

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 646
Committee Substitute Favorable 4/19/17
Committee Substitute #2 Favorable 4/21/17

Short Title: ApprenticeshipNC.

(Public)

Sponsors:

Referred to:

April 11, 2017

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 of the General Statutes is amended by
17 adding a new section to 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



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

7 **"§ 94-2. Apprenticeship Council.**

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

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

37 **"§ 94-3. Director of Apprenticeship—ApprenticeshipNC.**

38 The Secretary of Commerce—State Board of Community Colleges is hereby directed to
39 appoint a Director of Apprenticeship—ApprenticeshipNC, which appointment shall be subject to
40 the confirmation of the State Apprenticeship Council by a majority vote. The Secretary of
41 Commerce—Upon the recommendation of the Director, the State Board of Community Colleges
42 is further authorized to appoint and employ such clerical, technical, and professional help as
43 shall be necessary to effectuate the purposes of this Chapter. The Director shall supervise
44 clerical, technical, and professional staff appointed to administer the ApprenticeshipNC
45 program.

46 **"§ 94-4. Powers and duties of Director of Apprenticeship—ApprenticeshipNC.**

47 The Director, under the supervision of the Secretary of Commerce—President of the North
48 Carolina Community College System or the President's designee and with the advice and
49 guidance of the Apprenticeship Council is authorized to administer the provisions of this
50 Chapter; in cooperation with the Apprenticeship Council and apprenticeship committees and
51 sponsors, to set up conditions and training standards for apprentice agreements, which

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

13 **"§ 94-5. Apprenticeship committees and program sponsors.**

14 (a) As used in this Chapter:

15 (1) "Apprenticeship program" means a plan containing all terms and conditions
16 for the qualification, recruitment, selection, employment, and training of
17 apprentices, including such matters as the requirement for a written
18 apprenticeship agreement.

19 (2) "Apprenticeship agreement" means a written agreement between an
20 apprentice and either his or her employer or an apprenticeship committee or
21 sponsor acting as agent for employer(s), which agreement satisfies the
22 requirements of G.S. 94-7.

23 (2a) "ApprenticeshipNC" means the statewide apprenticeship program
24 administered by the Community Colleges System Office under this Chapter.

25 (3) "Sponsor" means any person, firm, corporation, organization, association or
26 committee operating an apprenticeship program and in whose name the
27 apprenticeship program is approved.

28 (4) "Employer" means any person, firm, corporation or organization employing
29 an apprentice whether or not such person, firm, corporation or organization
30 is a party to an apprenticeship agreement with the apprentice.

31 (5) "Apprenticeship committee" means those persons designated by the sponsor,
32 and approved by the Apprenticeship Council, to act for it in the
33 administration of the apprenticeship program. A committee may be "joint,"
34 i.e., it is composed of an equal number of representatives of the employer(s)
35 and of the employees represented by a bona fide collective bargaining
36 agent(s) and has been established to conduct, operate or administer an
37 apprenticeship program and enter into apprenticeship agreements with
38 apprentices. A committee may be "unilateral" or "nonjoint" which shall
39 mean a program sponsor in which employees or a bona fide collective
40 bargaining agent is not a party.

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

44 (c) The function of the apprenticeship committee, or sponsor when there is no
45 apprenticeship committee, shall be: to cooperate with school authorities in regard to the
46 education of apprentices; in accordance with the standards set up by the apprenticeship
47 committee for the same trade or group of trades, where such committee has been appointed, to
48 work in an advisory capacity with employers and employees in matters regarding schedule of
49 operations, application of wage rates, and working conditions for apprentices and to specify the
50 number of apprentices which shall be employed locally in the trade under the apprenticeship
51 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 7.** The Department of Commerce shall submit a Workforce Innovation
5 and Opportunity Act State Plan amendment to the United States Department of Labor to
6 designate the Community Colleges System Office as the State agency responsible for the
7 administration of ApprenticeshipNC as provided for in this act.

8 **SECTION 8.** Sections 1 through 4 of this act become effective July 1, 2017. The
9 remainder of this act is effective when it becomes law.