutes, **amend** 8-71-102 as follows:

**8-71-102. Powers, duties, and functions - acceptance of moneys.**  
(1) The functions of the division ~~of employment and training shall~~ comprise all administrative functions of the state in relation to the administration of articles 70 to 82 of this title. The DIRECTOR OF THE DIVISION SHALL PERFORM THE powers, duties, and functions ~~of the director of the division~~ prescribed under articles 70 to 82 of this title ~~including rule-making, regulation, licensing, promulgation of rules, rates, regulations, and standards, and the rendering of findings, orders, and adjudications, shall be performed~~ under the direction and supervision of the executive director of the department of labor and employment, as prescribed by section

24-1-105 (4), C.R.S. ANY VACANCY IN THE OFFICE OF DIRECTOR OF THE DIVISION SHALL BE FILLED IN THE MANNER PROVIDED BY LAW.

(2) The division may accept and expend moneys from gifts, grants, donations, and other nongovernmental contributions for the purposes for which the division is authorized.

**SECTION 5.** In Colorado Revised Statutes, **amend** 8-71-103 as follows:

**8-71-103. Organization of division.** (1) ~~There shall be in the division the unemployment compensation section and the employment service section. The unemployment compensation and employment service sections shall be coordinate sections of the administrative organization.~~

(2) (a) ~~The unemployment compensation section of the division shall constitute~~ CONSTITUTES an enterprise for purposes of section 20 of article X of the state constitution, as long as the ~~unemployment compensation section~~ DIVISION retains authority to issue revenue bonds and the ~~section~~ DIVISION receives less than ten percent of its total annual revenues in grants, as defined in section 24-77-102 (7), C.R.S., from all Colorado state and local governments combined. For as long as it constitutes an enterprise pursuant to this section, the ~~unemployment compensation section of the division shall~~ IS not be subject to section 20 of article X of the state constitution.

(b) (I) Except as provided in subparagraph (II) of this paragraph (b), the enterprise established pursuant to this subsection (2) ~~shall have~~ HAS all the powers and duties authorized by articles 70 to 82 of this title pertaining to unemployment INSURANCE AND UNEMPLOYMENT compensation. ~~The enterprise is not authorized to perform those powers and duties granted to the employment service section of the division pursuant to section 8-71-106, and the department's powers and duties under the "Colorado Work Force Investment Act", part 2 of this article.~~

(II) The employment support fund established in section 8-77-109 (1) shall not be included in or administered by the enterprise established pursuant to this subsection (2).

(c) Nothing in this subsection (2) ~~shall be construed to limit~~ LIMITS

or ~~restrict~~ RESTRICTS the authority of the ~~unemployment compensation section~~ DIVISION to expend its revenues consistent with the provisions of articles 70 to 82 of this title.

(d) Subject to approval by the general assembly, either by bill or by joint resolution, and after approval by the governor pursuant to section 39 of article V of the state constitution, the ~~unemployment compensation section~~ DIVISION is hereby authorized to issue revenue bonds for the expenses of the ~~section~~ DIVISION, secured by any revenues of the ~~section~~ DIVISION.

**SECTION 6.** In Colorado Revised Statutes, **add with amended and relocated provisions** article 83 to title 8 as follows:

**ARTICLE 83**  
**Work Force Development**

PART 1  
DIVISION OF EMPLOYMENT  
AND TRAINING

**8-83-101. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "DEPARTMENT" MEANS THE DEPARTMENT OF LABOR AND EMPLOYMENT CREATED IN SECTION 24-1-121, C.R.S.

(2) "DIRECTOR" MEANS THE DIRECTOR OF THE DIVISION.

(3) "DIVISION" MEANS THE DIVISION OF EMPLOYMENT AND TRAINING IN THE DEPARTMENT.

**8-83-102. Division of employment and training created - director.** THERE IS HEREBY CREATED A DIVISION OF EMPLOYMENT AND TRAINING WITHIN THE DEPARTMENT OF LABOR AND EMPLOYMENT, THE HEAD OF WHICH IS THE DIRECTOR OF THE DIVISION OF EMPLOYMENT AND TRAINING.

**8-83-103. Powers, duties, and functions - acceptance of moneys.**  
(1) THE FUNCTIONS OF THE DIVISION COMPRISE ALL ADMINISTRATIVE FUNCTIONS OF THE STATE IN RELATION TO THE ADMINISTRATION OF THIS

ARTICLE. THE DIRECTOR SHALL PERFORM HIS OR HER POWERS, DUTIES, AND FUNCTIONS PRESCRIBED UNDER THIS ARTICLE UNDER THE DIRECTION AND SUPERVISION OF THE EXECUTIVE DIRECTOR OF THE DEPARTMENT, AS PRESCRIBED BY SECTION 24-1-105 (4), C.R.S. ANY VACANCY IN THE OFFICE OF DIRECTOR SHALL BE FILLED IN THE MANNER PROVIDED BY LAW.

(2) THE DIVISION MAY ACCEPT AND EXPEND MONEYS FROM GIFTS, GRANTS, DONATIONS, AND OTHER NONGOVERNMENTAL CONTRIBUTIONS FOR THE PURPOSES FOR WHICH THE DIVISION IS AUTHORIZED.

**8-83-104. [Formerly 8-71-106] State employment service.**

(1) The Colorado state employment service is established AS A SECTION in the division. ~~of employment and training as a section thereof.~~ The division, through ~~such~~ THE section, shall establish and maintain free public employment offices in ~~such~~ THE number and ~~in such places~~ LOCATIONS as may be necessary for the proper administration ~~of articles 70 to 82 of this title~~ ARTICLE and for the purposes of performing ~~such~~ THE duties ~~as~~ THAT are within the purview of the act of congress entitled "An Act To provide for the establishment of a national employment system and for cooperation with the States in the promotion of such system, and for other purposes.", approved June 6, 1933 (48 Stat. 113; 29 U.S.C. sec. 49 (c)), as amended, ~~It is the duty of~~ AND REFERRED TO IN THIS SECTION AS THE FEDERAL ACT.

(2) The division ~~to~~ SHALL:

(a) Cooperate with any official or agency of the United States having powers or duties under the provisions of the ~~said~~ FEDERAL act, ~~of congress~~; as amended, or under such other FEDERAL acts ~~of congress~~ as may be created for similar purposes; ~~to~~

(b) Cooperate with or enter into agreements with the railroad retirement board with respect to the establishment, maintenance, and use of free employment service facilities; and ~~to do and~~

(c) Perform all ~~things~~ ACTS necessary to secure to this state the benefits of the ~~said~~ FEDERAL act, ~~of congress~~; as amended, in the promotion and maintenance of a system of public employment offices.

(3) The STATE ACCEPTS THE provisions of the ~~said~~ FEDERAL act, ~~of congress~~; as amended, ~~are accepted by this state~~ in conformity with section

4 of ~~said~~ THE FEDERAL act, and this state will observe and comply with the requirements ~~thereof~~ OF THE FEDERAL ACT. The ~~Colorado~~ division of employment is designated AS the agency of this state for the purposes of ~~said~~ THE FEDERAL act. The division is ~~is directed to~~ SHALL appoint such officers and employees of the Colorado state employment service as necessary for the proper administration ~~of articles 70 to 82~~ of this title ARTICLE.

~~(2) Repealed.~~

**8-83-105. Personnel.** SUBJECT TO OTHER PROVISIONS OF THIS ARTICLE AND THE STATE PERSONNEL SYSTEM REGULATIONS, THE DIVISION IS AUTHORIZED TO APPOINT, FIX THE COMPENSATION, AND PRESCRIBE THE DUTIES AND POWERS OF SUCH OFFICERS, ACCOUNTANTS, ATTORNEYS, EXPERTS, AND OTHER PERSONS AS MAY BE NECESSARY IN THE PERFORMANCE OF ITS DUTIES. THE DIVISION MAY DELEGATE TO ANY PERSON SO APPOINTED SUCH POWER AS IT DEEMS REASONABLE AND PROPER FOR THE EFFECTIVE ADMINISTRATION OF THIS ARTICLE. IN ITS DISCRETION, THE DIVISION MAY BOND ANY PERSON HANDLING MONEYS OR SIGNING CHECKS UNDER THIS ARTICLE.

## PART 2 WORK FORCE INVESTMENT ACT

**8-83-201. [Formerly 8-71-201] Short title.** This part 2 shall be known and may be cited as the "Colorado Work Force Investment Act".

**8-83-202. [Formerly 8-71-202] Legislative declaration.** (1) The general assembly hereby finds and declares that:

(a) Passage of the federal "Workforce Investment Act of 1998", 29 U.S.C. sec. 2801 et seq., gives the state a unique opportunity to develop a work force program and employment system designed to meet the needs of employers, job seekers, and those who want to further their careers;

(b) The federal act requires that training and employment programs be designed and managed at the local government level, where the needs of businesses and individuals are best understood;

(c) The federal act requires the involvement of business, both to

provide information and leadership and to play an active role in ensuring that the system prepares people for current and future jobs;

(d) Passage of the federal act provided local governments with the control and flexibility to carry out the federal act's purposes, subject to the final authority and approval of the governor; and

(e) Therefore, it is in the state's best interest to adopt the Colorado work force investment program set forth in this part 2.

(2) The general assembly recommends that:

(a) To the extent possible, counties or multi-county areas integrate their work force investment program sources of funding to maximize the resources available at the local level to provide the services authorized under this part 2; and

(b) As the responsibility for implementing work force programs continues to be devolved to local governments, Title I moneys identified for state administration of programs implemented at the local level be as specified in Title I of the federal "Workforce Investment Act of 1998".

**8-83-203. [Formerly 8-71-203] Definitions.** As used in this part 2, unless the context otherwise requires:

(1) "Colorado work force investment program" or "work force investment program" means the program of work force development created in this part 2.

(2) "Consortium local elected officials board" means the local elected officials appointed by each local work force investment board in the consortium work force investment area to serve as the local elected official for a consortium work force investment area.

(3) "Consortium work force investment area" or "consortium area" means an area designated by the governor as a federal work force investment area. The consortium work force investment area may contain one or more local work force investment areas.

(4) "Consortium work force investment board" or "consortium

board" means the work force board appointed by the consortium local elected officials board. The consortium work force investment board serves, on behalf of the local work force boards in the consortium area, as the local work force investment board for specific functions under the federal act.

(5) "Department" means the department of labor and employment created in section 24-1-121, C.R.S., or any other state agency specified by the governor through executive order or otherwise.

(6) "Designated work force investment area" means a county or group of counties that have banded together through an intergovernmental agreement to provide a work force investment program and that is designated by the governor as a federal work force investment area. A designated work force investment area is not the same as the consortium work force investment area.

(7) "Designated work force investment board" means the local work force investment board for a federally designated work force investment area.

(8) "Federal act" means Title I of the federal "Workforce Investment Act of 1998", 29 U.S.C. sec. 2801 et seq.

(9) "Local elected officials" means the boards of county commissioners of the county or counties operating work force investment programs; except that, in the case of a city and county, "local elected officials" means the mayor.

(10) "Local plan" means a plan, developed and executed by a local work force investment board, that outlines the functions and responsibilities for delivery of services within a work force investment area.

(11) "Local work force investment board" means the work force board of a local work force investment area within a consortium work force investment area.

(12) "National program grant" means a grant under subtitle D of Title I. ~~of the federal act.~~

(13) "One-stop operator" means the entity selected by a work force

board, with concurrence by the local elected officials, to operate the one-stop career center in a local area.

(14) "One-stop partner" means a person or organization described in section ~~8-71-216~~ 8-83-216.

(15) "State council" means the state work force development council created in section 24-46.3-101, C.R.S.

(16) "State plan" means a plan, developed by the governor with the assistance of the state council and based upon local plans, for the delivery of services statewide under the federal act.

(17) "Title I" means Title I of the federal act.

(18) "Title I moneys" means moneys distributed pursuant to Title I.

(19) "Wagner-Peyser Act" means the federal "Wagner-Peyser Act", 29 U.S.C. sec. 49a et seq.

(20) "Wagner-Peyser funds" means federal moneys received by the ~~Colorado department of labor and employment~~ pursuant to the "Wagner-Peyser Act". ~~and Title III of the federal act.~~

(21) "Work force board" means either the designated work force investment board or a local work force investment board.

(22) "Work force investment area" means either the designated work force investment area or a local work force investment area.

**8-83-204. [Formerly 8-71-204] Work force investment program - legislative declaration - purposes.** (1) The general assembly finds, determines, and declares that this part 2 is adopted pursuant to the requirements of the federal "Workforce Investment Act of 1998", and is intended to comply with the federal act's express requirements for participants in the operation of work force investment programs.

(2) The purposes of this part 2 are to:

(a) Establish a central, coordinated delivery system at the local or

regional level through which any citizen may look for a job, explore work preparation and career development services, and access a range of employment, training, and occupational education programs offering their services through local or regional work force investment programs;

(b) Develop strategies and policies that encourage job training, education and literacy, and vocational programs;

(c) Consolidate and coordinate programs and services to ensure a more streamlined and flexible work force development system at the local or regional level;

(d) Establish single contact points for employers; and

(e) Allow counties increased responsibility for the administration of the work force investment program.

**8-83-205. [Formerly 8-71-205] Work force investment program - creation - administration.** (1) Under authority of the governor, the department shall cooperate with the state council to help establish and operate a network of work force investment areas as set forth in this part 2.

(2) Work force investment areas may be established at a county level or at a multi-county level through intergovernmental agreements reached by the applicable local elected officials of the work force investment area and subject to approval by the governor.

(3) Local elected officials shall govern the operation of work force investment areas with policy guidance from work force boards appointed by the local elected officials. At the option of the local elected officials and the work force board, work force investment programs may be operated by a county, the department, other governmental agencies, nonprofit or not-for-profit organizations, or private entities; except that Wagner-Peyser funds shall not be used to award contracts to nonprofit or not-for-profit organizations or private entities. ~~Any~~ AN entity that applies to become a work force program operator and is not selected may appeal ~~such~~ THE decision through any available appeal process of the applicable local governmental entity.

(4) If federal or state financial support for the provision of

employment and training services is eliminated or is reduced by an amount that is considered substantial by the local elected officials, the local elected officials ~~shall~~ ARE not be required to continue funding or operating work force investment programs.

(5) The state council shall ensure that a work force investment area may function as a federally designated work force investment area in applying for available national program grants under the federal act. Each work force board may apply for a grant for its own area in the manner it deems most appropriate. A work force board may apply for a grant for its own area and receive any corresponding moneys awarded exclusively or may apply through other means and with other work force areas. Any grant moneys awarded to a work force investment area shall be a direct pass-through from the federal government to the applicable work force investment area or areas.

(6) ~~Any~~ A work force investment area created pursuant to this part 2 ~~shall be~~ IS authorized by the governor to operate with the same authority and functions as if the area were a federally designated work force investment area.

**8-83-206. [Formerly 8-71-206] Local elected officials - function - authority.** The local elected officials shall maintain a strong role in all phases and levels of implementation of the federal act. The local elected officials ~~in agreement with the work force board,~~ of a work force investment area, ~~shall be~~ IN AGREEMENT WITH THE WORKFORCE BOARD, ARE authorized to award contracts for the administration, implementation, or operation of any aspect of the work force investment program to any appropriate public, private, or nonprofit entity in accordance with applicable county regulations and federal law; except that Wagner-Peyser funds shall not be used to award contracts to private or nonprofit entities.

**8-83-207. [Formerly 8-71-207] Designated work force investment boards - consortium work force investment boards - local work force investment boards - authority - functions.** (1) Designated work force investment boards ~~shall be~~ ARE subject to this part 2 and the federal act. Designated work force investment boards operate for a federally designated work force investment area.

(2) (a) The consortium work force investment board shall delegate

to the local work force investment boards the functions and requirements specified in this part 2 and in the federal act for work force boards. Subject to the limits specified in this part 2, the consortium board operates as the local work force investment board for the federally designated consortium work force investment area.

(b) The consortium local elected officials board functions only as the local elected official for the consortium work force investment board. The consortium local elected officials board performs only those specified functions authorized in section ~~8-71-214~~ 8-83-214.

(3) Local work force investment boards operate as the work force boards for the local work force investment areas operating within the consortium work force investment area and as further specified in section ~~8-71-213~~ 8-83-213. To the extent possible, local work force investment boards ~~shall be~~ ARE subject to the requirements contained in this part 2 and the federal act. If a local work force investment board finds that compliance with any such requirement is not practicable, the work force board shall include in its local plan a description of the requirement and an explanation of why compliance is impracticable. Requirements that may be so described and explained include ~~but are not limited to,~~ work force board membership requirements as specified in section ~~8-71-210~~ 8-83-210, youth council membership requirements listed in section ~~8-71-212~~ 8-83-212, and requirements for partners described in section ~~8-71-216~~ 8-83-216. Although each local work force investment board has such discretion, it ~~nevertheless shall be~~ IS subject to the outcome and performance measures required by the federal act and as negotiated with the consortium work force investment board in approving the local plan. Each local work force investment board ~~shall be required to~~ meet the intent and purposes of this part 2 and the federal act.

**8-83-208. [Formerly 8-71-208] Implementation - local plans.**

(1)(a) The Colorado work force investment program shall be administered according to the state five-year plan prepared in accordance with the local plans created pursuant to this section. Each designated work force investment area shall submit a plan that meets the requirements of subsection (2) of this section to the governor for approval.

(b) The consortium work force investment board shall develop a local plan that ~~shall consist~~ CONSISTS of a compilation of local plans

submitted by each local work force investment board. The consortium work force investment board shall ensure that the local plan for the consortium area, in total, meets the requirements specified in subsection (2) of this section and shall submit such plan to the governor for approval. Local work force investment boards within the consortium work force investment area shall submit local plans to the consortium work force investment board for approval.

(2) **Local plans for work force investment areas.** Subject to the approval of, and in partnership with, the local elected officials, each work force board shall develop a comprehensive five-year local plan. The plan shall include:

(a) A description of:

(I) The work force development needs of businesses, job seekers, and workers in the area;

(II) The current and projected employment opportunities in the area; and

(III) The job skills necessary to obtain such employment opportunities;

(b) A description of the work force investment program to be established in the work force investment area, including:

(I) How the work force board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meet the employment needs of local employers and participants;

(II) A copy of each memorandum of understanding between the work force board and each of the federally required one-stop partners concerning the operation of the work force investment program in the local area; and

(III) A description of the local levels of performance negotiated with the governor and local elected officials, for the purpose of measuring the performance of the local area and to be used by the work force board for

measuring the performance of the local fiscal agent, if designated, eligible providers, and the work force investment program in the local area;

(c) A description and assessment of the type and availability of adult and dislocated worker employment and training activities in the local area;

(d) A description of how the work force board will coordinate work force investment activities carried out in the area with statewide rapid response activities, as appropriate;

(e) A description and assessment of the type and availability of youth activities in the area, including an identification of successful providers of such activities;

(f) A description of the process used by the work force board to provide an opportunity for public comment, including comment by representatives of businesses and labor organizations, where applicable, and input into the development of the local plan ~~prior to~~ BEFORE submission of the plan;

(g) Identification of the entity responsible for the disbursement of Title I moneys described in section ~~8-71-219~~ 8-83-221 as determined by the local elected officials or the governor pursuant to said section;

(h) A description of the competitive process to be used to award the grants and contracts in the work force investment area for activities implemented pursuant to this part 2; and

(i) Such other information as the governor may require.

(3) **Process.** Prior to the date the work force board submits a local plan under this section, the work force board shall:

(a) Make available copies of the local plan to the public through such means as public hearings and local news media including, where feasible, the internet;

(b) Allow members of the work force board and members of the public, including representatives of business and labor organizations, to submit comments on the proposed plan to the work force board beginning

on the date on which the proposed local plan is made available and continuing for a period of thirty days; and

(c) Include with the local plan submitted to the governor under this section any such comments that represent disagreement with the plan.

(4) **Plan submission and approval.** A local plan submitted to the governor under this section ~~shall be~~ IS considered ~~to be~~ approved by the governor at the end of the ninety-day period that ~~shall begin~~ BEGINS on the day the governor receives the plan, unless the governor makes a written determination during the ninety-day period that:

(a) Deficiencies in activities carried out under this part 2 have been identified, and the area has not made acceptable progress in implementing corrective measures to address the deficiencies; or

(b) The plan does not comply with requirements under the federal act.

**8-83-209. [Formerly 8-71-209] State work force investment plan.**

(1) In accordance with the federal act, the governor shall submit to the federal government a state plan that outlines a five-year strategy for the Colorado work force investment program that meets the requirements of the federal act. In addition to the plan requirements specified in subsection (2) of this section, the state plan ~~shall~~ MUST be based upon and consistent with the local plans submitted to the governor pursuant to section ~~8-71-208~~ 8-83-208.

(2) **Content.** The state plan ~~shall~~ MUST include:

(a) A description of the state council, including how the state council collaborated in the development of the state plan and a description of how the state council will continue to collaborate in carrying out the functions of the state council specified in section ~~8-71-222~~ 8-83-224;

(b) A description of state-imposed requirements for the Colorado work force investment program;

(c) A description of the performance accountability standards that apply to work force activities;

(d) Information describing:

(I) The needs of the state with regard to current and projected employment opportunities, by occupation;

(II) The job skills necessary to obtain such employment opportunities;

(III) The skills and economic needs of the state's existing work force; and

(IV) The type and availability of work force activities in the state;

(e) An identification of the work force investment areas in the state, designated work force investment areas, the consortium work force investment area, and the local work force investment areas in the consortium area, ~~which shall include~~ INCLUDING a description of the process used for the designation of such areas;

(f) Identification of the criteria to be used by local elected officials for the appointment of members of work force boards;

(g) The detailed plans required under the ~~federal~~ "Wagner-Peyser Act"; ~~29 U.S.C. sec. 49a et seq.;~~

(h) A description of the procedures that will be taken by the state to assure coordination of and avoid duplication among:

(I) Work force investment activities authorized pursuant to the federal act and this part 2;

(II) Additional federal programs authorized to be included in work force systems;

(i) A description of the common data collection and reporting processes used for the programs and activities described in paragraph (h) of this subsection (2);

(j) A description of the process used by the state, consistent with the process for local plans specified in section ~~8-71-208 (3)~~ 8-83-208 (3), to

provide an opportunity for public comment, including comment by representatives of businesses and representatives of labor organizations, and input into development of the plan ~~prior to~~ BEFORE submission of the plan;

(k) Information identifying how the state will use Title I moneys the state receives under the federal act to leverage other federal, state, local, and private resources in order to maximize the effectiveness of such resources and to expand the participation of business, employees, and individuals in the Colorado work force investment program;

(l) Assurances that the state will continue to provide, in accordance with federal requirements for fiscal control, accounting procedures that may be necessary to ensure the proper disbursement of, and accounting for, Title I moneys paid by the federal government to the state and allocated to the work force investment areas;

(m) A description of the methods and factors the state will use in distributing Title I moneys to local areas for youth activities and adult employment and training activities, in accordance with ~~the provisions of~~ section ~~8-71-221~~ 8-83-223;

(n) A description of how the state consulted with the local elected officials in work force investment areas throughout the state in determining such money distribution, in accordance with ~~the provisions of~~ section ~~8-71-221~~ 8-83-223;

(o) A description of the formula for the allocation of Title I moneys to work force investment areas for dislocated worker employment and training activities, in accordance with ~~the provisions of~~ section ~~8-71-221~~ 8-83-223;

(p) Information specifying the actions that constitute a conflict of interest prohibited in the state as set forth for members of the state council described in section 24-46.3-101, C.R.S., or members of work force boards;

(q) A description of the strategy of the state for assisting local governments in the development and implementation of a fully operational work force investment program in the state;

(r) A description of the appeals process allowing a county or group

of counties that requests but is not granted authority to form a work force investment area to submit an appeal of such decision to the state council;

(s) A description of the competitive process to be used by the state to award grants and contracts in the state for activities carried out by the state under this part 2; and

(t) A description of the employment and training activities and youth activities provided by work force investment areas.

(3) The state plan ~~shall~~ MUST also include, to the extent practicable, how the state will pursue coordination and integration with other applicable federal and state programs in work force investment areas.

**8-83-210. [Formerly 8-71-210] Work force boards - membership.**

(1) There shall be established, in each work force investment area of the state, a work force board, which ~~shall be appointed by~~ the local elected officials of the work force investment area SHALL APPOINT to oversee the one-stop career center or work force investment program in that county or area. Work force boards operate in partnership with and subject to the approval of the local elected officials for the work force investment area. Such boards are authorized to operate only with the approval of the local elected officials. Subject to requirements under the federal act, the LOCAL ELECTED OFFICIALS SHALL DETERMINE THE membership and functions of the boards. ~~shall be determined by the local elected officials.~~

(2) Membership of each such board ~~shall~~ MUST include, at a minimum:

(a) Representatives of business in the work force investment area who are owners of businesses, who represent businesses with employment opportunities that reflect the employment opportunities of the local area, and who are appointed from among individuals nominated by local business organizations and business trade associations;

(b) Representatives of local educational entities, which may include public schools, boards of cooperative educational services, private occupational schools, and private or charter schools;

(c) Representatives of organized labor for those work force

investment areas that have organized labor organizations;

(d) Representatives of community-based organizations, at least one of whom may represent the needs of persons with disabilities;

(e) Representatives of economic development agencies, including private sector economic development entities; and

(f) Representatives of each of the work force partners for the work force investment area.

(3) Members of the work force board who represent organizations, agencies, or other entities ~~shall~~ MUST be individuals with optimum policy-making authority within such organizations, agencies, or entities.

(4) A majority of the members of each work force board ~~shall~~ MUST be ~~the~~ business representatives specified in paragraph (a) of subsection (2) of this section.

(5) Each work force board shall elect a chairperson for the board from among the business representatives specified in paragraph (a) of subsection (2) of this section.

**8-83-211. [Formerly 8-71-211] Functions of work force boards.**

(1) Each work force board shall, in partnership with and subject to the approval of the local elected officials for the work force investment area, conduct the following functions:

(a) Develop the local plan;

(b) Designate, certify, and oversee work force investment programs;

(c) Select one-stop operators to operate the one-stop career center in a local area;

(d) Authorize grants for youth services;

(e) Identify eligible providers of intensive services, if one-stop operators do not provide such services, and training services;

(f) Develop and enter into memorandums of understanding with work force partners specified in section ~~8-71-216~~(1) 8-83-216 (1);

(g) Develop a budget for the purpose of carrying out the duties of the work force board;

(h) Negotiate local performance measures;

(i) Oversee and assist in statewide employment statistics systems;

(j) Coordinate and develop employer linkages with work force investment activities carried out in the local area, including coordination of economic development strategies; and

(k) Promote participation of private employers with the work force investment program while ensuring the effective provision, through the work force system, of connecting, brokering, and coaching activities through intermediaries such as the one-stop operator in the local area or through other organizations to assist such employers in meeting their hiring needs.

(2) The work force board shall not provide training services; except that the governor may waive this prohibition annually if the work force board is a qualified provider of training that is in demand and in short supply for that county or area.

(3) Work force boards are authorized to operate only with the approval of the local elected officials and governor.

**8-83-212. [Formerly 8-71-212] Youth council.** (1) Each work force board shall establish, as a subgroup within the work force board, a youth council. The WORK FORCE BOARD SHALL APPOINT THE youth council ~~shall be appointed by the work force board~~ with the cooperation and approval of the local elected officials. Members of the youth council who are not members of the work force board ~~shall be~~ ARE voting members of the youth council but ARE not voting members of the work force board.

(2) **Membership.** Membership of the youth council ~~shall~~ MUST be as required under the federal act and ~~shall~~ MUST include:

(a) Members of the work force board with a special interest or expertise in youth policy;

(b) Representatives of youth service agencies, including juvenile justice and local law enforcement agencies, and representatives of local public housing authorities;

(c) Parents of eligible youth seeking assistance under the youth grant provisions of the federal act that may include parents representing issues affecting youth with disabilities;

(d) Individuals, including former participants and representatives or organizations, that have experience relating to youth activities;

(e) Representatives of the federal job corps if represented in the local area; and

(f) Other individuals as the board, in cooperation with and with the approval of the local elected officials, determine to be appropriate.

(3) **Duties.** The youth council shall perform the following duties as specified in the federal act:

(a) Develop the portion of the local plan relating to eligible youth, as determined by the chairperson of the work force board;

(b) Subject to the approval of the work force board and consistent with section 123 of the federal act, recommend eligible providers of youth activities to be awarded grants or contracts on a competitive basis by the board to carry out youth activities;

(c) Conduct performance oversight of eligible providers of youth activities in the local area;

(d) Coordinate youth activities authorized under section 129 of the federal act in the local area; and

(e) Other duties determined to be appropriate by the chairperson of the work force board.

**8-83-213. [Formerly 8-71-213] Consortium work force investment board.** (1) ~~There shall be established THE CONSORTIUM LOCAL ELECTED OFFICIALS BOARD in the~~ A consortium work force investment area ~~the~~ SHALL ESTABLISH AND APPOINT A consortium work force investment board. ~~which shall be appointed by the consortium local elected officials board.~~ At a minimum, the membership of the consortium board shall MUST consist of representatives who are members of local work force investment boards. The consortium board shall meet the membership requirements under the federal act for a work force board for each local work force investment area of the consortium; except that members, as appropriate, may represent more than one entity specified by the federal act for the purpose of meeting local work force investment board membership requirements. The consortium board shall develop its own operational procedures.

(2) **Functions of consortium board - delegation to local boards.** Unless otherwise specified in this section and subject to federal law, the consortium board shall delegate to the local work force investment boards in the consortium area such local work force investment board authority and functions specified under this part 2 and the federal act. Authority and functions of the consortium board ~~shall be~~ ARE limited to the following:

(a) Meeting the federal membership requirements for a designated work force investment board for the local work force investment areas;

(b) Negotiating with, and approving local plans submitted by, local work force investment boards;

(c) Compiling and consolidating each approved local plan of the consortium area into one local plan for the consortium area and ensuring that ~~such~~ THE plan meets the requirements under the federal act for a local plan;

(d) Submitting ~~such~~ THE local plan to the governor for approval;

(e) Negotiating with the governor for performance standards for the consortium area;

(f) Making recommendations to the governor concerning procedures to temporarily replace or correct a local work force investment area that is

out of compliance with its local plan, as appropriate;

(g) Facilitating and coordinating local work force investment area grant applications, as appropriate;

(h) Ensuring that any grant moneys awarded to a local work force investment area or areas ~~shall be~~ ARE a direct pass-through from the federal government to the eligible local work force investment area or areas;

(i) Establishing, as a subgroup within the consortium board, a youth council appointed by the consortium board in cooperation with the consortium local elected officials board. Establishment of a consortium youth council ~~shall serve to~~ MUST meet the federal act requirements for youth council membership. The consortium youth council shall review and comment, as appropriate, upon that portion of the local plan relating to eligible youth and shall submit ~~such~~ THE plan to the consortium work force INVESTMENT board. Subject to federal law, the consortium board shall delegate to the local work force investment boards in the consortium area duties and functions specified in the federal act and in section ~~8-71-212~~ 8-83-212 concerning youth councils.

(j) Subject to federal law, delegating to the local work force investment boards in the consortium area duties and functions specified in the federal act and in sections ~~8-71-216~~ 8-83-216 and ~~8-71-217~~ 8-83-217 outlining requirements for one-stop partners and the memorandum of understanding between work force boards and one-stop partners.

(3) **Local work force investment boards.** (a) To the extent possible and as outlined in the applicable local plan, each local work force investment board shall function as set forth in the federal act. In carrying out its duties, the local work force investment board shall operate in partnership with, and subject to the approval of, the local elected officials for the designated work force investment area.

(b) **Membership.** Notwithstanding section ~~8-71-210~~ (3) 8-83-210 (3), THE LOCAL ELECTED OFFICIALS SHALL APPOINT members of each local work force investment board. ~~shall be appointed by the local elected officials.~~ Membership, to the extent possible, ~~shall~~ MUST meet the requirements of the federal act.

(c) **Functions.** Notwithstanding section ~~8-71-211~~ 8-83-211, at a minimum, functions of the local work force investment board ~~shall~~ MUST be as set forth in this part 2 and the federal act. In addition, each local work force investment board shall:

(I) Upon the approval of and in partnership with the local elected officials, develop a comprehensive five-year local plan for its local work force investment area and shall submit ~~such~~ THE local plan for approval to the consortium work force investment board. ~~Such~~ THE plan ~~shall~~ MUST include a description of those requirements under the federal act that the local work force investment board determines cannot be reasonably met while still fulfilling the intent and purposes of the federal act.

(II) Apply for federal grants. Each local work force investment board may apply for national program grants on behalf of the area or in partnership with any other work force investment area. Any national program grant moneys awarded to a local work force investment area ~~shall~~ ~~be~~ ARE a direct pass-through from the federal government to the applicable work force investment area or areas.

(III) To the extent possible and as outlined in the local plan, with the agreement of the local elected officials and notwithstanding the provisions of sections ~~8-71-216~~ 8-83-216 and ~~8-71-217~~ 8-83-217, designate or certify the one-stop partners and develop and negotiate the memorandum of understanding as set forth in sections ~~8-71-216~~ 8-83-216 and ~~8-71-217~~ 8-83-217;

(IV) Establish, as a subgroup within the local work force investment board, a youth council to be appointed by the work force board in cooperation with the local elected officials. To the extent possible and as outlined in the local plan, the youth council's membership and functions ~~shall~~ MUST be as set forth in the federal act and section ~~8-71-212~~ 8-83-212.

(V) Oversee the one-stop system in the local work force investment area.

**8-83-214. [Formerly 8-71-214] Consortium local elected officials board.** (1) In order to satisfy requirements under the federal act for the role of local elected officials in a work force area, there shall be a consortium local elected officials board for the LOCAL consortium ~~local~~ work force

investment board. The consortium local elected officials board ~~shall consist~~ CONSISTS of one local elected official appointed by each local work force investment area in the consortium. Membership ~~shall be~~ IS for a term of two years, which term may be renewable.

(2) Functions of the consortium local elected officials board ~~shall be~~ ARE to appoint members to the consortium work force investment board and ensure that the consortium work force investment board meets federal requirements for membership and delegate fiscal responsibility and contractual responsibility to the local elected officials of local work force investment areas. The consortium local elected officials board shall develop its own operational procedures.

**8-83-215. [Formerly 8-71-215] Designation of work force investment areas.** (1) Subject to section 116(a) of chapter 2 of the federal act concerning designation of work force areas, any current or previously recognized service delivery area operating before ~~the effective date of the federal act~~ AUGUST 7, 1998, may automatically be designated as a work force investment area.

(2) If an area does not qualify for automatic designation, on an annual basis any county or group of counties may petition the governor to form a new work force investment area.

(3) Subject to the governor's approval, counties may choose, through intergovernmental agreements, to band together to form a work force investment area for an area consisting of more than one county or may choose to operate a work force investment area as a single county. ~~It is recommended that,~~ If the proposed work force investment area meets the minimum federal requirements for an area as set forth in the federal act, the governor SHOULD not unreasonably withhold approval of the work force investment area.

(4) (a) The governor may authorize and approve as a federally designated work force investment area any area that applies and qualifies as specified in subsection (1) of this section.

(b) Automatic designation as a designated work force investment area shall be granted to any unit of local government with a population of five hundred thousand or more.

(c) Automatic temporary designation as a designated work force investment area shall be granted to any unit or units of local government with a total population of two hundred thousand or more that constituted a service delivery area before ~~the effective date of the federal act~~ AUGUST 7, 1998, and that requests such designation. Temporary designation ~~shall be~~ IS for a period of not more than two years; except that the period may be extended until the end of the period covered by the five-year plan if the work force investment area has substantially met the local performance measures and sustained the fiscal integrity of its Title I ~~funds~~ MONEYS.

(5) (a) The governor shall designate an additional federally designated work force investment area for the state, specified as the "consortium of local work force investment areas", which ~~shall consist~~ CONSISTS of all approved local work force investment areas. Any current or previously recognized service delivery area operating after ~~the effective date of the federal act~~ AUGUST 7, 1998, may enter into or withdraw from the consortium of local work force investment areas. Such decision shall be allowed on an annual basis, with notice to be given by February 1, for any designation to go into effect for the subsequent program year by July 1 of the same year.

(b) Any approved local work force investment area in the consortium work force investment area shall operate with the same authority as, and function as if it were, a federally designated work force investment area.

**8-83-216. [Formerly 8-71-216] Required and optional partners of work force boards.** (1) **Required partners.** Each work force board, with the agreement of the local elected officials, is authorized to designate or certify the following partners for purposes of participating in the delivery of services for the one-stop system or work force investment program in the work force investment area:

- (a) Work force investment programs;
- (b) Adult education and literacy programs;
- (c) Welfare-to-work programs;
- (d) Programs under the federal "Carl D. Perkins Vocational and

Applied Technology Education Act", 20 U.S.C. sec. 2301 et seq.;

(e) Community service block grants;

(f) Unemployment insurance;

(g) "Wagner-Peyser ACT" services;

(h) Vocational rehabilitation programs;

(i) Programs under the federal "Older Americans Act of 1965";

(j) Programs under the federal "Trade Adjustment Assistance Reform and Extension Act of 1986";

(k) Programs under ~~chapter 41 of title 38 U.S.C. SEC. 4100 ET SEQ.~~, concerning local veterans' employment representatives and disabled veterans' outreach programs; and

(l) Employment and training programs administered by the federal department of housing and urban development.

(2) **Optional partners.** Optional partners may include: ~~but are not limited to:~~

(a) Programs authorized under part A of Title IV of the federal "Social Security Act", 42 U.S.C. SEC. 601;

(b) Programs authorized under the federal "Food Stamp Act of 1977", 7 U.S.C. SEC. 2011 ET SEQ.;

(c) Programs authorized under the federal "National and Community Service Act of 1990", 42 U.S.C. SEC. 12501 ET SEQ.;

(d) Programs resulting from the federal "Ticket to Work and Work Incentives Improvement Act of 1999", PUB.L. 106-170; and

(e) Other appropriate federal, state, or local programs, including programs in the private sector.

(3) **Functions of required partners.** All required one-stop partners shall perform the following functions:

(a) Make available to participants through the one-stop system the core services that are required of and applicable to the partner's programs;

(b) Serve as representatives on the work force board;

(c) Use a portion of moneys, personnel, and other available resources to create and maintain a one-stop system; except that, to the extent such use would violate federal law or lead to a loss of federal moneys, this paragraph (c) ~~shall~~ DOES not apply; and

(d) Enter into a memorandum of understanding with the work force board relating to the operation of the one-stop career center, including a description of services, how the cost of the identified services and operating costs of the system will be funded, and methods for referrals of individuals.

(4) **Functions of optional partners.** (a) Optional one-stop partners shall perform the following functions:

(I) Make available to participants through the one-stop system the core services that are required of and applicable to the partner's programs;

(II) Participate in the operation of such one-stop system, consistent with the terms of the memorandum of understanding approved by the work force board and with the requirements of the federal act in which the program is authorized, if the work force board and local elected official approve such participation.

(b) If an optional partner is designated or certified pursuant to subsection (1) of this section, its functions and responsibilities ~~shall be~~ ARE the same as those of a required partner as set forth in subsection (3) of this section.

**8-83-217. [Formerly 8-71-217] Memorandum of understanding - one-stop operators.** (1) (a) The work force board, with the agreement of the local elected officials, shall develop and enter into a memorandum of understanding between the work force board and the one-stop partners concerning the provision of services in the one-stop system in the local area.

(b) Each memorandum of understanding ~~shall~~ MUST contain provisions describing:

(I) The services to be provided through the one-stop system;

(II) How the costs of such services and the operating costs of the system will be funded;

(III) Methods for referral of individuals between the one-stop operator and one-stop partners for the appropriate services and activities;

(IV) The duration of the memorandum of understanding and the procedures for amending the memorandum of understanding during the term of the memorandum of understanding; and

(V) Such other provisions, consistent with the federal act, as the parties to the agreement determine to be appropriate.

(2) **One-stop operators.** (a) Consistent with the requirements of the federal act for one-stop partners, the work force board, with the agreement of the local elected official, is authorized to designate or certify one-stop operators and to terminate for cause the eligibility of such operators.

(b) To be eligible to receive moneys to operate a one-stop career center, an entity, which may be a consortium of entities, ~~shall~~ MUST be designated or certified as a one-stop operator by any of the following three methods:

(I) If a one-stop system or work force investment program was established in a local area prior to ~~the effective date of the federal act~~ AUGUST 7, 1998, the work force board and local elected official for that area may agree with each other and with the governor, on a case-by-case basis, to designate or certify as a one-stop operator an entity carrying out activities under such preexisting system or program, subject to the requirements of section ~~8-71-216~~ 8-83-216 and this section and of the memorandum of understanding.

(II) An entity may be selected for designation or certification as a one-stop operator through a competitive process.

(III) An entity may be selected for designation or certification as a one-stop operator in accordance with an agreement reached between the work force board and a consortium of entities that, at a minimum, includes three or more of the required one-stop partners described in section ~~8-71-216~~ 8-83-216 and may be a public or private entity, or consortium of entities, of demonstrated effectiveness in the local area and may include the following:

(A) A postsecondary educational institution;

(B) An employment service agency established under the federal "Wagner-Peyser Act"; ~~29 U.S.C. sec. 49a et seq.;~~

(C) A private, nonprofit organization, which may include a community-based organization;

(D) A private for-profit entity;

(E) A government agency; and

(F) Another interested organization or entity, which may include a local chamber of commerce or other business organization.

(c) Elementary schools and secondary schools ~~shall~~ ARE not be eligible for designation or certification as one-stop operators; except that nontraditional public secondary schools and area vocational education schools shall be eligible for such designation or certification.

**8-83-218. [Formerly 8-71-218] Core services.** (1) THE WORK FORCE INVESTMENT PROGRAM, AS IMPLEMENTED THROUGH ONE-STOP CAREER CENTERS, SHALL PROVIDE a core set of services, as defined by the federal act, ~~shall be available~~ to individuals who are adults or dislocated workers, ~~Such services shall be provided through the work force investment program as implemented through one-stop career centers and shall include~~ INCLUDING, at a minimum, ~~the following:~~

~~(a)~~ access for job seekers to a comprehensive array of services and information, which may include:

~~(A)~~ (a) Registration into the centralized computer system;

~~(H)~~ (b) Career center operations;

~~(HH)~~ (c) Education and training program information;

~~(IV)~~ (d) A multi-media resource library providing access to internet-based services;

~~(V)~~ (e) Labor market information;

~~(VI)~~ (f) Skill assessment services that are designed to determine each participant's employability, aptitudes, abilities, and interests, by means of individual interviews whenever possible;

~~(VII)~~ (g) Job referral and placement;

~~(VIII)~~ (h) Self-help resume preparation resources;

~~(IX)~~ (i) Referral services for community and social services, including welfare-to-work programs, employment programs for persons with disabilities, employment programs for older workers, community-based organizations, vocational rehabilitation, adult literacy, supportive services, and youth programs and services;

~~(X)~~ (j) Veterans' benefits and services information, subject to the availability of Wagner-Peyser funds and to the following:

~~(A)~~ (I) Any one-stop career center receiving Wagner-Peyser funds or housing Wagner-Peyser ACT staff shall provide veterans with priority employment and training services in accordance with chapter 41 of title 38, U.S.C.;

~~(B)~~ (II) In one-stop career centers that have been assigned disabled veteran outreach program and local veteran employment representative positions, such positions shall MUST be held by state employees and are in addition to, and shall DO not supplant, Wagner-Peyser staff in providing priority employment and training services; and

~~(C)~~ (III) All one-stop career centers shall make the full array of core services available to veterans in the following order of priority: Disabled veterans, Vietnam-era veterans, veterans, and other eligible persons.

~~(b)~~ (2) Work force boards are encouraged to ~~at a minimum~~, consider and determine, AT A MINIMUM, the feasibility of providing access for employers to a comprehensive array of services and information, which may include:

~~(f)~~ (a) Professional account representatives and management;

~~(H)~~ (b) Assistance in individual and mass recruiting;

~~(HH)~~ (c) Referrals of skilled applicants;

~~(IV)~~ (d) Labor market information;

~~(V)~~ (e) Education and training program information;

~~(VI)~~ (f) Access to internet-based services;

~~(VII)~~ (g) Information and referral for community and social services;

~~(VIII)~~ (h) Layoff assistance; and

~~(IX)~~ (i) Other employment-related services and information.

~~(2)~~ (3) At the option of the local elected officials, other services for job seekers and employers may be offered to meet the needs of a work force investment area.

**8-83-219. [Formerly 8-71-218.5] Intensive services - training services - individual training accounts.** (1) Access to intensive services, as specified in the federal act, ~~shall~~ MUST be available to individuals who are adults or dislocated workers who are unemployed, ~~and are~~ unable to obtain employment through core services, and ~~who~~ have been determined by a one-stop operator to be in need of more intensive services to obtain employment or who are employed but are determined by a one-stop operator to be in need of such services. Such services may include diagnostic testing, individual or group counseling and career planning, case management and follow-up services, and training services specified in subsection (2) of this section.

(2) ~~Access to training services, as specified in the federal act, shall be available to~~ Participants who have met the eligibility requirements for intensive services, are unable to obtain or retain employment through such services, are determined by the one-stop operator to be in need of such services, and are eligible for such services as specified in the federal act ~~MUST HAVE ACCESS TO TRAINING SERVICES, AS SPECIFIED IN THE FEDERAL ACT.~~ Such training services include ~~without limitation,~~ occupational skills training, on-the-job training, and training programs operated by the private sector.

(3) THE ONE-STOP SYSTEM SHALL PROVIDE training services authorized under this section ~~shall be provided~~ TO ELIGIBLE INDIVIDUALS through the use of individual training accounts, as specified in the federal act. ~~and shall be provided to eligible individuals through the one-stop system.~~ Exceptions to the use of individual training accounts, as set forth in the federal act, include customized training, training services not provided by a training provider within the work force area, or training services that are offered by community-based organizations or other private organizations that serve such special populations that face multiple barriers to employment.

**8-83-220. [Formerly 8-71-218.7] Encouragement of nursing education programs - legislative declaration.** (1) The consortium work force investment board shall encourage work force investment programs and work force investment areas to enroll individuals in educational programs related to practical nursing.

(2) The general assembly finds, determines, and declares that educating individuals eligible to receive moneys from welfare-to-work or temporary assistance to needy families will benefit such individuals. In addition, the general assembly finds, determines, and declares that Colorado is facing a shortage of licensed practical nurses and that encouraging individuals to follow such a career path further benefits Colorado and its residents.

**8-83-221. [Formerly 8-71-219] Title I appropriation - allocation.** As specified in section 191(a) of the federal act, Title I moneys received by the state under the federal act ~~shall be~~ ARE subject to appropriation by the general assembly, consistent with the terms and conditions required under the federal act. The local elected officials or their designee shall serve as the

local grant recipient for the Title I moneys allocated to the work force investment area by the governor for the purposes of a work force investment area's administration and implementation of the work force investment program pursuant to the allocation formula described in section ~~8-71-221~~ 8-83-223. The department shall contract directly with each local work force investment board. In order to assist in the administration of Title I moneys, the local elected officials may designate an entity to serve as a local grant sub-recipient for such moneys or as a local fiscal agent. Except when ~~such~~ THE designee is the department, ~~such~~ A designation ~~shall~~ DOES not relieve the local elected officials of the liability for any misuse of grant moneys.

**8-83-222. [Formerly 8-71-220] County block grants formula - use of moneys.** Subject to available appropriations by the general assembly, the department shall allocate Title I moneys to each work force investment area for the operation of the work force investment program in that work force investment area.

**8-83-223. [Formerly 8-71-221] Allocation process.** Subject to federal law and available appropriations, within thirty days after receipt of the federal appropriation from the United States department of labor, the local elected officials from each work force investment area in the state shall develop an allocation formula for each work force investment area. Development of the allocation formula by the local elected officials shall be facilitated through a statewide association of county commissioners, referred to in this section as Colorado counties, incorporated, or CCI. CCI shall ensure that the local elected officials from each work force investment area have an opportunity to participate in the development and final approval of the recommendations for allocation formulas. The department and the state ~~work force development~~ council ~~created in section 24-46.3-101, C.R.S.~~, shall provide technical assistance to CCI as requested in the development of recommended allocations. The local elected officials shall recommend the allocation formula to be applied and each allocation for adult, youth, and dislocated worker services under Title I. ~~of the federal act.~~ CCI shall forward the local elected officials' recommendations to the state council pursuant to section ~~8-71-222(2)(f)~~ 8-83-224(2)(f) for review and comment. The state council shall then submit such recommendations, together with the state council's comments, to the joint budget committee of the general assembly for review and comment before forwarding such recommendations to the governor for final determination. If the local elected officials cannot agree on an allocation, the local elected officials

shall prepare alternatives and CCI shall submit the alternatives to the state council for review and comment and submission to the joint budget committee, which shall select one ~~such~~ alternative and forward it to the governor for final determination. The local elected officials and CCI shall develop their own operational procedures. Any moneys received by the state under Title I, ~~of the federal act~~, together with any associated state full-time equivalent personnel positions, ~~shall be~~ ARE subject to appropriation by the general assembly.

**8-83-224. [Formerly 8-71-222] State council - duties.** (1) The state council shall function as, and is intended to meet the requirements for, the state work force investment board referred to in the federal act. In addition to performing the functions set forth in subsection (2) of this section, the state council shall serve in an advisory role to the governor for those areas specified by the federal act and shall serve as a conduit for information to local work force investment areas, including facilitation of grant applications and assistance to work force investment areas to enable work force investment areas to successfully implement programs under the federal act.

(2) The state council shall assist the governor in the following:

(a) Development of the comprehensive five-year state plan as specified in section ~~8-71-209~~ 8-83-209;

(b) Development and continuous improvement of a statewide system of activities that are funded pursuant to the federal act or carried out through a one-stop system as set forth in this part 2 that receives Title I moneys. ~~under the federal act~~. Such improvement shall include the development of linkages in order to ensure coordination and prevent duplication among the programs and activities authorized in this part 2.

(c) Review of local plans submitted by the designated work force investment boards and consortium work force investment board;

(d) Designation of local work force investment areas;

(e) Commenting at least once annually on the measures taken pursuant to the federal "Carl D. Perkins Vocational and Applied Technology Education Act", 20 U.S.C. sec. 2301 et seq.;

(f) Review and comment on, and submission to the joint budget committee for review and comment on, allocation formulas for the distribution of Title I moneys for adult employment and training activities and youth activities to work force investment areas in accordance with the process established in section ~~8-71-221~~ 8-83-223;

(g) Preparation of the annual report to the secretary of the United States department of labor;

(h) Development of the statewide employment statistics system described in the "Wagner-Peyser Act";

(i) Development of an application for an incentive grant authorized pursuant to the federal act; and

(j) Any other functions as requested by the governor.

**8-83-225. [Formerly 8-71-223] Colorado department of labor and employment - functions.** (1) The department shall serve as the administrative entity for Title I moneys received pursuant to the federal act. The department ~~shall~~ also ~~be~~ IS responsible for:

(a) Administering the statewide labor market information and fiscal systems to the extent such systems pertain to activities under the federal act;

(b) Assisting in the establishment and operation of one-stop career centers as requested by a local work force area;

(c) Disseminating lists of eligible training providers;

(d) Contracting and administering Title I moneys appropriated by the general assembly in accordance with the federal act;

(e) With input from the applicable work force investment areas, continuing the centralized computer system that links work force investment programs ~~Such system shall continue to include~~ AND INCLUDES training and technical support. A description of the state centralized system and procedures for developing, maintaining, and training ~~shall~~ MUST be included in the state plan required in section ~~8-71-209~~ 8-83-209.

(f) Providing staff development and training services and technical assistance to local work force investment areas.

(2) The department shall provide ongoing consultation and technical assistance to each work force investment area for the operation of work force investment programs.

(3) The department shall encourage work force investment areas to inform individuals of the career possibilities in the field of nursing and the availability of practical nursing education programs.

**8-83-226. [Formerly 8-71-224] Responsibilities of governor.**

(1) The governor shall perform the following functions, as specified in the federal act:

(a) Appoint members to the state council in accordance with section 24-46.3-101 (2), C.R.S.;

(b) Establish criteria for local elected officials to use in appointing members of local work force investment boards;

(c) Designate federal work force investment areas in consultation with the local elected officials, including local work force investment areas requesting to be a part of the federal work force investment area comprising a consortium of work force areas;

(d) Designate, modify, and terminate work force investment areas in the state, including temporary designation, and establish an appeal process for review of such decisions;

(e) Certify designated work force investment boards and the consortium work force investment board;

(f) Negotiate with the federal department of labor concerning the contents of the state plan; and

(g) Carry out such other duties and functions as may be required under the federal act.

**SECTION 7. Repeal of relocated provisions in this act. In**

Colorado Revised Statutes, **repeal** 8-71-106 and part 2 of article 71 of title 8.

**SECTION 8.** In Colorado Revised Statutes, **repeal** 8-71-104.

**SECTION 9.** In Colorado Revised Statutes, 8-1-146, **amend** (2) as follows:

**8-1-146. Effect of transfer of powers, duties, and functions.**

(2) The division of labor, the division of employment and training, THE DIVISION OF UNEMPLOYMENT INSURANCE, the state board of pharmacy, and the industrial claim appeals panel in the industrial claim appeals office, which perform any of the powers, duties, and functions performed by the industrial commission prior to its abolishment on July 1, 1986, ~~shall be~~ ARE the successors in every way with respect to ~~such~~ THOSE powers, duties, and functions, except as otherwise provided in this article or by law. Every act performed in the exercise of ~~such~~ THOSE powers, duties, and functions ~~shall be deemed to have~~ HAS the same force and effect as if performed by the commission prior to July 1, 1986. Whenever the commission is referred to or designated by any law, contract, insurance policy, bond, or other document, ~~such~~ THE reference or designation ~~shall be deemed to apply~~ APPLIES to the division of labor, the division of employment and training, THE DIVISION OF UNEMPLOYMENT INSURANCE, the state board of pharmacy, or the industrial claim appeals panel in the industrial claim appeals office, as the case may be.

**SECTION 10.** In Colorado Revised Statutes, **repeal** 8-1-147 and 8-1-149.

**SECTION 11.** In Colorado Revised Statutes, 8-2-119, **amend** (2) and (3) as follows:

**8-2-119. Awards of back pay - deduction of unemployment compensation.** (2) The person ordering ~~any such~~ AN award of back pay shall ~~within five days after the date of the order,~~ notify the director of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE of ~~such~~ THE award WITHIN FIVE DAYS AFTER THE DATE OF THE ORDER.

(3) If, during the period for which back pay is awarded, the recipient of the award has been receiving unemployment benefits pursuant to the

provisions of articles 70 to 82 of this title, the ENTITY ORDERING THE AWARD SHALL REDUCE THE amount of the award ~~shall be reduced~~ by the amount of ~~such~~ benefits THE PERSON RECEIVED, and THE EMPLOYER shall ~~be withheld~~ WITHHOLD THAT AMOUNT from the award. ~~by the employer~~. The ~~amounts~~ EMPLOYER SHALL REMIT THE AMOUNT withheld ~~by the employer~~ ~~shall be remitted~~ FROM THE BACKPAY AWARD to the division of ~~employment~~ UNEMPLOYMENT INSURANCE, and ~~credited~~ THE DIVISION SHALL CREDIT THE AMOUNT to the unemployment compensation fund. The employer shall ~~make such remittance~~ REMIT THE WITHHELD AMOUNT within ten days after the award of back pay becomes final.

**SECTION 12.** In Colorado Revised Statutes, 8-47-111, **amend** (2) as follows:

**8-47-111. Division efforts to ensure employer compliance with workers' compensation coverage requirements - legislative declaration.** (2) In order to implement the declaration in subsection (1) of this section, the division shall develop a procedure for verifying whether or not all employers doing business in the state of Colorado comply with the requirements of article 44 of this title. This procedure ~~shall~~ MUST include ~~but is not limited to~~, cross-referencing employer records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE and the division of workers' compensation. Upon identifying employers that are not in compliance with article 44 of this title, the division, with the assistance and cooperation of the attorney general, shall use all available means under articles 40 to 47 of this title to ensure compliance. Every insurance carrier authorized to transact business in this state, including Pinnacol Assurance, which insures employers against liability for compensation under the provisions of articles 40 to 47 of this title, shall furnish the division, upon request, all information required by it to accomplish the purposes of this section.

**SECTION 13.** In Colorado Revised Statutes, 8-72-114, **amend** (2) (c); and **repeal** (2) (d) as follows:

**8-72-114. Employee misclassification - investigations - enforcement - advisory opinions - rules - employee misclassification advisory opinion fund - statewide study - report - definitions - legislative declaration - repeal.** (2) As used in this section:

(c) "Director" means the director of the division ~~of employment and training in the department of labor and employment.~~

(d) "~~Division~~" means the division of employment and training in the department of labor and employment.

**SECTION 14.** In Colorado Revised Statutes, 8-75-202, **amend** (2) as follows:

**8-75-202. Definitions.** As used in this part 2, unless the context otherwise requires:

(2) "Director" means the director of the division ~~of employment and training in the department of labor and employment~~ or his or her designee.

**SECTION 15.** In Colorado Revised Statutes, 8-76-103, **amend** (3) (a) (III) (F) and (3) (b) (V) as follows:

**8-76-103. Future rates based on benefit experience - definitions - repeal.** (3) (a) (III) (F) On and after January 1, 2002, for purposes of this subsection (3), ~~assignment by the division of employment and training of~~ SHALL ASSIGN industrial classifications to employers pursuant to sub-subparagraph (E) of this subparagraph (III) ~~shall be~~ in accordance with procedures and guidelines of the bureau of labor statistics of the United States department of labor and ~~shall be~~ to the appropriate three-digit subsector level found in the North American industry classification system manual issued by the office of management and budget.

(b) (V) When the fund level on July 1 of any year reaches one and six-tenths percent of the total wages, the director of the division ~~of employment and training~~ shall recommend to legislative council a proposed premium rate decrease.

**SECTION 16.** In Colorado Revised Statutes, 8-77-101, **amend** (1) (a) as follows:

**8-77-101. Unemployment compensation fund - state treasurer custodian.** (1) (a) There is hereby established the unemployment compensation fund, which ~~shall be~~ IS a special fund administered by the division ~~of employment and training~~ exclusively for the purposes of articles

70 to 82 of this title. The state treasurer ~~shall be~~ IS THE custodian of said THE fund and ~~shall be~~ IS liable under his OR HER official bond for the faithful performance of all his OR HER duties in connection ~~therewith. He~~ WITH THE FUND. THE STATE TREASURER shall establish and maintain within the fund the accounts specified in this article and such other accounts as may be necessary to reflect the administration of the fund by the division.

**SECTION 17.** In Colorado Revised Statutes, 8-77-103, **amend** (1) as follows:

**8-77-103. Advances from federal unemployment trust fund.**

(1) The division ~~of employment and training is authorized to~~ MAY apply for advances to the state of Colorado from its account in the federal unemployment trust fund and ~~to~~ accept responsibility for repayment of ~~such~~ advances in accordance with the conditions specified in Title XII of the "Social Security Act", as amended, in order to secure to this state the advantages available under the ~~provisions of said title~~ FEDERAL ACT.

**SECTION 18.** In Colorado Revised Statutes, 8-77-109, **amend** (2) (a) introductory portion and (2) (a) (I) as follows:

**8-77-109. Employment support fund - employment and training technology fund - created - uses - repeal.** (2) (a) THE STATE TREASURER SHALL CREDIT THE moneys collected pursuant to this section ~~shall be credited by the state treasurer~~ to the employment support fund created in subsection (1) of this section. THE GENERAL ASSEMBLY SHALL APPROPRIATE THE moneys in the employment support fund ~~shall be annually appropriated by the general assembly~~ to the department of labor and employment:

(I) To be used to offset funding deficits for program administration, including information technology initiatives, under the provisions of articles 70 to ~~82~~ 83 of this title and to further support programs to strengthen unemployment fund solvency; and

**SECTION 19.** In Colorado Revised Statutes, **amend** 8-82-103 as follows:

**8-82-103. Purchase and leasehold by division - terms.** The ~~division~~ DIVISIONS of employment and training ~~is authorized to~~ AND UNEMPLOYMENT INSURANCE MAY enter into rental or leasehold agreements

with ~~such~~ A nonprofit corporation or authority ~~Such~~ CREATED PURSUANT TO SECTION 8-82-101. THE agreements ~~shall~~ MUST provide that the PARTICULAR division acquire title to ~~such~~ THE land or buildings, or both, upon the payment of stipulated aggregate annual rentals. The plans, specifications, bids, and contracts for ~~such~~ THE buildings and the terms of all ~~such~~ leasehold or rental agreements ~~shall be~~ ARE NOT VALID UNTIL approved by the governor, the director of the division of employment and training OR THE DIRECTOR OF THE DIVISION OF UNEMPLOYMENT INSURANCE, AS APPROPRIATE, and the director of the office of state planning and budgeting. ~~Said~~ THE rentals ~~shall~~ MUST be paid solely out of the employment security administration fund, the unemployment revenue fund, or both, or the funds of any other state agency ~~in case~~ IF any part of the buildings ~~shall be~~ ARE made available ~~thereto, and~~ TO OTHER STATE AGENCIES. The obligation to pay ~~such~~ THE rentals ~~shall~~ DOES not constitute an indebtedness of the state ~~or~~ AND MUST NOT be paid out of any other funds. ~~Such~~ THE DIVISION THAT ENTERS AN AGREEMENT PURSUANT TO THIS SECTION SHALL INCLUDE THE rental ~~shall be included in the~~ ITS annual budgets ~~of the division~~ and shall ~~be certified, audited, and paid~~ CERTIFY, AUDIT, AND PAY THE RENTALS in the same manner as all other accounts and expenditures payable out of ~~said~~ THOSE funds.

**SECTION 20.** In Colorado Revised Statutes, **amend** 20-1-307 as follows:

**20-1-307. Social security coverage.** The office of district attorney, including the district attorney and the employees of each ~~such~~ office within each judicial district, ~~shall be considered~~ IS a juristic entity as described in section 24-53-101, C.R.S. Each office of district attorney shall enter into an agreement with the director of the division of ~~employment and training of~~ UNEMPLOYMENT INSURANCE IN the department of labor and employment for the purpose of including the district attorney and the employees of ~~his~~ THE DISTRICT ATTORNEY'S office under the state's federal-state social security coverage agreement with the secretary of the United States department of health and human services pursuant to section 24-53-104, C.R.S.

**SECTION 21.** In Colorado Revised Statutes, 22-2-124, **amend** (2) (i) (XI) and (2) (i) (XII) as follows:

**22-2-124. Family literacy education grant program - rules.**  
(2) As used in this section, unless the context otherwise requires:

(i) "Local education provider" means an institution or organization which may be any of the following:

(XI) A work force board, as defined in section ~~8-71-203~~ 8-83-203, C.R.S., that oversees a work force investment program described in the "Colorado Work Force Investment Act", part 2 of article ~~71~~ 83 of title 8, C.R.S.;

(XII) A one-stop partner, as described in section ~~8-71-216~~ 8-83-216, C.R.S., under the "Colorado Work Force Investment Act", part 2 of article ~~71~~ 83 of title 8, C.R.S.;

**SECTION 22.** In Colorado Revised Statutes, 24-30-202.4, **amend** (3.5) (a) (I) introductory portion, (3.5) (a) (I) (E), and (3.5) (a) (VI) as follows:

**24-30-202.4. Collection of debts due the state - controller's duties - creation of debt collection fund - definitions.** (3.5) (a) (I) The controller shall approve disbursements from state funds from the state's central accounting system in accordance with ~~the provisions of section 24-30-202~~ (2). If the controller finds that there is an unpaid balance or debt owing to state agency claimants for any of the following, the controller, upon notice of withholding to the payee, shall withhold the amount of the disbursement that does not exceed the amount of ~~such~~ THE unpaid balance or debt:

(E) Any amount required to be paid to the unemployment compensation fund pursuant to articles 70 to 82 of title 8, C.R.S., the amount of which has been: Determined to be owing as a result of a final agency determination or judicial decision or that has been reduced to judgment by the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in the department of labor and employment; and ~~such amount has been~~ referred to the controller for collection pursuant to section 8-79-102 (2), C.R.S.

(VI) THE CONTROLLER SHALL DEPOSIT WITH THE STATE TREASURER any moneys withheld for payment of unemployment compensation debt pursuant to subparagraph (I) of this paragraph (a), ~~shall be deposited with the state treasurer and credited~~ THE STATE TREASURER SHALL CREDIT THE MONEYS to the unemployment compensation fund. For all names and amounts certified by the division of ~~employment and training~~

UNEMPLOYMENT INSURANCE pursuant to section 8-79-102 (2), C.R.S., the controller shall provide to ~~said~~ THE division the payees' names and associated amounts deposited with the state treasurer pursuant to this subparagraph (VI).

**SECTION 23.** In Colorado Revised Statutes, 24-34-402, **amend** (2) as follows:

**24-34-402. Discriminatory or unfair employment practices.**

(2) Notwithstanding any provisions of this section to the contrary, it is not a discriminatory or an unfair employment practice for the division of ~~employment and training of~~ UNEMPLOYMENT INSURANCE IN the department of labor and employment to ascertain and record the disability, sex, age, race, creed, color, or national origin of any individual for the purpose of making ~~such~~ reports as may be required by law to agencies of the federal or state government only. ~~Said~~ THE DIVISION MAY MAKE AND KEEP THE records ~~may be made and kept~~ in the manner required by the federal or state law, but ~~no such~~ NEITHER THE DIVISION NOT THE DEPARTMENT OF LABOR AND EMPLOYMENT SHALL DIVULGE THE information ~~shall be divulged by said division or department~~ to prospective employers as a basis for employment, except as provided in this subsection (2).

**SECTION 24.** In Colorado Revised Statutes, 24-46.3-101, **amend** (2) introductory portion and (2) (c) (I) as follows:

**24-46.3-101. State work force development council - creation - membership.** (2) Membership of the state council ~~shall~~ MUST include:

(c) Representatives of business in the state, appointed by the governor, who are:

(I) Owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policy-making or hiring authority, including members of local work force investment boards as specified in part 2 of article 7~~†~~ 83 of title 8, C.R.S.;

**SECTION 25.** In Colorado Revised Statutes, 25.5-4-205, **amend** (3) (b) (I) (A), (3) (b) (I) (B), and (3) (b) (I.5) (A) as follows:

**25.5-4-205. Application - verification of eligibility -**

**demonstration project - rules.** (3) (b) (I) The state department shall promulgate rules that:

(A) To the extent authorized under federal law, ~~provide that an applicant shall only be required~~ REQUIRE AN APPLICANT to state ONLY the applicant's income and ~~that~~ REQUIRE the ~~applicant's income shall be verified by the~~ state department TO VERIFY THE APPLICANT'S INCOME through the most recently available records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in the department of labor and employment or through the income, eligibility, and verification system; except that the rules shall also ~~provide that~~ ALLOW an applicant ~~may~~ TO provide income information more recent than the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE or the income, eligibility, and verification system; and

(B) ~~Provide for administrative verification at reenrollment so that~~ REQUIRE the state department ~~shall~~ at least annually TO verify a recipient's income eligibility AT REENROLLMENT through the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in the department of labor and employment or through the income, eligibility, and verification system and, ~~that,~~ if the recipient meets all eligibility requirements, PERMIT the recipient ~~shall~~ TO remain enrolled in the program. The rules shall also ~~provide that~~ ALLOW a recipient ~~may~~ TO supply income information more recent than the information supplied by the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE or the income, eligibility, and verification system.

(I.5) (A) ~~If it is determined~~ THE STATE DEPARTMENT DETERMINES that a recipient was not eligible for medical benefits solely based upon the recipient's income after the recipient had been determined to be eligible based upon the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE or the income, eligibility, and verification system, the state department shall not pursue recovery from a county department for the cost of medical services provided to the recipient, and the county department ~~shall~~ IS not ~~be~~ responsible for any federal error rate sanctions resulting from such determination.

**SECTION 26.** In Colorado Revised Statutes, 25.5-8-109, **amend** (4.5) (a) (I), (4.5) (a) (II), and (4.5) (a) (III) as follows:

**25.5-8-109. Eligibility - children - pregnant women.**

(4.5) (a) (I) To the extent authorized by federal law, the department shall ~~only~~ require an applicant to state ONLY the applicant's family income and SHALL NOTIFY THE APPLICANT that the applicant's family income ~~shall~~ WILL be verified by the department through the most recently available records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in the department of labor and employment or through the income, eligibility, and verification system. The department shall allow an applicant to provide income information more recent than the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE or the income, eligibility, and verification system.

(II) The department shall ~~provide for administrative verification at reenrollment so that the department shall~~ annually verify the recipient's income eligibility AT REENROLLMENT through the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in the department of labor and employment or through the income, eligibility, and verification system. If a recipient meets all eligibility requirements, a recipient ~~shall remain~~ REMAINS enrolled in the plan. The department shall also ~~provide that~~ ALLOW a recipient ~~may~~ TO provide income information more recent than the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE or the income, eligibility, and verification system.

(III) If ~~it is determined~~ THE STATE DEPARTMENT DETERMINES that a recipient was not eligible for medical benefits solely based upon the recipient's income after the recipient had been determined to be eligible based upon the records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE or the income, eligibility, and verification system, the state department shall not pursue recovery from a county department for the cost of medical services provided to the recipient, and the county department ~~shall~~ IS not ~~be~~ responsible for any federal error rate sanctions resulting from such determination.

**SECTION 27.** In Colorado Revised Statutes, 26-2-107, **amend** (1)

(a) (I) introductory portion and (1) (a) (I) (A) as follows:

**26-2-107. Verification - record.** (1) (a) (I) Whenever a county department receives an application for public assistance, it shall promptly make a record concerning the circumstances of the applicant to verify the facts supporting the application and shall examine all pertinent records and

shall make a diligent effort to examine all records prior to granting assistance. ~~Such~~ THE records shall include ~~but shall not be limited to~~, the following:

(A) Records of the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE, including unemployment compensation records;

**SECTION 28.** In Colorado Revised Statutes, 28-5-703, **amend** (4) (b) as follows:

**28-5-703. Rules - duties.** (4) The board shall serve in an advisory capacity to:

(b) The division of employment and training in the department of labor and employment regarding the provision of services to state veterans pursuant to the "Colorado Work Force Investment Act", part 2 of article 71 83 of title 8, C.R.S.;

**SECTION 29.** In Colorado Revised Statutes, 29-4-710.7, **amend** (1) introductory portion, (1) (a), (1) (b) (I), (1) (b) (II), (1) (b) (III), (2) introductory portion, (2) (a), and (2) (d) as follows:

**29-4-710.7. Powers of the board - issuance of bonds to maintain balances in the unemployment compensation fund.** (1) Upon receiving the certifications specified in subsection (2) of this section, the authority, in addition to the other powers granted by this part 7, ~~shall have~~ HAS the following powers:

(a) To issue from time to time its bonds and notes as provided in this part 7 to provide sufficient funds to maintain adequate balances in the unemployment compensation fund; to repay amounts advanced to the state pursuant to 42 U.S.C. sec. 1321; to pay the principal of, and interest and premium, if any, on, the bonds and notes, the costs of bond issuance and administration, and any other related fees and costs of the authority or the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE; to establish reserves for ~~any or all of the foregoing~~ and to make deposits into the unemployment compensation fund and otherwise apply the proceeds of the bonds and notes for ~~any or all of the foregoing~~ purposes SET FORTH IN THIS PARAGRAPH (a);

(b) To levy certain bond assessments as follows:

(I) All bonds and notes issued pursuant to this section ~~shall be~~ ARE limited obligations of the authority, payable solely from revenues generated through the levy by the authority of a bond assessment against each employer, as defined in section 8-70-113, C.R.S., subject to experience rating under articles 70 to 82 of title 8, C.R.S., in an aggregate amount sufficient to satisfy subparagraph (II) of this paragraph (b). The division of ~~employment and training~~ UNEMPLOYMENT INSURANCE shall collect and administer the bond assessment on behalf of the authority in substantially the same manner as other employer premiums and surcharges required pursuant to the provisions of articles 70 to 82 of title 8, C.R.S. Subject to ~~the provisions of~~ articles 70 to 82 of title 8, C.R.S., the assessment ~~shall~~ DOES not apply to the covered employers of state and local government, to those nonprofit organizations that are reimbursable employers, or to political subdivisions electing the special rate.

(II) The levy ~~shall~~ MUST be at a rate or rates ~~which~~ THAT, when applied against the taxable wages of those employers subject to the bond assessment, will produce an amount sufficient to pay all costs associated with or otherwise relating to bonds and notes issued pursuant to subsection (1) of this section, including ~~without limitation~~ the principal of, and interest and premium, if any, on, the bonds and notes, the costs of bond issuance and administration, other related fees and costs of the authority or the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE, and reserves therefor.

(III) All bond assessments described in this paragraph (b) ~~shall~~ MUST be submitted in the same manner as the employer's normal premiums and surcharges paid pursuant to the provisions of articles 70 to 82 of title 8, C.R.S., ~~shall be~~ ARE a lien upon the real and personal property of any such employer in the manner and to the extent set forth in section 8-79-103, C.R.S., ~~shall~~ MUST be segregated by the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in a special account under the control of the division, and ~~shall~~ MUST, after offsetting the division's costs for collecting and administering the bond assessments, be used only for transfer from time to time to one or more special accounts created by and under the control of the authority. THE AUTHORITY SHALL USE all moneys accruing in any such special account ~~shall be used by the authority~~ only to pay the costs described in subparagraph (II) of this paragraph (b), and THE AUTHORITY

SHALL TRANSFER any moneys remaining in such account and not required to pay such costs ~~shall be transferred by the authority~~ to the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE for deposit in the unemployment compensation fund.

(2) The authority ~~may~~ SHALL not issue its bonds and notes pursuant to subsection (1) of this section until the monthly balance in the unemployment compensation fund is equal to or less than nine-tenths of one percent of the total wages reported by ratable employers for the calendar year, or the most recent available four consecutive quarters prior to the last computation date and the governor, the state treasurer, and the executive director of the department of labor and employment have each certified in writing to the authority:

(a) That other funding alternatives to the issuance of bonds and notes by the authority pursuant to subsection (1) of this section have been considered and that the issuance of such bonds and notes is the most cost-effective means for the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE to maintain adequate balances in the unemployment compensation fund or to repay moneys advanced to the state pursuant to 42 U.S.C. sec. 1321;

(d) The bond assessment rate or rates, or a formula or other procedure for determining such rate or rates, ~~which~~ THAT will produce an amount sufficient, together with any other moneys available or expected to be available, to pay all costs associated with or otherwise relating to bonds and notes issued pursuant to subsection (1) of this section, including ~~without limitation~~, the principal of, and interest and premium, if any, on, the bonds and notes, the costs of bond issuance and administration, and any other related fees and costs of the authority or the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE, and reserves therefor.

**SECTION 30.** In Colorado Revised Statutes, 30-17-103, **amend** (3) as follows:

**30-17-103. Standards and guidelines.** (3) The board of county commissioners, in the standards and guidelines adopted pursuant to this article, may require that any applicant for temporary general assistance ~~shall~~ search for employment and accept employment that is offered and ~~shall~~ also enroll with the ~~division~~ DIVISIONS of employment and training AND

UNEMPLOYMENT INSURANCE in order to be eligible to receive temporary general assistance. ~~Such~~ THE requirements, however, ~~shall~~ DO not apply to an applicant who is unable to work due to a temporary disability. The board may require ~~that such~~ VERIFICATION OF A disability ~~be verified~~ by a medical examination. ~~Such~~ THE requirements for TO search for employment ~~shall~~ DO not apply to persons who are sixty-five years of age and older.

**SECTION 31.** In Colorado Revised Statutes, 39-21-108, **amend** (3) (a) (I) (A) as follows:

**39-21-108. Refunds.** (3) (a) (I) (A) Whenever it is established that any taxpayer has, for any period open under the statutes, overpaid a tax covered by articles 22 and 26 to 29 of this title, article 60 of title 34, C.R.S., and article 3 of title 42, C.R.S., and that: There is an unpaid balance of tax and interest accrued, according to the records of the executive director, owing by such taxpayer for any other period; ~~or that~~ there is an amount required to be repaid to the unemployment compensation fund pursuant to section 8-81-101 (4), C.R.S., the amount of which has been determined to be owing as a result of a final agency determination or judicial decision or ~~which~~ THAT has been reduced to judgment by the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE in the department of labor and employment; ~~or that~~ there is any unpaid child support debt as set forth in section 14-14-104, C.R.S., or child support arrearages that are the subject of enforcement services provided pursuant to section 26-13-106, C.R.S., as certified by the department of human services; ~~or that~~ there are any unpaid obligations owing to the state as set forth in section 26-2-133, C.R.S., for overpayment of public assistance or medical assistance benefits, the amount of which has been determined to be owing as a result of final agency determination or judicial decision or ~~which~~ THAT has been reduced to judgment, as certified by the department of human services; ~~or that~~ there is any unpaid loan or other obligation due to a state-supported institution of higher education as set forth in section 23-5-115, C.R.S., the amount of which has been determined to be owing as a result of a final agency determination or judicial decision or ~~which~~ THAT has been reduced to judgment, as certified by the appropriate institution; ~~or that~~ there is any unpaid loan due to the student loan division of the department of higher education as set forth in section 23-3.1-104 (1) (p), C.R.S., the amount of which has been determined to be owing as a result of a final agency determination or judicial decision or ~~which~~ THAT has been reduced to judgment, as certified by the division; ~~or~~ there is any unpaid loan due to the

collegeinvest division of the department of higher education as set forth in section 23-3.1-206, C.R.S., the amount of which has been determined to be owing as a result of a final agency determination or judicial decision or ~~which~~ THAT has been reduced to judgment; ~~or that~~ there is any outstanding judicial fine, fee, cost, or surcharge as set forth in section 16-11-101.8, C.R.S., or judicial restitution as set forth in section 16-18.5-106.8, C.R.S., the amount of which has been determined to be owing as a result of a final judicial department determination or certified by the judicial department as a judgment owed the state or a victim; ~~or that~~ there is any unpaid debt owing to the state or any agency thereof by such taxpayer, and ~~which~~ THAT is found to be owing as a result of a final agency determination or the amount of which has been reduced to judgment and as certified by the controller; ~~or that~~ the taxpayer is a qualified individual identified pursuant to section 39-22-120 (10) or 39-22-2003 (9), so much of the overpayment of tax plus interest allowable thereon as does not exceed the amount of such unpaid balance or unpaid debt ~~shall~~ MUST be credited first to the unpaid balance of tax and interest accrued and then to the unpaid debt, and any excess of the overpayment ~~shall~~ MUST be refunded. If the taxpayer elects to designate his or her refund as a credit against a subsequent year's tax liability, the amount allowed to be so credited ~~shall~~ MUST be reduced first by the unpaid balance of tax and interest accrued and then by the unpaid debt. If the taxpayer filed a joint return, the executive director shall notify the taxpayer's spouse that the portion of the overpayment that is generated by the spouse's income ~~shall~~ WILL be refunded upon receipt of a request detailing said amount. As used in this section, unless the context otherwise requires, "agency" includes state-supported institutions of higher education.

**SECTION 32.** In Colorado Revised Statutes, 39-21-113, **amend** (8) as follows:

**39-21-113. Reports and returns - repeal.** (8) Notwithstanding the provisions of this section, the executive director of the department of revenue may provide the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE with any information obtained pursuant to this section and, in connection therewith, may enter into an agreement with the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE providing for payment of the costs incurred in connection with supplying the information and providing for periodic updating of the information supplied. Information thus supplied to the division of ~~employment and training~~ ~~shall be~~ UNEMPLOYMENT INSURANCE IS subject to the rules of

confidentiality set forth in section 8-72-107 (1), C.R.S., to the same extent as information supplied by employers to the division of ~~employment and training~~ UNEMPLOYMENT INSURANCE.

**SECTION 33. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2012

and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

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Frank McNulty  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES

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Brandon C. Shaffer  
PRESIDENT OF  
THE SENATE

---

Marilyn Eddins  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES

---

Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED \_\_\_\_\_

---

John W. Hickenlooper  
GOVERNOR OF THE STATE OF COLORADO