

Stricken language would be deleted from and underlined language would be added to present law.

State of Arkansas
94th General Assembly
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As Engrossed: S3/27/23
A Bill

SENATE BILL 425

By: Senator J. English

For An Act To Be Entitled

AN ACT TO ESTABLISH THE ARKANSAS STATE APPRENTICESHIP AGENCY ACT; TO ESTABLISH THE ARKANSAS STATE APPRENTICESHIP AGENCY; TO ESTABLISH THE ARKANSAS APPRENTICESHIP COUNCIL; AND FOR OTHER PURPOSES.

Subtitle

TO ESTABLISH THE ARKANSAS STATE APPRENTICESHIP AGENCY ACT; TO ESTABLISH THE ARKANSAS STATE APPRENTICESHIP AGENCY; AND TO ESTABLISH THE ARKANSAS APPRENTICESHIP COUNCIL.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-50-503(c)(2), concerning the responsibility for the selection of industries and occupations related to work-based training programs, is amended to read as follows:

(2) The division, ~~the Arkansas Apprenticeship Coordination Steering Committee~~, the Office of Skills Development, and local sites shall take joint responsibility for identifying the industries and occupations selected in subdivision (c)(1) of this section.

SECTION 2. Arkansas Code Title 6, Chapter 52, Subchapter 2, is repealed.

~~Subchapter 2 — Apprenticeship Training Programs~~

~~6-52-201. Definitions.~~



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~~In this subchapter:~~

~~(1) “Apprenticeship training program” means a training program that provides on the job training, supplementary instruction, or related instruction in a trade or occupation that has been certified as an apprenticeable occupation by the United States Office of Apprenticeship;~~

~~(2)(A) “Pre apprenticeship” means programs that provide instruction or training to increase math, literacy, and other vocational and prevocational skills needed to enter a registered apprenticeship program.~~

~~(B) “Pre apprenticeship” programs are not:~~

~~(i) Registered with the United States Department of Labor during the term of the pre apprenticeship training; or~~

~~(ii) Federally vetted, but a high quality pre apprenticeship should have a minimum of one (1) registered apprenticeship partner or a strong relationship with at least one (1) apprenticeship program, feature training and curriculum that aligns with that program, and include a wide range of support services designed specifically to help participants succeed;~~

~~(3) “Program sponsor” means any person, association, committee, business, or organization operating an apprenticeship program and in whose name the program is registered or is in the process of registration by the United States Office of Apprenticeship;~~

~~(4) “Related instruction” means organized off the job instruction in theoretical or technical subjects required for the completion of an apprenticeship program for a particular apprenticeable trade;~~

~~(5) “Supplementary instruction” means a course of instruction for persons employed as journeymen craftsmen in an apprenticeable trade that is designed to provide new skills or upgrade current skills; and~~

~~(6) “Youth apprenticeship” means a registered apprenticeship program that has been validated by the United States Department of Labor or a state apprenticeship agency serving individuals between sixteen (16) and twenty four (24) years of age and is sponsored by employers, labor management organizations, or other organizations.~~

~~6-52-202. Applicability.~~

~~The provisions of this subchapter apply only to those apprenticeship training programs which receive state funds pursuant to the provisions of §~~

~~6-52-207.~~

~~6-52-203.—Rules.~~

~~The Office of Skills Development and the Arkansas Apprenticeship Coordination Steering Committee shall promulgate rules necessary to implement the provisions of this subchapter.~~

~~6-52-204.—Arkansas Apprenticeship Coordination Steering Committee.~~

~~(a)(1)—The Governor shall appoint an Arkansas Apprenticeship Coordination Steering Committee composed of members with the following qualifications:~~

~~(A)—One (1) member representing employer organizations;~~

~~(B)—One (1) member representing labor unions or bargaining agents for members of apprenticeable trades;~~

~~(C)—One (1) member representing the minority and female workforce who have knowledge of apprenticeship and are familiar with the needs of vocational and technical education;~~

~~(D)—Two (2) members who teach or immediately supervise supplementary instruction or related instruction courses;~~

~~(E)—Three (3) members representing employers who are actively utilizing registered apprenticeship who have knowledge of apprenticeship and are familiar with the needs of vocational and technical education;~~

~~(F)—One (1) member representing the Division of Career and Technical Education who has knowledge of apprenticeship and is familiar with the needs of vocational and technical education;~~

~~(G)—One (1) member representing a state-supported two-year or four-year institution of higher education who has knowledge of apprenticeship and is familiar with the needs of vocational and technical education;~~

~~(H)—One (1) member representing the Arkansas Workforce Innovation and Opportunity Act, § 15-4-3701 et seq., workforce system who has knowledge of apprenticeship and is familiar with the needs of vocational and technical education; and~~

~~(I)—One (1) member representing the Office of Skills Development.~~

~~(2) Members of the committee shall serve terms of four (4) years.~~

~~(3) Vacancies shall be filled for the unexpired portion of a term vacated.~~

~~(4) The Governor shall consult the Office of Skills Development before making an appointment under this subsection.~~

~~(5) Appointments made by the Governor under this subsection shall be subject to confirmation by the Senate.~~

~~(b) Advisory members of the committee shall include the following:~~

~~(1) Two (2) persons designated by the Office of Skills Development; and~~

~~(2) One (1) person designated by and representing the United States Office of Apprenticeship.~~

~~6-52-205. Arkansas Apprenticeship Coordination Steering Committee—Duties.~~

~~(a) The Arkansas Apprenticeship Coordination Steering Committee shall recommend to the Career Education and Workforce Development Board a statewide plan for the development of a comprehensive program of apprenticeship training that shall include but not be limited to the following:~~

~~(1) Formulas and administrative procedures to be used in requesting appropriations of state funds for apprenticeship training and apprenticeship expansion efforts;~~

~~(2) Forms, formulas, and administrative procedures to be used in distributing available funds to apprenticeship training programs and apprenticeship expansion efforts; and~~

~~(3) The content and method of the public notice required by this subchapter.~~

~~(b)(1) The Office of Skills Development shall furnish the committee with the current data necessary to develop the plan.~~

~~(2) All state boards and agencies shall cooperate with the committee and shall furnish information and material on request.~~

~~(c) Pursuant to this section, the reporting procedures shall be included in the state plan for apprenticeship.~~

~~6-52-206. Recommendations.~~

~~(a) Recommendations of the Arkansas Apprenticeship Coordination Steering Committee submitted to the Office of Skills Development must be acted on and either accepted or rejected.~~

~~(b) A recommendation which is rejected must be returned immediately to the committee, accompanied by written notice of the reasons for rejecting the recommendation.~~

~~6-52-207. Training programs generally.~~

~~(a) Under this subchapter, the Director of the Office of Skills Development shall allocate state funds for the support of apprenticeship training programs that meet the criteria stated in this subchapter.~~

~~(b) An apprenticeship training program may be cosponsored by a public school district, an education service cooperative, a state postsecondary institution, a vocational technical school, or a two-year community college pursuant to a contract between the district or institution and an apprenticeship program sponsor.~~

~~(c) An apprenticeship training program shall be under the direction of an apprenticeship coordinator appointed by an apprenticeship program sponsor who shall perform the duties stated in § 6-52-208.~~

~~(d)(1) Each apprentice participating in an apprenticeship training program shall be given a written apprenticeship agreement by an apprenticeship program sponsor stating the standards and conditions of his or her employment and training.~~

~~(2) The apprenticeship agreements are furnished by the United States Office of Apprenticeship.~~

~~(e)(1) An apprentice shall not be charged tuition or fees by a public school district or state postsecondary institution.~~

~~(2)(A) However, an administrative fee may be charged to cover the costs of processing the records of an apprentice.~~

~~(B) The fee allowed under subdivision (e)(2)(A) of this section shall not exceed twenty five dollars (\$25.00) for each course in which the apprentice is enrolled.~~

~~(3) The apprentice or an apprenticeship program sponsor may be required to furnish books and special equipment.~~

~~(f)(1) Funding for an apprenticeship training program, in addition to any other money available, shall be based on:~~

~~(A) Allocation of funds to an apprenticeship program sponsor by the Office of Skills Development, as referred to in subsection (a) of this section; or~~

~~(B) Terms of a contract between an apprenticeship program sponsor and a cosponsor, as referred to in subsection (b) of this section.~~

~~(2) An apprenticeship program sponsor may charge an apprentice or the employer of the apprentice tuition and fees to cover administrative costs incurred while the apprentice is registered with the apprenticeship program sponsor.~~

~~(g) The terms of the contract referred to in subsection (b) of this section shall require without limitation the following in order to effectively administer the apprenticeship training program in a manner consistent with the public's need for skilled workers and the apprentice's need for marketable skills in apprenticeable occupations:~~

~~(1) Adequate facilities;~~

~~(2) Personnel; and~~

~~(3) Resources.~~

~~(h) An apprenticeship training program shall be registered with the United States Office of Apprenticeship and the Office of Skills Development.~~

~~6-52-208. Duties of apprenticeship program sponsors.~~

~~(a) The apprenticeship program sponsor of each apprenticeship training program shall:~~

~~(1) Establish standards and goals for supplementary instruction and related instruction for apprentices in the program;~~

~~(2) Establish rules governing the on-the-job training and other instruction for apprentices in the program;~~

~~(3) Plan and organize instructional materials designed to provide technical and theoretical knowledge and basic skills required by apprentices in the program;~~

~~(4) Recommend qualified instructors for the program;~~

~~(5) Monitor and evaluate the performance and progress of each apprentice in the program and the program as a whole; and~~

~~(6) Interview applicants and select those most qualified for entrance into the program.~~

~~(b) A program must provide for the keeping of records of the on-the-~~

~~job training and progress of each apprentice.~~

~~(c) A program must require instructors to maintain recommended qualifications.~~

~~(d) A program must perform any other duties which promote the goals of individual apprentices and of the program as a whole.~~

~~(e)(1) An apprenticeship program sponsor shall provide the names of the employers who enroll apprentices into the program to the Office of Skills Development on or before September 1 of each fiscal year.~~

~~(2) The office shall not publish the names of the employers who have enrolled apprentices, nor use the employer names for a purpose other than program administration and research, unless approved by the employer.~~

~~(3) The names of employers provided by apprenticeship program sponsors under this subsection shall be exempt from the Freedom of Information Act of 1967, § 25-19-101 et seq.~~

SECTION 3. Arkansas Code Title 6, Chapter 52, is amended to add an additional subchapter to read as follows:

Subchapter 3 – Arkansas State Apprenticeship Agency Act

6-52-301. Title.

This subchapter shall be known and may be cited as the "Arkansas State Apprenticeship Agency Act".

6-52-302. Definitions.

As used in this subchapter:

(1) "Apprentice" means a worker who is:

(A) At least sixteen (16) years of age; and

(B) Employed to learn an apprenticeable occupation or trade as defined in 29 C.F.R. § 29.4, as it existed on January 1, 2023;

(2) "Apprenticeship" means a program for the recruitment, selection, employment, and training of apprentices that is developed under 29 C.F.R. §§ 29 and 30, as it existed on January 1, 2023, and the rules of the Arkansas State Apprenticeship Agency;

(3) "Apprenticeship agreement" means a written agreement between an apprentice and a sponsor that contains the terms and conditions of the apprentice's employment and training consistent with 29 C.F.R. § 29.7, as it

existed on January 1, 2023, and this subchapter;

(4) "Cancellation" means the termination of:

(A) The registration of a pre-apprenticeship or apprenticeship at the request of the sponsor; or

(B) An apprenticeship agreement at the request of the apprentice;

(5) "Deregistration" means the termination of the registration of a pre-apprenticeship or apprenticeship by the Arkansas State Apprenticeship Agency;

(6) "Employer" means a person employing an apprentice;

(7) "On-the-job training" means training that is:

(A) Provided to a paid apprentice who is engaged in productive work in an occupation when the work provides knowledge or skills essential to the full and adequate performance of the occupation; and

(B) Limited in duration as appropriate to the occupation for which the apprentice is being trained based on the content of the training and the apprentice's prior work experience as appropriate;

(8) "Pre-apprenticeship" means a program or set of services recognized by the Arkansas State Apprenticeship Agency, in partnership with a registered apprenticeship program, designed to prepare individuals to enter and succeed in a registered apprenticeship program;

(9)(A) "Related technical instruction" means an organized and systematic form of instruction designed to provide the apprentice with knowledge of the theoretical and technical subjects related to his or her trade or occupation approved by the state apprenticeship agency.

(B) "Related technical instruction" includes instruction that is:

(1) Given in a classroom;

(2) Through occupation or industrial courses;

(3) By correspondence courses;

(4) Through electronic media; or

(5) Through other forms of self-study; and

(10) "Sponsor" means a person, association, committee, business, state agency, or organization operating an apprenticeship or pre-apprenticeship program and in whose name the apprenticeship or pre-apprenticeship program is or is to be registered or approved.

6-52-303. Creation of Arkansas State Apprenticeship Agency.

(a) There is created the Arkansas State Apprenticeship Agency within the Office of Skills Development in accordance with 29 U.S.C. § 50 and 29 C.F.R. §§ 29 and 30, as it existed on January 1, 2023, to:

(1) Serve as the state registration agency for apprenticeship programs;

(2) Establish rules regarding the registration of pre-apprenticeships, apprenticeships, and apprentices; and

(3) Resolve disputes between parties to an apprenticeship agreement.

(b)(1) The agency shall be under the direction of the Director of the Office of Skills Development.

(2) The director may appoint a deputy director for the agency who shall:

(A) Serve at the pleasure of the director;

(B) Manage the agency; and

(C) Perform duties as necessary to effectuate the intent of this subchapter.

(c) By December 31, 2023, the director shall submit an application to the Administrator of the United States Department of Labor Office of Apprenticeship to recognize the agency as the state apprenticeship agency that shall comply with applicable federal law.

(d) The duties created in this section are in addition to the duties established for the Office of Skills Development under § 25-30-102.

6-52-304. Rules.

(a) The Office of Skills Development shall promulgate rules necessary to implement this subchapter, including without limitation rules addressing the registration, deregistration, cancellation, and reinstatement of pre-apprenticeships, apprenticeships, and apprentices.

(b) A rule promulgated under this subchapter shall conform to the registered apprenticeship regulations under 29 C.F.R. §§ 29 and 30, as it existed on January 1, 2023.

6-52-305. Duties.

(a) The Arkansas State Apprenticeship Agency shall develop a nationally recognized state apprenticeship completion credential, as described in 29 C.F.R. § 29.5, as it existed on January 1, 2023, for completing a registered apprenticeship program.

(b) The agency may register apprenticeship programs that are mandated by state or federal law as a result of the sponsor receiving funds or resources from the state or funds or resources from the United States Government that require the creation of an apprenticeship program in accordance with a federal grant administered by this state.

(c)(1) The Director of the Office of Skills Development may promulgate rules on behalf of the agency as necessary to effectuate the intent of this subchapter under § 25-30-102(a)(9).

(2) A rule promulgated under this subchapter shall conform to the registered apprenticeship regulations under 29 C.F.R. §§ 29 and 30, as it existed on January 1, 2023.

(d)(1) The director or the Deputy Director of the Arkansas State Apprenticeship Agency shall allocate state funds for the support of apprenticeship training programs.

(2) Funding for an apprenticeship training program, in addition to any other moneys available, shall be based on the allocation of funds to an apprenticeship program sponsor by the agency.

6-52-306. Registration of apprenticeship program.

(a) A sponsor may apply to register an apprenticeship program with the Arkansas State Apprenticeship Agency.

(b) A registered apprenticeship program shall include without limitation:

- (1) On-the-job training from an employer;
- (2) Related technical instruction; and
- (3) Opportunity for an apprentice to earn a portable, nationally-recognized industry credential.

(c) A sponsor of a registered pre-apprenticeship or registered apprenticeship is responsible for the administration and supervision of on-the-job training and related technical instruction for each apprentice in the registered pre-apprenticeship or registered apprenticeship.

6-52-307. Arkansas Apprenticeship Council.

(a) There is established the Arkansas Apprenticeship Council to be an advisory council composed of individuals representing employer and employee organizations who are familiar with apprenticeable occupations.

(b) The Governor shall appoint the council composed of members with the following qualifications:

(1) Two (2) members representing employer organizations;

(2) Two (2) members representing employee organizations; and

(3) Three (3) members representing the public who are knowledgeable about apprenticeships and apprenticeable occupations.

(c) A member of the council shall serve a term of four (4) years.

(d) A vacancy shall be filled by the Governor for the unexpired portion of the vacated term.

(e) The council shall meet at least four (4) times in a fiscal year.

(f) The council shall:

(1) Advise the Arkansas State Apprenticeship Agency regarding duties under § 6-52-305; and

(2) Provide community outreach and education regarding the benefits of apprenticeship.

SECTION 4. Arkansas Code § 6-55-104(b), concerning administration of the Arkansas Construction Industry Craft Training Program, is amended to read as follows:

(b) The program will be administered by the Office of Skills Development ~~in collaboration with the Arkansas Apprenticeship Coordination Steering Committee created by § 6-52-204.~~

SECTION 5. Arkansas Code § 6-55-105 is amended to read as follows:

6-55-105. Program plan.

In addition to the duties of the ~~Arkansas Apprenticeship Coordination Steering Committee~~ Office of Skills Development ~~contained in § 6-52-205 under § 6-52-305,~~ the ~~committee~~ office is authorized to develop a plan for the Arkansas Construction Industry Craft Training Program ~~which shall include, but not be limited to,~~ including without limitation, the following:

(1) Formulas and administrative procedures to be used in requesting appropriations of state funds for the ~~program~~ Arkansas

Construction Industry Craft Training Program;

(2) Forms, formulas, and administrative procedures to be used in distributing funds to construction craft training programs; and

(3) Other administrative procedures or rules as may be necessary for the equitable and efficient operation of the program.

SECTION 6. Arkansas Code § 6-55-107(d), concerning the expenditure of moneys from the Arkansas Construction Industry Craft Training Trust Fund, is amended to read as follows:

(d) ~~Upon the recommendation of the Arkansas Apprenticeship Coordination Steering Committee, the~~ The Office of Skills Development shall expend the moneys in the fund from time to time to support the training program prescribed in this chapter.

SECTION 7. Arkansas Code § 6-55-108 is amended to read as follows:
6-55-108. Rules.

The Office of Skills Development ~~and the Arkansas Apprenticeship Coordination Steering Committee~~ shall promulgate rules necessary to implement the provisions of this chapter.

SECTION 8. Arkansas Code § 19-5-1114(b)(2), concerning the administration of the Arkansas Construction Industry Craft Training Trust Fund, is amended to read as follows:

(2) The fund shall be used to support training programs set out in The Arkansas Construction Industry Craft Training Act, § 6-55-101 et seq., administered by the Office of Skills Development ~~and the Arkansas Apprenticeship Coordination Steering Committee.~~

SECTION 9. Arkansas Code § 25-16-903(62), concerning the authorization for a sixty dollar stipend for certain state boards, is repealed.

~~(62) Arkansas Apprenticeship Coordination Steering Committee;~~

SECTION 10. Arkansas Code § 25-16-903, concerning the authorization for a sixty dollar stipend for certain state boards, is amended to add an additional subdivision to read as follows:

(72) Arkansas Apprenticeship Council.

/s/J. English