

§ 9901. Definitions.

- (a) “Advisory Council” means the Advisory Council Under the CNMI State Workforce Development Board (SWDB).
- (b) “Apprentice” means means a worker at least 16 years of age, except where a higher minimum age standard is otherwise fixed by law, who is employed to learn an apprentice occupation as provided in the Code Federal of Regulations (CFR) Title 29, Subtitle A, part § 29.4 under standards of apprenticeship fulfilling the requirements of part § 29.5.
- (c) “Apprenticeship Program” means means a plan containing all terms and conditions for the qualification, recruitment, selection, employment, and training of apprentices, as required under this part and CFR part 30, including such matters as the requirement for a written apprenticeship agreement.
- (d) “Business” means a professional group, association, corporation, partnership, sole proprietorship, trust, foundation, or any other individual or organization with good standing with the CNMI DOL and carrying on any business whether or not operated for profit.
- (e) “Cancellation” means the termination of the registration or approval status of an apprenticeship program at the request of the sponsor or termination of an Apprenticeship Agreement at the request of the apprentice.
- (f) “CNMI Office of Apprenticeship” shall consist of full-time employees of the CNMI Department of Labor and shall manage registered and potential Business Employers and Apprentices.
- (g) “DOL” means the Department of Labor of the CNMI Government.
- (h) “Director” means the Director of Revenue and Taxation.
- (i) “Eligible Training Provider List (ETPL) Institutions” means institutions or entities with job training programs approved by the State Workforce Development Board.
- (j) “Eligible Training Costs” means the direct costs incurred for training a registered apprenticeship; including wages, instructional expenses, and supportive services.
- (k) “Employer” means any person or organization employing an apprentice whether or not such person or organization is a party to an apprenticeship agreement with the apprentice.
- (l) “Institution of higher education” means the Northern Marianas College, Northern Marianas Technical Institute, licensed post-secondary institutions, or licensed post-secondary training programs approved by the USDOL OA.
- (m) “Occupation List” means a list of occupations prioritizing the CNMI’s needed trades that corresponds with a USDOL-OA apprenticeship training program that lists the occupational trades approved for apprenticeship training within the program.

- (n) “Program” means the Commonwealth Registered Apprenticeship Program, an occupationally driven apprenticeship training program meeting the standards of the U.S. Department of Labor, Office of Apprenticeship, that is recognized and approved as an occupational priority by DOL to which this Article applies.
- (o) “Program Provider” means a business or institution of higher education that conducts a registered apprenticeship program recognized by the United States Department of Labor (USDOL), Office of Apprenticeship (OA). A business with a registered apprenticeship program may be both a program participant and a program provider.
- (p) “Program sponsor” means an employer that employs apprentices who receive training through a program provider of a registered apprenticeship program.
- (q) “Secretary” means the Secretary of the CNMI Department of Labor.
- (r) “Skilled trainer” means a journeyman or journey-worker.
- (s) “State Workforce Development Board” means the board is a formal body of volunteers with the majority representing the business community, local elected officials (Senate and House), and other required members of government and workforce/labor organizations. Members of the board are appointed and serve at the pleasure of the Governor. Additionally, the CNMI State Workforce Development Board assists the Governor with administrative, fiscal, and policy oversight of the Workforce Innovation and Opportunity Act (WIOA) Title I programs and services.
- (t) “Tax deduction” means a reduction in business gross revenue (BGR) that is subject to tax equal to one hundred percent (100%) of remaining eligible training costs paid or incurred by a program participant to train an apprentice.
- (u) “Trade” means the skilled practice of an occupation.
- (v) “USDOL” means the United States Department of Labor.
- (w) “USDOL-OA” means the Office of Apprenticeship of the U.S. Department of Labor.

Source: PL 23-25 § 4 (Sept. 20, 2024), modified.

Commission Comment: The Commission omitted “As used in this Article” on the title of Section 9901, pursuant to [1 CMC § 3806\(g\)](#).

The Commission lower-cased “program” in subsection (m) of Section 9901, pursuant to 1 CMC 3806(g).

PL 23-25 contained, in addition to savings and severability clauses, the following Findings and Purpose section:

Section 2. Findings and Purpose. The Legislature finds that pursuant to the Northern Mariana Islands US Workforce Act of 2018, the CNMI was given a period, slated to end 31 December 2029, to transition towards the employment of U.S. eligible workers, especially in the field of skilled

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labor. Cognizant of such a transition requirement, the Legislature finds it highly pertinent to establish and invest in programs that are intended to develop a local skilled workforce. With the development of a U.S.-based workforce, the CNMI will cease to rely exclusively on non-U.S. workers.

The Legislature also finds apprenticeship programs are a system for training new generations of practitioners for trades and/or professions with On-the-Job Learning and Related Training Instruction. Within these programs, a practitioner can be licensed to practice in their respective craft to gain employment in an Apprentice occupation. Other United States jurisdictions, such as Guam, Hawaii, Alabama, and so forth, have implemented necessary laws and registered apprenticeship programs that aim to develop their respective U.S.-based, local workforce. As a Commonwealth of the United States, it is imperative to mirror these programs to provide our people in the CNMI with access to education and training for the necessary skills they need to obtain employment, become financially self-sufficient, to support their respective families, and to contribute to the CNMI economy.

The Legislature further finds CNMI Public Law 15-5, codified as 3 CMC § 1351 et. seq., authorized the Northern Marianas College to establish the United State Registered Apprenticeship Program. Despite this authorization, the Legislature finds its implementation has been troublesome due to a lack of a specified funding source to administer the program. Furthermore, the specified CNMI Public Law does not require the collaboration of the CNMI Department of Labor, a department within the CNMI Government that is tasked to handle private sector labor issues within the CNMI. Mindful of the labor shortages that we are currently facing, it is highly pertinent to allow for the appropriate agency to collaborate with the respective institutions to administer its implementation. As it stands, the CNMI Department of Labor Workforce Investment Agency has been administering a U.S. DOL Registered Apprenticeship Program (RAP) as an approved work-based strategy since 2019 when they received an Apprenticeship State Expansion grant. The grant's purpose was to promote the U.S. Department of Labor (US DOL) Registered Apprenticeship Programs (RAP) as a significant workforce solution. The program was designed to up-skill incumbent workers in demand-driven occupations in the CNMI.

Therefore, the purpose of this Act is to amend Title 4, Division 9 of the Commonwealth Code by adding a new Chapter 9 to re-establish an apprenticeship program within the CNMI and to repeal 3 CMC §1351 through §1358 in its entirety and for other purposes. In doing so, this legislation will reestablish a CNMI Registered Apprenticeship Program within the Department of Labor that is designed to: increase local US highly skilled workers; establish systems for employers to hire and train apprentices; authorize tax deductions for eligible costs directly associated with an approved registered apprenticeship program.