



HOUSE BILL 646: ApprenticeshipNC.

**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

2017-2018 General Assembly

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|-----------------------|--|---------------------|----------------------|
| Committee: | House Rules, Calendar, and Operations of the House | Date: | April 20, 2017 |
| Introduced by: | Reps. S. Martin, Horn, Conrad, Brody | Prepared by: | Brian Gwyn |
| Analysis of: | Second Edition | | Committee Co-Counsel |

OVERVIEW: *The 2nd Edition of House Bill 646 would transfer the administration of the Apprenticeship Program from the Department of Commerce to the Community Colleges System Office.*

CURRENT LAW: Chapter 94 of the General Statutes creates a program within the Department of Commerce in which voluntary apprentices work under approved apprentice agreements between the apprentice and the employer. The apprentice receives training facilities and guidance from the employer, and enrolls in related supplementary education.

Under G.S. 94-2, an Apprenticeship Council is appointed to create standards for apprentice agreements and issue rules and regulations related to Chapter 94. The Director of Apprenticeship, appointed by the Secretary of Commerce, is charged with administering the Apprenticeship Program. G.S. 94-4. Apprenticeship committees are required by G.S. 94-5 for each sponsor of an apprenticeship program, which serve to advise and coordinate the experience for the apprentices, including work hours and supplemental training.

Under G.S. 94-6, apprentices must be at least 16 years of age and be covered by a written apprenticeship agreement approved by the Apprenticeship Council. The agreement must provide for at least 2,000 hours of employment and a minimum of 144 hours of related supplemental instruction each year. Adjustments to these hours can be recommended by the apprenticeship committee or sponsor, subject to the approval of the Secretary of Commerce.

Karen Cochrane-Brown
Director



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BILL ANALYSIS: The 2nd Edition of House Bill 646 would transfer the administration of "ApprenticeshipNC" from the Department of Commerce to the Community Colleges System Office.

SECTIONS 1 & 2

Transfers ApprenticeshipNC from the Department of Commerce to the Community Colleges System Office by way of a Type I transfer.

SECTION 3

Revises Chapter 94 of the General Statutes to make conforming changes reflecting the transfer. Additionally, Sec. 3 makes the following modifications:

- Includes the following in the purposes of the program (G.S. 94-1):
 - "[C]oordinate workforce education and customized training tools to fill talent pipeline gaps, as appropriate, with local business and industry."
 - "[L]everage the collaborative and regional structure of the community college service areas with the Collaboration for Prosperity Zones set out in G.S. 143B-28.1."
- Puts the Director of ApprenticeshipNC under the supervision of the President of the North Carolina Community College System or the President's designee.
- Specifies that the Director will supervise clerical, technical, and professional staff appointed to administer the ApprenticeshipNC program. G.S. 94-3.
- Allows the State Board of Community Colleges to set the terms of office for members of the Apprenticeship Council.

SECTION 4

Allows current members of the Apprenticeship Council to serve the remainder of their terms.

SECTION 5-7

- Transfers \$350,000 in recurring funds from the Department of Commerce's Workforce Investment Act funds to the Community Colleges System Office to cover administrative costs. The Department of Commerce will update the Workforce Innovation and Opportunity Act State Plan to indicate the transfer of administration to the Community Colleges System Office.
- Appropriates \$500,000 in recurring funds from the General Fund to the Community Colleges System Office to increase apprenticeship opportunities across the State.

EFFECTIVE DATE: Sections 1 through 6 would become July 1, 2017. The remainder of the act would be effective when it becomes law.