

CHAPTER 314

AN ACT concerning the establishment of apprenticeship programs in high-growth industries and amending P.L.2001, c.152 and supplementing Title 34 of the Revised Statutes.

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

C.34:15D-32 High-Growth Industry Regional Apprenticeship Development Grant Pilot Program.

1. a. There is established in the Department of Labor and Workforce Development a five-year High-Growth Industry Regional Apprenticeship Development Grant Pilot Program, which shall provide grants to support funding for three newly-established adult apprenticeship programs in high-growth industries in three regions of the State. There shall be one grant awarded in the northern, central, and southern region of the State, respectively. A grant may extend beyond one year in duration. To be eligible for the grant, the apprenticeship program shall be accredited and approved by the United States Department of Labor, or shall be in the process of obtaining that accreditation. The program shall be administered by the Office of Apprenticeship in the department.

For the purposes of P.L.2019, c.314 (C.34:15D-32 et al.), the northern region shall include Bergen, Essex, Hudson, Morris, Passaic, Sussex, Union, and Warren counties; the central region shall include Burlington, Hunterdon, Mercer, Middlesex, Monmouth, Ocean, and Somerset counties; and the southern region shall include Atlantic, Camden, Cape May, Cumberland, Gloucester, and Salem counties.

b. Each of the three grants shall be selected from a separate high-growth industry, but any organizational sponsor of an apprenticeship program is eligible to receive the grant, including businesses; business organizations and associations; labor organizations; joint labor-management partnerships; local education agencies; public vocational schools; two-year and four-year colleges; local workforce development boards; workforce training providers; economic development organizations; and community-based and other non-profit organizations.

To apply for the grant, an organization shall submit an application to the Office of Apprenticeship, which shall include documentation that the apprenticeship which the organization is sponsoring is or will be accredited and approved by the United States Department of Labor.

c. No later than July 1, 2019, the department shall begin accepting grant applications to be awarded no later than January 1, 2020 from funds allocated for the program pursuant to section 1 of P.L.2001, c.152 (C.34:15D-21). The department shall rank eligible applicants for grants based upon:

- (1) each applicant's potential to:
 - (a) reach a broad audience through its recruitment and outreach efforts;
 - (b) significantly increase enrollment and completion of the apprenticeship program; and
 - (c) fill existing needs for skilled workers in the market; and
- (2) the applicant's partnership with an industry for which apprenticeship programs targeted at training and providing skilled workers who have the ability to perform jobs in that industry have demonstrated positive outcomes.

d. An eligible applicant is required to demonstrate that it intends and is prepared to contribute its own financial resources to the apprenticeship program and has secured an industry partner or a monetary or in-kind contribution, including conditional job placement guarantees, from an industry partner. Moreover, each eligible applicant shall provide documentation of:

- (1) the apprenticeship program's curriculum, location, and skills to be taught;
- (2) the recruitment efforts for the apprenticeship program, and projected enrollment with and without receipt of grant funds;
- (3) a description of how the grant funds will be utilized;
- (4) information on specific industry needs or gaps in the workforce that will be addressed by the apprenticeship program;
- (5) costs to operate apprenticeship program; and
- (6) any other information the department requires.

e. An eligible applicant who is selected by the department for receipt of a grant for the purpose of funding an apprenticeship program in accordance with P.L.2019, c.314 (C.34:15D-32 et al.), shall, on an annual basis for so long as the grant is provided, make an annual report to the commissioner detailing the enrollment in the program, the number of participants completing the program, the number of participants obtaining employment as a result of the program, and any other information as the commissioner may require.

f. Beginning January 1, 2020, and each year thereafter for the duration of the pilot grant program, the Commissioner of Labor and Workforce Development shall submit to the Governor, and to the Legislature, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), a report that evaluates the results of the program and its effectiveness in preparing individuals to meet existing and burgeoning workforce needs and addressing gaps in skills in the workforce. The report shall include a recommendation regarding whether to renew the "High-Growth Industry Regional Apprenticeship Development Grant Pilot Program," and if renewal is recommended, if the program should be expanded or otherwise enhanced. The report shall include:

- (1) The number of grants awarded in the prior year, including the amount, recipient, and duration of each grant;
- (2) The number of individuals who enrolled in and completed an apprenticeship program offered by each grant recipient;
- (3) The number of individuals who obtained employment in a position that uses the skills for which they were trained by a grant recipient, or in a position for which the completion of the apprenticeship program was a condition of employment; and
- (4) All relevant information provided by grant recipients as to measurable outcomes of participants.

g. Funds from grants provided in accordance with P.L.2019, c.314 (C.34:15D-32 et al.) shall not be used:

- (1) for any activities which replace, supplant, compete with or duplicate in any way existing approved apprenticeship programs;
- (2) to induce, encourage or assist: any displacement of currently employed workers by trainees, including partial displacement by means such as reduced hours of currently employed workers; any replacement of laid off workers by trainees; or any relocation of operations resulting in a loss of employment at a previous workplace; or
- (3) to impair existing contracts for services or collective bargaining agreements, except that activities which would be inconsistent with the terms of a collective bargaining agreement may be undertaken with the written concurrence of the collective bargaining unit and the employer or employers who are parties to the agreement.

h. As used in P.L.2019, c.314 (C.34:15D-32 et al.):

"Eligible applicant" means a business; labor organization; college; workforce training provider; non-profit organization; or any other entity that offers or plans to offer an

apprenticeship program that is accredited and approved by the United States Department of Labor and that has partnered with an industry to offer or fund the apprenticeship program.

“High-growth industry” means an industry identified by the New Jersey Talent Network, or its successor entity with the department, and includes, but is not limited to: advanced manufacturing; construction and utilities; financial services; life sciences; information technology; renewable energy; science, technology, engineering and mathematics (STEM); and transportation, logistics, and distribution. The department shall, on at least a two-year basis, review the classification of high-growth industries to determine if a particular industry should be added or eliminated from the classification.

“Department” means Department of Labor and Workforce Development.

2. Section 1 of P.L.2001, c.152 (C.34:15D-21) is amended to read as follows:

C.34:15D-21 “Supplemental Workforce Fund for Basic Skills.”

1. a. A restricted, nonlapsing, revolving "Supplemental Workforce Fund for Basic Skills," to be managed and invested by the State Treasurer, is hereby established in the Department of Labor and Workforce Development to provide basic skills training. All moneys appropriated to the fund, all interest accumulated on balances in the fund and all cash received for the fund from any other source shall be allocated by the Commissioner of Labor and Workforce Development as follows:

(1) 24% shall be deposited in an account reserved to support basic skills training delivered by the State's One Stop Career Centers to qualified displaced, disadvantaged and employed workers pursuant to Employability Development Plans developed pursuant to section 7 of P.L.1992, c.43 (C.34:15D-7);

(2) 28% shall be deposited in an account reserved for Workforce Investment Boards to provide grants for basic skills training for qualified displaced, disadvantaged and employed workers pursuant to Employability Development Plans developed pursuant to section 7 of P.L.1992, c.43 (C.34:15D-7) and for other individuals with learning disabilities or otherwise in need of vocational rehabilitation services;

(3) 25% shall be deposited in an account reserved for grants to consortia including one or more of any of the following: eligible individual employers, employer organizations, labor organizations, community-based organizations or educational institutions to provide basic skills training to qualified displaced, disadvantaged or employed workers or to other individuals seeking to enter apprenticeship training; except that, during the fiscal year beginning after June 30, 2019, 12.5% shall be deposited in an account reserved for grants to consortia including one or more of any of the following: eligible individual employers, employer organizations, labor organizations, community-based organizations or educational institutions to provide basic skills training to qualified displaced, disadvantaged or employed workers or to other individuals seeking to enter apprenticeship training, and 12.5% shall be deposited in an account reserved to provide grants under the High-Growth Industry Regional Apprenticeship Development Grant Pilot Program, established pursuant to section 1 of P.L.2019, c.314 (C.34:15D-32) through fiscal year 2024;

(4) 13% shall be deposited in an account reserved for a grant to the New Jersey Community College Consortium for Workforce and Economic Development, a part of the New Jersey Council of County Colleges, to provide basic skills training to qualified displaced, disadvantaged or employed workers. The New Jersey Community College Consortium for Workforce and Economic Development may request additional funds, beyond the amount provided for in this paragraph, from the Commissioner of Labor and

Workforce Development, which funds shall be provided in connection with paragraph (3) of this subsection, at the discretion of the commissioner and without any special preference over any other applicant seeking funds in connection with paragraph (3) of this subsection, for the purpose of providing basic skills training to qualified displaced, disadvantaged or employed workers. Any request for those additional funds shall only be authorized after a determination by the commissioner that the funds provided in connection with this paragraph have been encumbered and that there is a demand for additional funds to provide basic skills training; and

(5) 10% shall be deposited in an account to be used, at the discretion of the commissioner, for any of the purposes indicated in this subsection a. and any administrative costs incurred by the Department of Labor and Workforce Development in connection with the fund.

b. Any grant provided in connection with paragraph (3) of subsection a. of this section directly to an employer or to an employer through a consortium shall be regarded as a customized training grant and shall be administered by the Office of Customized Training and the employer and consortium shall comply with all requirements of section 5 of P.L.1992, c.43 (C.34:15D-5), except that any grants provided directly or indirectly to an employer for use in connection with any program which includes apprenticeship training or activities or preparation for entry into apprenticeship training shall be exempt from the requirement of this subsection b. to be administered by the Office of Customized Training and be subject to the requirements of section 5 of P.L.1992, c.43 (C.34:15D-5), if it is approved by the Apprenticeship Policy Committee, as defined in section 3 of P.L.1993, c.268 (C.34:15E-3), and the employer complies with the provisions of subsection e. of section 5 of P.L.1993, c.268 (C.34:15E-5). Any grant provided in connection with paragraph (2) of subsection a. of this section directly to an individual shall be regarded as an individual training grant and shall be subject to the requirements of subsections a., c. and d. of section 6 of P.L.1992, c.43 (C.34:15D-6).

Also, any funds provided in connection with paragraph (4) of subsection a. of this section shall be provided to the New Jersey Community College Consortium for Workforce and Economic Development by the Office of Customized Training, and shall comply with the following requirements:

(1) The New Jersey Community College Consortium for Workforce and Economic Development shall work with all the community colleges throughout the State of New Jersey to deliver basic skills training in the most effective and efficient manner possible at any of their 63 campuses or at any appropriate business facility;

(2) There shall be no charge to the employer sending employees to the training, but the employer shall pay employees regular wages for the hours the training takes place, except that any waiver of this requirement to pay employees regular wages, for the hours of training, authorized by the Commissioner of Labor and Workforce Development, may, at the discretion of the commissioner, be offered to the New Jersey Community College Consortium for Workforce and Economic Development on the same basis as any other grant recipient;

(3) The employers sending their employees to this training shall not be asked to provide any paperwork or complete any financial disclosure forms, including a tax clearance certificate as provided in section 1 of P.L.2007, c.101 (C.54:50-39), except that employers shall provide the employees participating in the training with the information that the employees need to comply with paragraph (4) of this subsection, and shall provide the New Jersey Community College Consortium for Workforce and Economic Development with the

information the employer has regarding its participating employees that the consortium needs to produce the annual report required pursuant to paragraph (7) of this subsection;

(4) The employees being trained shall provide the Federal Employer Identification Number (FEIN) of their employer and the employer's contact information at the beginning of the training;

(5) The mean class size for training under this subsection shall be 10, but the New Jersey Community College Consortium for Workforce and Economic Development may aggregate employees from multiple employers in a single training to reach that mean of 10;

(6) The training provided under this subsection shall be basic skills training, but the apportionment of classes in the different areas of basic skills as defined by subsection h. of this section may be determined by the New Jersey Community College Consortium for Workforce and Economic Development in consultation with representatives of the business community;

(7) The New Jersey Community College Consortium for Workforce and Economic Development shall file an annual report by September 1 of each year with the New Jersey Legislature and the New Jersey Department of Labor and Workforce Development containing the total number of workers trained, the total funds expended on training, the number of workers trained in each area of basic skills training, the number of businesses with employees trained, the number of classes held in each area of basic skills training, the number of classes held at each community college, the wage ranges of the workers trained, the job titles of the workers trained and the results of the pre-training and post-training assessments. The report shall also include an analysis of the strengths and weaknesses of the training program and how it can be improved in the following year. The report shall supplant all requirements for any other reporting that the New Jersey Community College Consortium for Workforce and Economic Development may be asked to complete with respect to the funds it receives through paragraph (4) of subsection a. of this section; and

(8) The New Jersey Community College Consortium for Workforce and Economic Development shall work with the business community to promote this program to businesses across the State, including chambers of commerce and Statewide associations, such as the New Jersey Business and Industry Association, and shall seek out, and work with, State, regional, and county organizations that are dedicated to the economic empowerment of segments of society by race, ethnicity, gender, age, religion, disability, or sexual orientation, including, but not limited to the African American Chamber of Commerce of New Jersey and the Statewide Hispanic Chamber of Commerce of New Jersey, and any other appropriate business organizations.

c. Any employment and training services funded by the Supplemental Workforce Fund for Basic Skills shall be provided in a manner which complies with the provisions of subsections b., c., f., g., h. and i. of section 4 of P.L.1992, c.43 (C.34:15D-4), to the extent that those subsections pertain to remedial education. Any service provider receiving moneys from the Supplemental Workforce Fund for Basic Skills shall be subject to the provisions of section 8 of P.L.1992, c.43 (C.34:15D-8) and section 8 of P.L.1992, c.44 (C.34:15D-19).

d. All staff located at any One Stop Career Center supported by funds provided from the Supplemental Workforce Fund for Basic Skills shall be hired and employed by the State pursuant to Title 11A, Civil Service, of the New Jersey Statutes.

e. Beginning July 1, 2002, and for any subsequent fiscal year, if the unexpended cash balance in any of the accounts indicated in subsection a. of this section, less any amount awarded in grants but not yet disbursed from the account, is determined to exceed 20% of the amount of contributions collected for deposit in the account pursuant to this subsection

during the fiscal year then ended, the excess shall be regarded as an unemployment compensation contribution and deposited into the unemployment compensation fund within seven business days of the date that the determination is made.

f. The Commissioner of Labor and Workforce Development shall establish standards of performance for providers of basic skills training pursuant to this act. The standards shall include, but not be limited to, standards for the curriculum or training to be furnished, qualifications for persons who will provide the training under the act, and standards for establishing what constitutes successful completion of the training program. The commissioner shall establish means of determining the ability of enrollees to gain or maintain employment following the successful completion of a training program established pursuant to this section. In the event that the commissioner determines that a provider has not conducted its training program in accordance with the standards of performance, he may take that action necessary to correct the deficiencies of the provider, or terminate the contract with the provider of basic skills services if the provider fails to respond to remedial action.

g. The State Employment and Training Commission shall review and evaluate the operations of programs supported by the Supplemental Workforce Fund for Basic Skills established pursuant to this section, with special consideration to how those programs assist in the implementation of the goals of the Strategic Five-Year State Plan for New Jersey's Workforce Investment System, and shall consult with the Commissioner of Labor and Workforce Development regarding its findings.

h. For the purpose of this section:

"Basic skills training" means basic mathematics, reading comprehension, basic computer literacy, English proficiency and work-readiness skills and shall be regarded as a form of "remedial education" for the purposes of section 3 of P.L.1992, c.43 (C.34:15D-3);

"One Stop Career Center" means one of the centers established in local areas to coordinate a variety of State and local programs providing employment and training services, including job placement services, or any other similar State or local government-sponsored center providing employment and training services as may be developed at any later time; and

"Qualified disadvantaged worker," "qualified displaced worker," "qualified employed worker," and "employment and training services" have the meanings given to them by section 3 of P.L.1992, c.43 (C.34:15D-3).

3. This act shall take effect on the first day of the third month next following enactment, except that the Commissioner of Labor and Workforce Development may take any anticipatory administrative action in advance as shall be necessary for the implementation of this act, and shall expire on July 1, 2025.

Approved January 13, 2020.