

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

S

D

SENATE BILL 597  
PROPOSED COMMITTEE SUBSTITUTE S597-PCS15186-BE-14

Short Title: ApprenticeshipNC.

(Public)

Sponsors:

Referred to:

April 5, 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  
36 Chapter; to leverage the collaborative and regional structure of the community college service



\* S 5 9 7 - P C S 1 5 1 8 6 - B E - 1 4 \*

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 shall expire as~~shall be designated by the Secretary at the time of  
14 ~~making the appointment: two representatives each of employers and employees, being~~  
15 ~~appointed for one year and one representative of the public at large being appointed for two~~  
16 ~~years; and one representative each of employers, employees, and the public at large being~~  
17 ~~appointed for a term of three years.~~State Board. Any member appointed to fill a vacancy  
18 occurring prior to the expiration of the term of his or her predecessor shall be appointed for the  
19 remainder of said term. Each member of the Council not otherwise compensated by public  
20 moneys, shall be reimbursed for transportation and shall receive such per diem compensation as  
21 is provided generally for boards and commissions under the biennial maintenance appropriation  
22 acts for each day spent in attendance at meetings of the Apprenticeship Council. The ~~Secretary~~  
23 ~~of Commerce~~State Board of Community Colleges shall annually appoint one member of the  
24 Council to act as its chairman.

25 The Apprenticeship Council shall meet at the call of the ~~Secretary of Commerce~~State Board  
26 of Community Colleges and shall aid ~~him~~the State Board and the Community Colleges System  
27 Office in formulating policies for the effective administration of this Chapter. ~~Subject to the~~  
28 ~~approval of the Secretary, the~~The Apprenticeship Council shall establish standards for  
29 ~~apprentice agreement agreements~~which in no case shall be lower than those prescribed by this  
30 Chapter, shall issue such~~such~~recommend rules and regulations to the State Board of Community  
31 Colleges as may be necessary to carry out the intent and purposes of said Chapter, and shall  
32 perform such other functions as the ~~Secretary~~State Board of Community Colleges may direct.  
33 Not less than once a year the Apprenticeship Council shall make a report through the  
34 ~~Secretary~~Community Colleges System Office of its activities and findings to the legislature and  
35 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~~Upon the recommendation of the Director, the State Board of Community Colleges  
41 is further authorized to appoint and employ such clerical, technical, and professional help as  
42 shall be necessary to effectuate the purposes of this Chapter. The Director shall supervise  
43 clerical, technical, and professional staff appointed to administer the ApprenticeshipNC  
44 program.

45 **"§ 94-4. Powers and duties of Director of ~~Apprenticeship~~ApprenticeshipNC.**

46 The Director, under the supervision of the ~~Secretary of Commerce~~President of the North  
47 Carolina Community College System or the President's designee and with the advice and  
48 guidance of the Apprenticeship Council is authorized to administer the provisions of this  
49 Chapter; in cooperation with the Apprenticeship Council and apprenticeship committees and  
50 sponsors, to set up conditions and training standards for apprentice agreements, which  
51 conditions or standards shall in no case be lower than those prescribed by this Chapter; to act as

1 secretary of the Apprenticeship Council; to approve for the Council if in his or her opinion  
2 approval is for the best interest of the apprenticeship any apprentice agreement which meets the  
3 standards established under this Chapter; to terminate or cancel any apprentice agreement in  
4 accordance with the provisions of such agreement; to keep a record of apprentice agreements  
5 and their disposition; to issue certificates of completion of apprenticeship; and to perform such  
6 other duties as are necessary to carry out the intent of this Chapter, including other on-job  
7 training necessary for emergency and critical civilian production: Provided, that the  
8 administration and supervision of related and supplemental instruction for apprentices,  
9 coordination of instruction with job experiences, and the selection and training of teachers and  
10 coordinators for such instruction shall be the responsibility of State and local boards  
11 responsible for vocational education.

12 **"§ 94-5. Apprenticeship committees and program sponsors.**

13 (a) As used in this Chapter:

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

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

22 (2a) "ApprenticeshipNC" means the statewide apprenticeship program  
23 administered by the Community Colleges System Office under this Chapter.

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

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

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

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

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

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

8 **"§ 94-6. Definition of an apprentice.**

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

19 ...

20 **"§ 94-9. Rotation of employment.**

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

38 **"§ 94-10. Repealed by Session Laws 1945, c. 729, s. 2.**

39 **"§ 94-11. Limitation.**

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

48 **"§ 94-12. Repealed by Session Laws 2015-241, s. 15.13, effective July 1, 2015."**

49 **SECTION 4.** Notwithstanding G.S. 94-2, as amended by this act, the current  
50 members serving on the Apprenticeship Council as of July 1, 2017, shall serve the remainder of  
51 their terms. Thereafter, as terms expire, or when a vacancy occurs prior to the expiration of a

1 term, members on the Apprenticeship Council shall be appointed by the State Board of  
2 Community Colleges in accordance with G.S. 94-2, as amended by this act.

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

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

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

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