

SENATE, No. 2556

STATE OF NEW JERSEY 218th LEGISLATURE

INTRODUCED MAY 14, 2018

Sponsored by:

Senator TROY SINGLETON

District 7 (Burlington)

SYNOPSIS

Creates Joint Apprenticeship Incentive Grant Program.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT establishing the Joint Apprenticeship Incentive Grant
2 Program in the Office of Customized Training, amending
3 P.L.1992, c.48, and amending and supplementing P.L.1992, c.43.
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. (New section) The Legislature finds and declares that:

9 a. In this State and elsewhere, apprenticeship programs have
10 proved extremely effective in producing a highly skilled and highly
11 paid workforce in sectors, most notably the construction industry,
12 where apprenticeship programs have been supported by significant
13 financial resources provided by assessments agreed to through
14 collective bargaining and administered by joint apprenticeship
15 committees with equal representation of employers and workers
16 through their labor organizations;

17 b. Similar success had been attained in this State's
18 manufacturing and other sectors with joint apprenticeship programs
19 for occupations such as machinists, mechanics, metal fabricators
20 and tool and die makers;

21 c. With the extensive closings and relocations of unionized
22 industrial facilities commencing in the 1970's and continuing to the
23 present, joint apprenticeship programs in manufacturing and related
24 sectors were decimated, resulting in the widely-reported shortage of
25 skilled industrial workers able to work with advanced technology,
26 as the workers trained in the previous period are retiring or
27 otherwise leaving the workforce;

28 d. It is therefore an appropriate public purpose to establish a
29 Joint Apprenticeship Incentive Grant Program to provide the
30 resources needed to encourage employers in manufacturing and
31 related sectors to join with labor organizations to revive the joint
32 apprenticeship programs needed to again make this State a leader in
33 producing the high-skill, high-productivity, high-wage workers who
34 can provide a solid foundation for New Jersey's future prosperity.
35

36 2. (New section) a. There is created, in the Office of
37 Customized Training, the Joint Apprenticeship Incentive Grant
38 Program, which shall provide grants to newly-established joint
39 apprenticeship programs to train apprentices in advanced
40 technology occupations, with priority given to grants for joint
41 apprenticeship programs in the manufacturing sector. The purpose
42 of the grants is to provide incentives to employers to establish, on
43 an ongoing basis, new joint apprenticeship programs for advanced
44 technology occupations which will provide resources on the scale
45 necessary to fill significant gaps in advanced workforce

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 occupational skills needed for this State's future economic success,
2 and provide greater opportunities for a new generation of workers,
3 including young women and minority group members, to access
4 careers in high-skill, high-wage occupations.

5 b. To be eligible for a grant, an employer shall demonstrate that
6 it has established a joint apprenticeship committee and has, within
7 the 12 month period before applying for the grant, entered into, or is
8 in the process of entering into, an agreement with a labor
9 organization representing its employees to provide consistent
10 funding sufficient to continue to sustain the joint apprenticeship
11 program beyond the duration of the grant. The grant application
12 shall be made by the joint apprenticeship committee on a form
13 provided by the commissioner and shall include:

- 14 (1) the number of anticipated apprentices;
- 15 (2) the duration of each apprenticeship;
- 16 (3) the wage rate which will be paid in each year of the
17 apprenticeship;
- 18 (4) the portion of the wages to be paid from the grant in
19 compliance with the requirements of this section;
- 20 (5) all other costs of the program, including costs of classroom-
21 based training;
- 22 (6) all plans to promote participation by women and minority
23 group members in apprenticeships under the grant; and
- 24 (7) documentation that the joint apprenticeship program meets
25 all federal requirements to be a registered apprenticeship program
26 and a joint apprenticeship program, and complies with all
27 provisions of P.L. , c. (C.) (pending before the Legislature as
28 this bill), including the requirement to enter into an agreement to
29 provide sufficient funding to sustain the program beyond the term
30 of the grant.

31 c. The grant shall be sufficient to reimburse the employer for
32 an amount not less than 50 percent, or more than 75 percent, of the
33 wage rate paid to the apprentice during the first year, and that
34 amount shall be paid for each year of the apprenticeship, without
35 regard to increases in the wage rate of the apprentice after the first
36 year. The duration of training for an apprentice assisted by the
37 grant shall not be subject to the time limits for on-the-job training
38 provided by section 3 of P.L.1992, c.48 (C.34:15B-37) or section 4
39 of P.L.1992, c.43 (C.34:15D-4), but shall not exceed five years. In
40 determining the percentage of an apprentice's first year wage rate
41 paid by the grant, the commissioner shall consider factors
42 including:

- 43 (1) the duration of the apprenticeship;
- 44 (2) how much the wage rate increases each year of the
45 apprenticeship;
- 46 (3) the strength of the plans to promote participation by women
47 and minority group members in apprenticeships under the grant;

1 (4) the total amount of grant funds requested compared to the
2 total amount reserved for the Joint Apprenticeship Incentive Grant
3 Program; and

4 (5) how much the State wide demand for trained workers in the
5 occupation of the apprenticeship exceeds the number of available
6 trained workers.

7
8 3. (New section) During the first fiscal year after the enactment
9 of P.L. , c. (C.) (pending before the Legislature as this bill),
10 \$1.5 million shall be reserved for the Joint Apprenticeship Incentive
11 Grant Program from the funds deposited in the account of the
12 Workforce Development Partnership Fund which is reserved for use
13 by the Office of Customized Training pursuant to section 9 of
14 P.L.1992, c.43 (C.34:15D-9); and \$1.5 million shall be reserved for
15 the Joint Apprenticeship Incentive Grant Program from available
16 federal job training funds, including funds provided pursuant to the
17 "Workforce Investment and Opportunity Act" (29 U.S.C. s.3101 et
18 seq.), as permitted by that act or other federal laws. During each of
19 the four fiscal years following the first fiscal year, an additional
20 amount shall be reserved for the Joint Apprenticeship Incentive
21 Grant Program from the State and federal sources indicated in this
22 section such that the sum of that additional amount and the
23 unexpended balance from the previous fiscal year shall equal \$3
24 million. Each grant shall be made in the amount needed for the full
25 duration of the grant and that amount shall be regarded as having
26 been expended for the purposes of determining the additional
27 amount to be reserved in any subsequent fiscal year, except that if
28 any grant moneys are not used and are instead returned to the
29 office, the returned amounts shall not be regarded as expended. At
30 the end of the fifth fiscal year of the Joint Apprenticeship Incentive
31 Grant Program, any unexpended amount reserved pursuant to this
32 section shall, in the case of State funds, be made available for other
33 purposes of the office, and, in the case of federal job training funds,
34 made available for other purposes of those funds. If the amount
35 reserved for Joint Apprenticeship Incentive Grant Program grants
36 pursuant to this section is fully utilized during a fiscal year, the
37 office may provide additional grants from other funds which are
38 reserved for the office and not otherwise expended or committed.

39
40 4. (New section) The office shall work in coordination with the
41 commissioner in facilitating the success of joint apprenticeship
42 programs which receive Joint Apprenticeship Incentive Grant
43 Program grants pursuant to this section by encouraging and
44 assisting those programs to participate in pre-apprenticeship
45 programs, including by obtaining grants provided pursuant to the
46 "Youth Transitions to Work Partnership Act," P.L.1993, c.268
47 (C.34:15E-1 et seq.), and to participate in initiatives, such as those
48 funded by the NJ PLACE program established pursuant to

1 P.L.2009, c.200 (C.34:15D-24 et al.) to facilitate the coordination
2 and articulation of registered apprenticeship programs with degree
3 programs in institutions of higher education.
4

5 5. (New section) a. Each joint apprenticeship committee
6 administering a joint apprenticeship program which receives a grant
7 from the Joint Apprenticeship Incentive Grant Program shall on an
8 annual basis disclose to the commissioner information, with
9 demographic data regarding the race and gender of apprentices,
10 regarding:

11 (1) the number of, and wages paid to, apprentices and the
12 portion of the wages to be paid from the grant;

13 (2) the success of apprentices in obtaining journey worker
14 status, and the employment and earnings of employees after
15 obtaining journey worker status;

16 (3) the implementation of plans to promote participation by
17 women and minority group members in apprenticeships under the
18 grant; and

19 (4) an accounting of the resources provided by the employer to
20 the joint apprenticeship program, including all resources provided
21 pursuant to an agreement between the employer and labor
22 organization represented on the joint apprenticeship committee.

23 b. The commissioner shall compile and analyze data based on
24 those disclosures and other information available to the
25 commissioner, and issue, six months prior to the end of the fifth
26 fiscal year after the effective date of P.L. , c. (C.)(pending
27 before the Legislature as this bill), a report evaluating the overall
28 success of the Joint Apprenticeship Incentive Grant Program in
29 fulfilling its purposes. That report shall include recommendations
30 regarding whether to renew the Joint Apprenticeship Incentive
31 Grant Program, and if renewal is recommended, how to expand or
32 otherwise enhance the Joint Apprenticeship Incentive Grant
33 Program.
34

35 6. Section 2 of P.L.1992, c.48 (C.34:15B-36) is amended to
36 read as follows:

37 2. a. All vocational training funded with federal job training
38 funds shall be training which is likely to substantially enhance the
39 trainee's marketable skills and earning power and is for a labor
40 demand occupation.

41 b. Federal job training funds shall not be used for job training
42 or any related activities which induce, encourage or assist: any
43 displacement or partial displacement of currently employed workers
44 by trainees by means such as reduced hours of currently employed
45 workers; any replacement of laid off workers by trainees; or any
46 relocation of operations resulting in a loss of employment at a
47 previous workplace, except in cases of multi-establishment
48 employers consolidating establishments. No federal job training

1 funds shall be used for job training in any case in which an
2 employer relocates within the State and does not offer each affected
3 employee the equivalent benefits, pay and working conditions if the
4 employee moves to the new location and into a job or position
5 involving comparable skills, responsibilities, experience and
6 seniority to the prior job or position.

7 c. Federal job training funds shall not be used for job training
8 or any related activities which impair existing contracts for services
9 or collective bargaining agreements, except that job training or any
10 related activities which are inconsistent with the terms of a
11 collective bargaining agreement may be undertaken with the written
12 concurrence of the collective bargaining unit and employer who are
13 parties to the agreement.

14 d. Any federal job training funds which are provided directly to
15 an employer, or indirectly to an employer through a consortium,
16 including funds provided to the Joint Apprenticeship Incentive
17 Grant Program established pursuant to section 2 of
18 P.L. , c. (C.) (pending before the Legislature as this bill),
19 shall be regarded as customized training grants and be administered
20 by the Office of Customized Training and the employer and any
21 consortium shall comply with all requirements of section 5 of
22 P.L.1992, c.43 (C.34:15D-5), except that federal job training funds
23 provided directly or indirectly to an employer for use in connection
24 with any program which includes apprenticeship training or
25 activities, other than the Joint Apprenticeship Incentive Grant
26 Program established pursuant to section 2 of P.L. , c. (C.)
27 (pending before the Legislature as this bill), shall be exempt from
28 the requirement of this subsection d. to be administered by the
29 Office of Customized Training and be subject to the requirements of
30 section 5 of P.L.1992, c.43 (C.34:15D-5), but the funds shall be
31 exempt only if approved by the Apprenticeship Policy Committee,
32 as defined in section 3 of P.L.1993, c.268 (C.34:15E-3) and the
33 employer complies with the provisions of subsection e. of section 5
34 of P.L.1993, c.268 (C.34:15E-5). Employment and training
35 services funded by federal job training funds shall not replace,
36 supplant, compete with or duplicate any existing approved
37 apprenticeship program.

38 e. All staff who are hired and supported by any federal job
39 training funds, including any of those staff located at any One Stop
40 Career Center, but not including any staff of a service provider
41 providing training services funded by a customized training grant
42 pursuant to subsection d. of this section or an individual training
43 grant pursuant to section 4 of P.L.1992, c.48 (C.34:15B-38), shall
44 be hired and employed by the State pursuant to Title 11A, Civil
45 Service, of the New Jersey Statutes, be hired and employed by a
46 political subdivision of the State, or be qualified staff hired and
47 employed by a non-profit organization which began functioning as
48 the One Stop Career Center operator with the written consent of the

1 chief elected official and the commissioner prior to the effective
2 date of P.L.2004,c.39 (C.34:1A-1.2 et al.), or be qualified staff
3 hired and employed by an approved community-based or faith-
4 based organization to provide services at the level of staffing
5 provided in an agreement entered into by the organization before
6 the effective date of P.L.2004,c.39 (C.34:1A-1.2 et al.).
7 (cf: P.L.2004, c.39, s.7)

8
9 7. Section 3 of P.L.1992, c.43 (C.34:15D-3) is amended to read
10 as follows:

11 3. As used in this act:

12 "Administrative costs" means any costs incurred by the
13 department to administer the program, including any cost required
14 to collect information and conduct evaluations of service providers
15 pursuant to section 8 of this act and conduct surveys of occupations
16 pursuant to section 12 of this act, to the extent that funding is not
17 available from federal or other sources.

18 "Apprenticeship Policy Committee" means the New Jersey
19 Apprenticeship Policy Committee established by an agreement
20 between the Bureau of Apprenticeship and Training in the United
21 States Department of Labor, the State Department of Labor and
22 Workforce Development and the State Department of Education and
23 consisting of a representative of the Commissioner of the State
24 Department of Education, a representative of the Commissioner of
25 the State Department of Labor and Workforce Development, the
26 Director of Region II of the Bureau of Apprenticeship and Training
27 in the United States Department of Labor and a representative of the
28 New Jersey State AFL-CIO.

29 "Apprenticeship program" means a registered apprenticeship
30 program providing to each trainee combined classroom and on-the-
31 job training under the direct and close supervision of a highly
32 skilled worker in an occupation recognized as an apprenticeable
33 trade, registered by the Office of Apprenticeship of the United
34 States Department of Labor, and meeting the standards established
35 by that office.

36 "Approved community-based or faith-based organization" means
37 an organization which is an approved service provider, a nonprofit
38 organization exempt from federal taxation under section 501 of the
39 Internal Revenue Code of 1986 (26 U.S.C. s. 501), and approved by
40 the commissioner as demonstrating expertise and effectiveness in
41 the field of workforce investment and being representative of a
42 community or a significant segment of a community where the
43 organization provides services.

44 "Approved service provider" or "approved training provider"
45 means a service provider which is on the State Eligible Training
46 Provider List.

47 "Commission" means the State Employment and Training
48 Commission.

1 "Commissioner" means the Commissioner of Labor and
2 Workforce Development or the commissioner's designees.

3 "Credential" means a credential recognized by the Department of
4 Education or the Commission on Higher Education, or approved by
5 the Credentials Review Board established by the Department of
6 Labor and Workforce Development pursuant to section 25 of
7 P.L.2005, c.354 (C.34:1A-1.10).

8 "Customized training services" means employment and training
9 services which are provided by the Office of Customized Training
10 pursuant to section 5 of this act.

11 "Department" means the State Department of Labor and
12 Workforce Development.

13 "Employer" or "business" means any employer subject to the
14 provisions of R.S.43:21-1 et seq.

15 "Employment and training services" means:

- 16 a. Counseling provided pursuant to section 7 of this act;
- 17 b. Occupational training;
- 18 c. Remedial instruction; or
- 19 d. Occupational safety and health training.

20 e. In the case of a qualified disadvantaged worker who is or
21 was receiving, or is eligible for but not receiving, benefits under the
22 Work First New Jersey program, "employment and training
23 services" includes, in addition to any of the benefits listed in
24 subsections a. through d. above, Supplemental Workforce
25 Development Benefits approved as part of the workers'
26 Employability Development Plan pursuant to section 7 of P.L.1992,
27 c.43 (C.34:15D-7).

28 "Fund" means the Workforce Development Partnership Fund
29 established pursuant to section 9 of this act.

30 "Joint apprenticeship committee" means an apprenticeship
31 committee that administers a joint apprenticeship program and is a
32 joint committee, as defined in 29 C.F.R. 29.2, with an equal number
33 of representatives of the participating employer or employers and of
34 a labor organization representing the employees.

35 "Joint apprenticeship program" means an apprenticeship
36 program administered by a joint apprenticeship committee.

37 "Labor Demand Occupation" means an occupation which:

- 38 a. The Center for Occupational Employment Information has,
39 pursuant to subsection d. of section 27 of P.L.2005, c.354
40 (C.34:1A-86), determined is or will be, on a regional basis, subject
41 to a significant excess of demand over supply for trained workers,
42 based on a comparison of the total need or anticipated need for
43 trained workers with the total number being trained; or
- 44 b. The Center for Occupational Employment Information, in
45 conjunction with a Workforce Investment Board, has, pursuant to
46 subsection d. of section 27 of P.L.2005, c.354 (C.34:1A-86),
47 determined is or will be, in the region for which the board is
48 responsible, subject to a significant excess of demand over supply

1 for adequately trained workers, based on a comparison of total need
2 or anticipated need for trained workers with the total number being
3 trained.

4 "Occupational safety and health training" means training or
5 instruction which is designed to assist in the recognition and
6 prevention of potential health and safety hazards related to an
7 occupation.

8 "Office" means the Office of Customized Training established
9 pursuant to section 5 of this act.

10 "One Stop Career Center" means any of the facilities established,
11 sponsored or designated by the State, a political subdivision of the
12 State and a Workforce Investment Board in a local area to
13 coordinate or make available State and local programs providing
14 employment and training services or other employment-directed and
15 workforce development programs and activities, including job
16 placement services, and any other similar facility as may be
17 established, sponsored or designated at any later time to coordinate
18 or make available any of those programs, services or activities.

19 "Permanent employment" means full-time employment
20 unsubsidized by government training funds which provides a
21 significant opportunity for career advancement and long-term job
22 security.

23 "Poverty level" means the official poverty level based on family
24 size, established and adjusted under section 673 (2) of Subtitle B of
25 the "Community Services Block Grant Act," Payable-35 (42 U.S.C.
26 s. 9902 (2)).

27 "Program" means the Workforce Development Partnership
28 Program created pursuant to this act.

29 "Qualified disadvantaged worker" means a worker who is not a
30 qualified displaced worker or a qualified employed worker but who
31 otherwise meets the following criteria:

- 32 a. Is unemployed;
- 33 b. Is working part-time and actively seeking full-time work or
34 is working full-time but is earning wages substantially below the
35 median salary for others in the labor force with similar
36 qualifications and experience; or
- 37 c. Is certified by the Department of Human Services as:
 - 38 (1) Currently receiving public assistance;
 - 39 (2) Having been recently removed from the public assistance
40 rolls because of gross income exceeding the grant standard for
41 assistance; or
 - 42 (3) Being eligible for public assistance but not receiving the
43 assistance because of a failure to apply for it.

44 "Qualified displaced worker" means a worker who:

- 45 a. Is unemployed, and:
 - 46 (1) Is currently receiving unemployment benefits pursuant to
47 R.S.43:21-1 et seq. or any federal or State unemployment benefit
48 extension; or

1 (2) Has exhausted eligibility for the benefits or extended
2 benefits during the preceding 52 weeks; or

3 b. Meets the criteria set by the Workforce Investment Act of
4 1998, Pub.L.105-220 (29 U.S.C. s.2801 et seq.), to be regarded as a
5 "dislocated worker" pursuant to that act.

6 "Qualified employed worker" means a worker who is employed
7 by an employer participating in a customized training program, or
8 other employed worker who is in need of remedial instruction.

9 "Qualified job counselor" means a job counselor whose
10 qualifications meet standards established by the commissioner.

11 "Qualified staff" means staff whose qualifications meet standards
12 set by regulations adopted by the commissioner.

13 "Remedial education" or "remedial instruction" means any
14 literacy or other basic skills training or instruction which may not
15 be directly related to a particular occupation but is needed to
16 facilitate success in occupational training or work performance,
17 including training or instruction in mathematics, reading
18 comprehension, computer literacy, English proficiency and work-
19 readiness skills.

20 "Self-sufficiency" for an individual means a level of earnings
21 from employment not lower than 250% of the poverty level for an
22 individual, taking into account the size of the individual's family.

23 "Service provider," "training provider" or "provider" means a
24 provider of employment and training services including but not
25 limited to a private or public school or institution of higher
26 education, a business, a labor organization or a community-based
27 organization.

28 "State Eligible Training Provider List" means the Statewide list
29 of eligible training providers maintained pursuant to section 14 of
30 P.L.2005, c.354 (C.34:15C-10.2).

31 "Supplemental Workforce Fund for Basic Skills" means the fund
32 established pursuant to section 1 of P.L.2001, c.152 (C.34:15D-21).

33 "Total revenues dedicated to the program during any one fiscal
34 year" means all moneys received for the fund during any fiscal year,
35 including moneys withdrawn from the State disability benefits fund
36 pursuant to section 3 of P.L.1992, c.44 (C.34:15D-14), minus any
37 repayment made during that fiscal year from the fund to the State
38 disability benefits fund pursuant to that section.

39 "Training grant" means a grant provided to fund occupational
40 training and any needed remedial instruction for a qualified
41 displaced or disadvantaged worker pursuant to section 6 of this act,
42 or to fund needed remedial instruction for a qualified employed
43 worker pursuant to section 1 of P.L.2001, c.152 (C.34:15D-21).

44 "Vocational training" or "occupational training" means training
45 or instruction which is related to an occupation and is designed to
46 enhance the marketable skills and earning power of a worker or job
47 seeker.

1 "Workforce Investment Services" means core, intensive, and
2 training services as defined by the Workforce Investment Act of
3 1998, Pub.L.105-220 (29 U.S.C. s.2801 et seq.).
4 (cf: P.L.2005, c.354, s.20)
5

6 8. Section 5 of P.L.1992, c.43 (C.34:15D-5) is amended to read
7 as follows:

8 5. a. There is hereby established, as part of the Workforce
9 Development Partnership Program, the Office of Customized
10 Training. Moneys allocated to the office from the fund shall be used
11 to provide employment and training services to eligible applicants
12 approved by the commissioner.

13 b. An applicant shall be eligible for customized training
14 services if it is one of the following:

15 (1) An individual employer that seeks the customized training
16 services to create, upgrade or retain jobs in a labor demand
17 occupation;

18 (2) An individual employer that seeks customized training
19 services to upgrade or retain jobs in an occupation which is not a
20 labor demand occupation, if the commissioner determines that the
21 services are necessary to prevent the likely loss of the jobs or that
22 the services are being provided to employees at a facility which is
23 being relocated from another state into New Jersey;

24 (3) An employer organization, labor organization or community-
25 based or faith-based organization seeking the customized training
26 services to provide training in labor demand occupations in a
27 particular industry;

28 (4) A consortium made up of one or more educational
29 institutions and one or more eligible individual employers or labor,
30 employer or community-based or faith-based organizations that
31 seeks the customized training services to provide training in labor
32 demand occupations in a particular industry;

33 (5) An individual employer who provides equipment, supplies,
34 or services to military bases and installations pursuant to a
35 procurement or military contract with the United States Department
36 of Defense, the United States Department of Veterans Affairs, or
37 any branch of the United States Armed Forces;

38 (6) An individual employer who is engaged in one or more of
39 the following fields or industries: science, technology, engineering,
40 mathematics, or advanced manufacturing within these fields or
41 industries; **[or]**

42 (7) An individual employer who intends to train veterans. For
43 the purposes of this subparagraph, a "veteran" is a person who has
44 served in the Army, Navy, Air Force, Marines or Coast Guard of
45 the United States or a Reserve component thereof or the National
46 Guard of this State as defined in section 1 of P.L.1963, c.109
47 (C.38A:1-1), and has been honorably discharged or released under
48 conditions other than dishonorable from that service; or

1 (8) A joint apprenticeship program seeking a grant from the
2 Joint Apprenticeship Incentive Grant Program established pursuant
3 to section 2 of P.L. , c. (C.) (pending before the Legislature
4 as this bill).

5 c. Each applicant seeking funding for customized training
6 services shall submit an application to the commissioner in a form
7 and manner prescribed in regulations adopted by the commissioner.
8 The application shall be accompanied by a business plan of each
9 employer which will receive customized training services if the
10 application is approved. The business plan shall include:

11 (1) A justification of the need for the services and funding from
12 the office, including information sufficient to demonstrate to the
13 satisfaction of the commissioner that the applicant will provide
14 significantly less of the services if the requested funding is not
15 provided by the office;

16 (2) A comprehensive long-term human resource development
17 plan which:

18 (a) Extends significantly beyond the period of time in which the
19 services are funded by the office;

20 (b) Significantly enhances the productivity and competitiveness
21 of the employer operations located in the State and the employment
22 security of workers employed by the employer in the State; and

23 (c) States the number of current or newly-hired workers who
24 will be trained under the grant and the pay levels of jobs which will
25 be created or retained for those workers as a result of the funding
26 and the plan.

27 (d) In the case of a joint apprenticeship program seeking a grant
28 from the Joint Apprenticeship Incentive Grant Program established
29 pursuant to section 2 of P.L. , c. (C.) (pending before the
30 Legislature as this bill), demonstrates the employer is entering into
31 an agreement with a labor organization representing employees of
32 the employer to provide funding sufficient to sustain the joint
33 apprenticeship program beyond the duration of the grant.

34 (3) Evidence, if the training sought is for an occupation which is
35 not a labor demand occupation, that the customized training
36 services are needed to prevent job loss caused by obsolete skills,
37 technological change or national or global competition or that the
38 services are being provided to employees at a facility which is
39 being relocated from another state into New Jersey;

40 (4) Information demonstrating that most of the individuals
41 receiving the services will be trained primarily for work in the
42 direct production of goods or services;

43 (5) A commitment to provide the information needed by the
44 commissioner to evaluate the success of the funding and the plan in
45 creating and retaining jobs, to assure compliance with the
46 provisions of P.L.1992, c.43 (C.34:15D-1 et seq.); and

1 (6) Any other information or commitments which the
2 commissioner deems appropriate to assure compliance with the
3 provisions of P.L.1992, c.43 (C.34:15D-1 et seq.).

4 The commissioner may provide whatever assistance he deems
5 appropriate in the preparation of the application and business plan,
6 which may include labor market information, projections of
7 occupational demand and information and advice on alternative
8 training and instruction strategies.

9 d. Each employer that receives a grant for customized training
10 services, other than a grant from the Joint Apprenticeship Incentive
11 Grant Program established pursuant to section 2 of
12 P.L. , c. (C.) (pending before the Legislature as this bill),
13 shall contribute a minimum of 50% of the total cost of the
14 customized training services, except that the commissioner shall set
15 a higher or lower minimum contribution by an employer, if
16 warranted by the size and economic resources of the employer or
17 other factors deemed appropriate by the commissioner, and except
18 that, for individuals hired by the employer through a One Stop
19 Career Center who receive classroom training under the grant and
20 were recipients of benefits under the Work First New Jersey
21 program at any time during the 12 months preceding the date of
22 employment, the employer shall be eligible for reimbursement of up
23 to 50% of wages paid to the individual during the classroom
24 training in addition to reimbursement for tuition and other direct
25 costs of the training as determined to be appropriate by the office,
26 and provided, further, that no individual shall be hired or placed in
27 a manner which results in a violation of the restrictions of
28 subsection f. of section 4 of P.L.1992, c.43 (C.34:15D-4) against
29 displacing current employees.

30 e. Each employer receiving a grant for customized training
31 services shall hire or retain in permanent employment each worker
32 who successfully completes the training and instruction provided
33 under the customized training. The employer shall be entitled to
34 select the qualified employed, disadvantaged or displaced workers
35 who will participate in the customized training, except that if any
36 collective bargaining unit represents a qualified employed worker,
37 the selection shall be conducted in a manner acceptable to both the
38 employer and the collective bargaining unit. The commissioner
39 shall provide for the withholding, for a time period he deems
40 appropriate, of whatever portion he deems appropriate of program
41 funding as a final payment for customized training services,
42 contingent upon the hiring and retention of a program completer as
43 required pursuant to this section. If an employer receiving a grant
44 for customized training services pursuant to this section relocates or
45 outsources any or all of the jobs out of the State for which the
46 customized training services were provided under the grant within
47 three years following the end date of the customized contract, the
48 employer shall, if all of the jobs are relocated or outsourced, return

1 all of the moneys provided to the employer by the State for
2 customized training services, or, if only a portion of the jobs are
3 relocated or outsourced, return a part of the moneys, deemed by the
4 commissioner to be appropriate and proportional to the portion of
5 the jobs relocated or outsourced, and the returned amount shall be
6 deposited into the Workforce Development Partnership Fund.

7 f. The customized training services provided to an approved
8 applicant may include any combination of employment and training
9 services or any single employment and training service approved by
10 the commissioner, including remedial instruction provided to
11 upgrade workplace literacy. Each service may be provided by a
12 separate approved service provider. No training or employment
13 service shall be funded through a customized training grant, unless
14 the service is provided directly by an employer or is provided by an
15 approved service provider. An employer who directly provides
16 training and employment services to his own employees shall not be
17 regarded as a service provider and shall not be subject to any
18 requirement to obtain approval by the State as a service provider,
19 including the requirements of section 13 of P.L.2005, c.354
20 (C.34:15C-10.1) to be approved as a qualifying school or the
21 requirements of section 14 of P.L.2005, c.354 (C.34:15C-10.2) to
22 be included on the State Eligible Training Provider List.

23 g. Customized training services shall include any remedial
24 instruction determined necessary pursuant to section 7 of this act.
25 Applications for customized training services shall include
26 estimates of the total need for remedial instruction determined in a
27 manner deemed appropriate by the commissioner.

28 h. Any business seeking customized training services shall, in
29 the manner prescribed by the commissioner, participate in the
30 development of a plan to provide the services. Any business
31 seeking customized training services for workers represented by a
32 collective bargaining unit shall notify the collective bargaining unit
33 and permit it to participate in developing the plan. No customized
34 training services shall be provided to a business employing workers
35 represented by a collective bargaining unit without the written
36 consent of both the business and the collective bargaining unit.

37 i. Any business receiving customized training services shall be
38 responsible for providing workers' compensation coverage for any
39 worker participating in the customized training.

40 j. The commissioner shall establish an annual goal that 15% or
41 more of the jobs to be created or retained in connection with
42 training supported by grants from the office shall be jobs provided
43 to individuals who were recipients of benefits under the Work First
44 New Jersey program at any time during the 12 months prior to
45 being placed in the jobs. The means to attain the goal shall include
46 coordinated efforts between the office and One Stop Career Centers
47 to prepare recipients for employment and make them available to
48 employers, but shall not include any policy which may penalize

1 employers or discourage employers from using customized training
2 service provided by the office.

3 (cf: P.L.2017, c.22, s.2)

4
5 9. This act shall take effect immediately.

6
7
8 STATEMENT

9
10 This bill creates, in the Office of Customized Training, the Joint
11 Apprenticeship Incentive Grant Program, to provide grants to newly
12 established joint apprenticeship programs to train apprentices in
13 advanced technology occupations, with priority given to grants for
14 programs in manufacturing. The purpose of the grants is to provide
15 incentives to employers to establish, on an ongoing basis, new joint
16 apprenticeship programs for advanced technology occupations
17 which will provide resources on the scale necessary to fill
18 significant gaps in advanced workforce occupational skills needed
19 for this State's future economic success, and provide greater
20 opportunities for a new generation of workers, including young
21 women and minority group members, to access careers in high-skill,
22 high-wage occupations.

23 The bill requires that, to be eligible for a grant, an employer must
24 demonstrate that it has established a joint apprenticeship committee
25 with equal employer and labor organization representation, and has,
26 within 12 months before applying for the grant, entered into, or is in
27 the process of entering into, an agreement with the labor
28 organization to provide consistent funding sufficient to sustain the
29 joint apprenticeship program beyond the duration of the grant. The
30 grant application is to include data about the numbers and pay of
31 anticipated apprentices, plans to promote women and minority
32 group participation, and documentation that the joint apprenticeship
33 program meets all State and federal requirements.

34 The grants will reimburse employers for amounts not less than
35 50% or more than 75% of wage rates paid to apprentices during the
36 first year, with those amounts paid each year of the apprenticeship,
37 without regard to increases in the wage rates of the apprentices after
38 the first year. The duration of training for an apprentice under the
39 grant is limited to five years. In determining what percentage of the
40 wage rate to pay, the commissioner will consider: the duration and
41 pay levels of the apprenticeship; plans to promote women and
42 minority group participation; the total amount of grant funds
43 requested compared to the total amount available; and how much
44 the State-wide demand for trained workers in the occupation of the
45 apprenticeship exceeds the number of available trained workers.

46 During the program's first fiscal year, \$1.5 million will be
47 reserved for the program from funds in the Office of Customized
48 Training account of the Workforce Development Partnership Fund;

1 and \$1.5 million will be reserved for the program from available
2 federal job training funds. During each of the four fiscal years
3 following the first fiscal year, an additional amount shall be
4 reserved for the program from the indicated State and federal
5 sources such that the sum of that additional amount and the
6 unexpended balance from the previous fiscal year equals \$3 million.
7 At the end of the fifth fiscal year, any unexpended amounts will be
8 made available for other training purposes.

9 The Office of Customized Training and the Commissioner of
10 Labor and Workforce Development are directed to coordinate the
11 efforts of the program with other apprenticeship-related programs,
12 like pre-apprenticeship grants under the State's "Youth Transitions
13 to Work Partnership Act," and initiatives funded by the NJ PLACE
14 program to coordinate and articulate apprenticeship programs with
15 degree programs in institutions of higher education.

16 The commissioner is directed to compile and analyze data on the
17 program and issue, six months before the end of the program's fifth
18 fiscal year, a report evaluating its success and making
19 recommendations on whether to renew, expand or otherwise
20 enhance the program.