

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

FILED SENATE
Apr 4, 2017
S.B. 597
PRINCIPAL CLERK

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SENATE BILL DRS15146-MKa-113A (03/08)

Short Title: ApprenticeshipNC.

(Public)

Sponsors: Senators Barefoot, Tillman, and Hise (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO TRANSFER THE ADMINISTRATION OF THE STATE APPRENTICESHIP
3 PROGRAM FROM THE DEPARTMENT OF COMMERCE TO THE COMMUNITY
4 COLLEGES SYSTEM OFFICE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** All functions, powers, duties, obligations, resources, and
7 appropriations vested in the Apprenticeship Program and the Apprenticeship Council are
8 transferred to, vested in, and consolidated into the North Carolina Community Colleges System
9 Office as a Type I transfer, as defined in G.S. 143A-6. The State Board of Community
10 Colleges, the Community Colleges System Office, and the Office of State Budget and
11 Management are authorized to take all other steps necessary to consolidate the Apprenticeship
12 Program and the Apprenticeship Council into the Community Colleges System Office. Joint
13 delivery of Apprenticeship and Community College workforce training programs shall ensure
14 coordination of program delivery and appropriate classroom training supporting the needs of
15 students and employers.

16 **SECTION 2.** Article 1 of Chapter 115D is amended by adding a new section to
17 read:

18 "**§ 115D-5.3. ApprenticeshipNC Program; Apprenticeship Council; transfer.**

19 The ApprenticeshipNC Program and the Apprenticeship Council, as contained in Chapter
20 94 of the General Statutes and the laws of this State, are hereby transferred by a Type I transfer
21 to the North Carolina Community Colleges System Office."

22 **SECTION 3.** Chapter 94 of the General Statutes reads as rewritten:

23 "Chapter 94.

24 "~~Apprenticeship~~**ApprenticeshipNC.**

25 "**§ 94-1. Purpose.**

26 The purposes of this Chapter are: to open to young people the opportunity to obtain training
27 that will equip them for profitable employment and citizenship; to set up, as a means to this
28 end, a program of voluntary apprenticeship under approved apprentice agreements providing
29 facilities for their training and guidance in the arts and crafts of industry and trade, with parallel
30 instruction in related and supplementary education; to promote employment opportunities for
31 young people under conditions providing adequate training and reasonable earnings; to relate
32 the supply of skilled workers to employment demands; to establish standards for apprentice
33 training; to coordinate workforce education and customized training tools to fill talent pipeline
34 gaps, as appropriate, with local business and industry; to establish an Apprenticeship Council
35 and apprenticeship committees and sponsors to assist in effectuating the purposes of this
36 Chapter; to leverage the collaborative and regional structure of the community college service



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1 areas with the Collaboration for Prosperity Zones set out in G.S. 143B-28.1; to provide for a
2 Director of ~~Apprenticeship~~ApprenticeshipNC within the ~~Department of Commerce~~Community
3 Colleges System Office; to provide for reports to the legislature and to the public regarding the
4 status of apprentice training in the State; to establish a procedure for the determination of
5 apprentice agreement controversies; and to accomplish related ends.

6 **"§ 94-2. Apprenticeship Council.**

7 The ~~Secretary of Commerce~~State Board of Community Colleges shall appoint an
8 Apprenticeship Council composed of four representatives each from employer and employee
9 organizations respectively and three representatives from the public at large. One State official
10 designated by the Department of Public Instruction and one State official designated by the
11 Department of ~~Community Colleges~~Commerce shall be a member ex officio of said council,
12 without vote. The terms of office of the members of the Apprenticeship Council first appointed
13 by the ~~Secretary of Commerce~~State Board of Community Colleges shall expire as designated
14 by the ~~Secretary~~State Board at the time of making the appointment: ~~two~~three representatives
15 each of employers and employees, ~~being appointed for one year and one representative~~two
16 representatives of the public at large ~~being appointed for two years; and one representative each~~
17 ~~of employers, employees, and the public at large being appointed for a term of three~~
18 ~~years.~~large. Any member appointed to fill a vacancy occurring prior to the expiration of the
19 term of his or her predecessor shall be appointed for the remainder of said term. Each member
20 of the Council not otherwise compensated by public moneys, shall be reimbursed for
21 transportation and shall receive such per diem compensation as is provided generally for boards
22 and commissions under the biennial maintenance appropriation acts for each day spent in
23 attendance at meetings of the Apprenticeship Council. The ~~Secretary of Commerce~~State Board
24 of Community Colleges shall annually appoint one member of the Council to act as its
25 chairman.

26 The Apprenticeship Council shall meet at the call of the ~~Secretary of Commerce~~State Board
27 of Community Colleges and shall aid ~~him~~the State Board and the Community Colleges System
28 Office in formulating policies for the effective administration of this Chapter. Subject to the
29 approval of the ~~Secretary~~State Board of Community Colleges, the Apprenticeship Council
30 shall establish standards for apprentice agreement which in no case shall be lower than those
31 prescribed by this Chapter, shall issue such rules and regulations as may be necessary to carry
32 out the intent and purposes of said Chapter, and shall perform such other functions as the
33 ~~Secretary~~State Board of Community Colleges may direct. Not less than once a year the
34 Apprenticeship Council shall make a report through the ~~Secretary~~Community Colleges System
35 Office of its activities and findings to the legislature and to the public.

36 **"§ 94-3. Director of ~~Apprenticeship~~ApprenticeshipNC.**

37 The ~~Secretary of Commerce~~State Board of Community Colleges is hereby directed to
38 appoint a Director of ~~Apprenticeship~~ApprenticeshipNC which appointment shall be subject to
39 the confirmation of the State Apprenticeship Council by a majority vote. ~~The Secretary of~~
40 ~~Commerce~~The Director shall report to the Vice President of Economic Development and the
41 Vice President of Academic Programs and Student Services within the Community Colleges
42 System Office. Upon the recommendation of the Director, the State Board of Community
43 Colleges is further authorized to appoint and employ such clerical, technical, and professional
44 help as shall be necessary to effectuate the purposes of this Chapter. The Director shall
45 supervise clerical, technical, and professional staff appointed to administer the
46 ApprenticeshipNC program.

47 **"§ 94-4. Powers and duties of Director of ~~Apprenticeship~~ApprenticeshipNC.**

48 The Director, under the supervision of the ~~Secretary of Commerce~~Vice President of
49 Economic Development and with the advice and guidance of the Apprenticeship Council is
50 authorized to administer the provisions of this Chapter; in cooperation with the Apprenticeship
51 Council and apprenticeship committees and sponsors, to set up conditions and training

standards for apprentice agreements, which conditions or standards shall in no case be lower than those prescribed by this Chapter; to act as secretary of the Apprenticeship Council; to approve for the Council if in his or her opinion approval is for the best interest of the apprenticeship any apprentice agreement which meets the standards established under this Chapter; to terminate or cancel any apprentice agreement in accordance with the provisions of such agreement; to keep a record of apprentice agreements and their disposition; to issue certificates of completion of apprenticeship; and to perform such other duties as are necessary to carry out the intent of this Chapter, including other on-job training necessary for emergency and critical civilian production: Provided, that the administration and supervision of related and supplemental instruction for apprentices, coordination of instruction with job experiences, and the selection and training of teachers and coordinators for such instruction shall be the responsibility of State and local boards responsible for vocational education.

"§ 94-5. Apprenticeship committees and program sponsors.

(a) As used in this Chapter:

- (1) "Apprenticeship program" means a plan containing all terms and conditions for the qualification, recruitment, selection, employment, and training of apprentices, including such matters as the requirement for a written apprenticeship agreement.
- (2) "Apprenticeship agreement" means a written agreement between an apprentice and either his or her employer or an apprenticeship committee or sponsor acting as agent for employer(s), which agreement satisfies the requirements of G.S. 94-7.
- (2a) "ApprenticeshipNC" means the statewide apprenticeship program administered by the Community Colleges System Office under this Chapter.
- (3) "Sponsor" means any person, firm, corporation, organization, association or committee operating an apprenticeship program and in whose name the apprenticeship program is approved.
- (4) "Employer" means any person, firm, corporation or organization employing an apprentice whether or not such person, firm, corporation or organization is a party to an apprenticeship agreement with the apprentice.
- (5) "Apprenticeship committee" means those persons designated by the sponsor, and approved by the Apprenticeship Council, to act for it in the administration of the apprenticeship program. A committee may be "joint," i.e., it is composed of an equal number of representatives of the employer(s) and of the employees represented by a bona fide collective bargaining agent(s) and has been established to conduct, operate or administer an apprenticeship program and enter into apprenticeship agreements with apprentices. A committee may be "unilateral" or "nonjoint" which shall mean a program sponsor in which employees or a bona fide collective bargaining agent is not a party.

(b) An apprenticeship committee may be appointed by the Apprenticeship Council in any trade or group of trades in a city or trade area, whenever the apprentice training needs of such trade or group of trades justifies such establishment.

(c) The function of the apprenticeship committee, or sponsor when there is no apprenticeship committee, shall be: to cooperate with school authorities in regard to the education of apprentices; in accordance with the standards set up by the apprenticeship committee for the same trade or group of trades, where such committee has been appointed, to work in an advisory capacity with employers and employees in matters regarding schedule of operations, application of wage rates, and working conditions for apprentices and to specify the number of apprentices which shall be employed locally in the trade under the apprenticeship agreements under this Chapter; and to adjust apprenticeship disputes, subject to the approval of

1 the director; to ascertain the prevailing rate for journeymen in the city or trade area and specify
2 the graduated scale of wages applicable to apprentices in such trade in such area; to ascertain
3 employment needs in such trade or group of trades and specify the appropriate current ratio of
4 apprentices to journeymen; and to make recommendations for the general good of apprentices
5 engaged in the trade or trades represented by the committee. An apprenticeship committee may
6 appoint a representative and delegate to such representative the authority for implementation
7 and performance of any standards adopted by the committee pursuant to any of the
8 aforementioned functions.

9 **"§ 94-6. Definition of an apprentice.**

10 The term "apprentice," as used herein, shall mean a person at least 16 years of age who is
11 covered by a written apprenticeship agreement approved by the Apprenticeship Council, which
12 apprenticeship agreement provides for not less than 2,000 hours of reasonably continuous
13 employment for such person for his participation in an approved schedule of work experience
14 and for organized, related supplemental instruction in technical subjects related to the trade. A
15 minimum of 144 hours of related supplemental instruction for each year of apprenticeship is
16 recommended. The required hours for apprenticeship agreements and the recommended hours
17 for related supplemental instruction may be decreased or increased in accordance with
18 standards adopted by the apprenticeship committee or sponsor, subject to approval of the
19 ~~Secretary of Commerce~~ State Board of Community Colleges.

20 ...

21 **"§ 94-9. Rotation of employment.**

22 For the purpose of providing greater diversity of training or continuity of employment, any
23 apprentice agreement made under this Chapter may in the discretion of the Director of
24 ~~Apprenticeship~~ ApprenticeshipNC be signed by an association of employers or an organization
25 of employees instead of by an individual employer. In such a case, the apprentice agreement
26 shall expressly provide that the association of employers or organization of employees does not
27 assume the obligation of an employer but agrees to use its best endeavors to procure
28 employment and training for such apprentice with one or more employers who will accept full
29 responsibility, as herein provided, for all the terms and conditions of employment and training
30 set forth in said agreement between the apprentice and employer association or employee
31 organization during the period of each such employment. The apprentice agreement in such a
32 case shall also expressly provide for the transfer of the apprentice, subject to the approval of the
33 Director, to such employer or employers who shall sign in written agreement with the
34 apprentice, and if the apprentice is a minor with his or her parent or guardian, as specified in
35 G.S. 94-8, contracting to employ said apprentice for the whole or a definite part of the total
36 period of apprenticeship under the terms and conditions of employment and training set forth in
37 the said agreement entered into between the apprentice and employer association or employee
38 organization.

39 **"§ 94-10. Repealed by Session Laws 1945, c. 729, s. 2.**

40 **"§ 94-11. Limitation.**

41 Nothing in this Chapter or in any apprentice agreement approved under this Chapter shall
42 operate to invalidate any apprenticeship provision in any collective agreement between
43 employers and employees, setting up higher apprenticeship standards; provided, that none of
44 the terms or provisions of this Chapter shall apply to any person, firm, corporation or crafts
45 unless, until, and only so long as such person, firm, corporation or crafts voluntarily elects that
46 the terms and provisions of this Chapter shall apply. Any person, firm, corporation or crafts
47 terminating an apprenticeship agreement shall notify the Director of
48 ~~Apprenticeship~~ ApprenticeshipNC.

49 **"§ 94-12. Repealed by Session Laws 2015-241, s. 15.13, effective July 1, 2015."**

50 **SECTION 4.** Notwithstanding G.S. 94-2, as amended by this act, the current
51 members serving on the Apprenticeship Council as of July 1, 2017, shall serve the remainder of

1 their terms. Thereafter, as terms expire, or when a vacancy occurs prior to the expiration of a
2 term, members on the Apprenticeship Council shall be appointed by the State Board of
3 Community Colleges in accordance with G.S. 94-2, as amended by this act.

4 **SECTION 5.** Of the Workforce Investment Act funds awarded to the Department
5 of Commerce by the United States Department of Labor, the sum of three hundred fifty
6 thousand dollars (\$350,000) shall be transferred to the Community Colleges System Office for
7 the administration of ApprenticeshipNC on a recurring basis for the 2017-2019 fiscal biennium.

8 **SECTION 6.** There is appropriated from the General Fund to the Community
9 Colleges System Office the sum of five hundred thousand dollars (\$500,000) in recurring funds
10 for the 2017-2018 fiscal year to increase apprenticeship opportunities across the State.

11 **SECTION 7.** The Department of Commerce shall submit a Workforce Innovation
12 and Opportunity Act State Plan amendment to the United States Department of Labor to
13 designate the Community Colleges System Office as the State agency responsible for the
14 administration of ApprenticeshipNC as provided for in this act.

15 **SECTION 8.** Sections 1 through 6 of this act become effective July 1, 2017. The
16 remainder of this act is effective when it becomes law.