



2021-2022 General Assembly

# SENATE BILL 105: 2021 Appropriations Act, Sec. 6.14: Expansion of Apprenticeship Programs for Small Businesses/High Demand Trades

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<b>Committee:</b>		<b>Date:</b>	February 23, 2022
<b>Introduced by:</b>		<b>Prepared by:</b>	Samantha Yarborough Staff Attorney
<b>Analysis of:</b>	Sec. 6.14 of S.L. 2021-180		

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**OVERVIEW:** *Section 6.14 of S.L. 2021-180 requires the Community Colleges System Office (System Office) to establish a temporary program to expand apprenticeship opportunities for high school apprentices and non-high school apprentices between the ages of 16 and 25 by providing incentives for small businesses in high-demand fields and careers. The program must provide for small businesses to participate in apprenticeships to meet business needs, assist with financial challenges and employment demands in their local communities, and provide opportunities for apprenticeships that will lead to certifications, licensing, or an associate degree in a career field and full-time employment.*

*Funds for the grant program must be used to award grants to reimburse employers for the costs associated with new apprentices within a Registered Apprenticeship with ApprenticeshipNC and for tuition, fees, and cost of books for curriculum programs and short-term workforce credentials. The System Office must administer the grant funds for applicants that are small business employers located in development tier one and development tier two areas as designated by the Department of Commerce for the 2020 calendar year. The funds must be allocated as follows:*

- 40% of funds must be allocated for apprenticeship programs for apprentices enrolled in curriculum degree programs.*
- 15% of the funds must be allocated for apprenticeship programs for high school apprentices.*
- The remaining funds must be allocated for apprenticeship programs for apprentices pursuing short-term workforce credentials.*

*Recipients of grants can be reimbursed up to \$2,000 each fiscal year for program expenses. For apprentices enrolled in curriculum degree programs and short-term workforce courses, up to \$2,500 can be used each fiscal year to cover the cost of tuition, fees, and books for apprentices enrolled at community colleges.*

*Grant funds can also be used to cover the costs of the salary of apprentices if matching funds are made available by a grant recipient on the basis of \$1 in non-State funds for every \$1 in State funds. Apprentices participating in the grant program paid with matching State funds must be limited to an hourly rate of pay of \$15 an hour for non-high school students and \$14 an hour for high school students.*

*The System Office can contract for a new time-limited position to coordinate and oversee deliverables, daily operations of the grant program, financial management, monitoring and accountability of budget accuracy, and the validity of disbursements.*

*The System Office must submit an initial report by October 1, 2022, and a final report by December 1, 2024, to the Joint Legislative Education Oversight Committee and various other entities on the grant*

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# Senate Bill 105

Page 2

*program and the use of funds for each type of apprentice, matching funds provided by grant recipients and salary data, and the amount of funds used for the time-limited position at the System Office.*

*This section became effective July 1, 2021.*