

2020 Second Extraordinary Session

HOUSE BILL NO. 69

BY REPRESENTATIVES MCFARLAND, BUTLER, DESHOTEL, MCCORMICK, MCMAHEN, MINCEY, ROMERO, ST. BLANC, THOMPSON, TURNER, WHEAT, AND WHITE AND SENATOR CATHEY

WORKFORCE DEVELOPMENT: Creates the "Louisiana Agricultural Workforce Development Program" (Item #67)

1 AN ACT

2 To enact R.S. 3:266(24) and 285, relative to agricultural workforce development; to
3 establish a monetary incentive program to encourage the creation and employment
4 of agricultural business internships; to authorize the development and establishment
5 of the Louisiana Agricultural Workforce Development Program; to authorize an
6 incentive payment to Louisiana agricultural businesses for the creation and
7 employment of internships; to provide for administration of the program; to provide
8 for definitions; to provide for reporting; to provide an effective date; and to provide
9 for related matters.

10 Be it enacted by the Legislature of Louisiana:

11 Section 1. R.S. 3:266(24) and 285 are hereby enacted to read as follows:

12 §266. Powers of authority

13 The authority shall have all the powers necessary to give effect to and carry
14 out the purposes and provisions of this Chapter, including, in addition to all other
15 powers granted by other provisions of this Chapter, the powers to:

16 * * *

17 (24) Establish, administer, and supervise programs to promote agricultural
18 workforce development within the state.

19 * * *

1 §285. Louisiana Agricultural Workforce Development Program

2 A. Title; creation. There is hereby created the Louisiana Agricultural
3 Workforce Development Program, hereinafter referred to as the "program", within
4 the Louisiana Department of Agriculture and Forestry, to be administered and
5 supervised by the Louisiana Agricultural Finance Authority, in order to grant
6 incentive payments to Louisiana agricultural businesses to encourage the creation
7 and employment of internships.

8 B. Declaration of purpose. The Legislature of Louisiana hereby finds and
9 declares that the health, safety, and welfare of the people of this state are dependent
10 upon the continued encouragement, development, growth, and expansion of the
11 Louisiana agriculture industry and rural areas. Furthermore, agricultural industries
12 are a major source of employment for Louisiana residents and more programs are
13 needed to encourage interest in and provide the necessary training for a wide range
14 of agricultural jobs. Therefore, it is declared to be the purpose of this Section to
15 ensure the continuation of a quality workforce for the agricultural industry and assist
16 in the expansion of agricultural jobs by providing incentive payments to Louisiana
17 agricultural businesses to encourage the creation and employment of internships.

18 C. Definitions. For purposes of this Section, the following terms shall have
19 the meanings hereinafter ascribed to them, unless the context clearly indicates
20 otherwise:

21 (1) "Agricultural business" means an agricultural producer, or a person or
22 legal entity who engages in agriculture or provides support activities, products, or
23 services to an agricultural producer and such products or services that are directly
24 related to the planting, growing, production, harvesting, or processing of Louisiana
25 agricultural products.

26 (2) "Director" means the director of the Louisiana Agricultural Finance
27 Authority.

28 (3) "Immediate family member" means the spouse, parent, sibling, or child
29 of the owner, manager, chief executive officer, or president of an agricultural

1 business; a person to whom the owner, manager, chief executive officer, or president
2 stands as legal guardian or tutor; or any other person living in the household of the
3 owner, manager, chief executive officer, or president of an agricultural business by
4 blood or marriage.

5 (4) "Intern" means an individual who is a student enrolled at a Louisiana
6 secondary or postsecondary institution or a young and beginning farmer or rancher
7 employed by an agricultural business pursuant to the program.

8 D. Program. (1) In accordance with the Administrative Procedure Act, the
9 authority, in cooperation with the commissioner, shall promulgate rules and
10 regulations, subject to oversight by the House and Senate Committees on
11 Agriculture, Forestry, Aquaculture and Rural Development, as are necessary to
12 implement the provisions of this Section including but not limited to rules and
13 regulations regarding the following:

14 (a) Criteria for selecting agricultural businesses for participation in the
15 program, including the ability of a business to effectively supervise an intern and
16 offer the intern an opportunity to obtain meaningful work experience through the
17 business.

18 (b) Criteria for an internship to qualify under the program, including
19 requirements that the internship provide an intern with at least one hundred thirty
20 hours of work experience, not exceed one year in duration per intern, and pay an
21 intern an hourly wage rate that is no less than the minimum wage rate pursuant to the
22 Fair Labor Standard Act of 1938.

23 (c) Criteria for an agricultural business to use in selecting qualified interns
24 provided that an immediate family member shall not be eligible to qualify as an
25 intern.

26 (d) The process and timetable for selecting qualified agricultural businesses
27 and qualified interns.

28 (e) Accounting requirements for tracking internship costs.

29 (f) The process for an agricultural business to seek reimbursement.

1 (2) Subject to appropriations by the legislature or receipt of other monies,
2 the authority, on behalf of the department, may reimburse a participating agricultural
3 business in an amount not to exceed fifty percent of the actual cost to the business
4 of participating in the program. Actual cost includes the wages paid to an intern,
5 reasonable allocation of fixed overhead expenses, and all incidental costs directly
6 related to the internship. Based on the annual appropriation or monies received from
7 other sources for the program, the director, in consultation with the commissioner,
8 shall determine how many internships may be approved, the amount of
9 reimbursement per internship, and whether an agricultural business may be
10 reimbursed for more than one intern in the same fiscal year; provided that an
11 agricultural business shall not be reimbursed for more than three internships in the
12 same fiscal year.

13 E. Reporting. The department shall submit annually by August thirty-first
14 to the appropriate legislative oversight committees, a report on the effectiveness of
15 the program in achieving the purpose. The report shall include program information
16 deemed relevant by the director in addition to the following specific informational
17 items for each fiscal year:

18 (1) The total number of approved agricultural businesses to participate in the
19 program.

20 (2) The total number of agriculture businesses participating in the program.

21 (3) The total number of interns and hours worked.

22 (4) The total amount of incentives granted under the program.

23 (5) The total amount of income earned by interns under the program.

24 (6) The total number of internships that led to permanent employment with
25 a Louisiana agricultural business.

26 Section 2. This Act shall become effective upon signature by the governor or, if not
27 signed by the governor, upon expiration of the time for bills to become law without signature
28 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

- 1 vetoed by the governor and subsequently approved by the legislature, this Act shall become
 2 effective on the day following such approval.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 69 Reengrossed

2020 Second Extraordinary Session

McFarland

Abstract: Creates the La. Agricultural Workforce Development Program within the La. Dept. of Agriculture and Forestry (LDAF).

Proposed law provides the authority to establish, administer, and supervise programs to promote agricultural workforce development within the state to the La. Agricultural Finance Authority (LAFA).

Proposed law creates the La. Agricultural Workforce Development Program within LDAF, administered and supervised by LAFA, to incentivize the creation and employment of internships by agricultural businesses in the state.

Proposed law provides for the purpose of the program.

Proposed law provides for definitions of terms to be applied to the program and this section of law:

- (1) "Agricultural business" means an agricultural producer, or a person or legal entity who engages in agriculture or provides support activities, products, or services to an agricultural producer and such products or services that are directly related to the planting, growing, production, harvesting, or processing of La. agricultural products.
- (2) "Director" means the director of LAFA.
- (3) "Immediate family member" means the spouse, parent, sibling, or child of the owner, manager, chief executive officer or president of an agricultural business; a person to whom the owner, manager, chief executive officer, or president stands as legal guardian or tutor; or any other person living in the household of the owner, manager, chief executive officer, or president of an agricultural business by blood or marriage.
- (4) "Intern" means an individual who is a student enrolled at a La. secondary or post-secondary institution, or a young and beginning farmer or rancher employed by an agricultural business pursuant to the program.

Proposed law requires LAFA, in consultation with the Commissioner of Agriculture and Forestry, to promulgate rules and regulations under the APA using the following criteria:

- (1) Criteria for selecting agricultural businesses for participation in the program, including the ability of a business to effectively supervise an intern and offer the intern an opportunity to obtain meaningful work experience through the business.
- (2) Criteria for an internship to qualify under the program, including requirements that the internship provide an intern with at least 130 hours of work experience, not

- exceed one year in duration per intern, and pay an intern an hourly wage rate that is no less than the minimum wage rate pursuant to the Fair Labor Standard Act of 1938.
- (3) Criteria for an agricultural business to use in selecting qualified interns provided that an immediate family member shall not be eligible to qualify as an intern.
 - (4) The process and timetable for selecting qualified agricultural businesses and qualified interns.
 - (5) Accounting requirements for tracking internship costs.
 - (6) The process for an agricultural business to seek reimbursement.

Proposed law authorizes LAFA to reimburse, subject to legislative appropriations, participating businesses in an amount not to exceed 50% of the actual cost to the business.

Proposed law defines "actual cost" as the wages paid to an intern, reasonable allocation of fixed overhead expenses, and all incidental costs directly related to the internship.

Proposed law requires the director of LAFA, in consultation with the commissioner and subject to the total amount appropriated for the program by the legislature, to determine the total number of internships that may be approved, the amount of reimbursement per internship, and whether a business may be reimbursed for more than one internship in a fiscal year. Proposed law caps the total number of internships a single business can be reimbursed at three per year.

Proposed law requires the department to submit an annual report by Aug. 31st of each year to the appropriate legislative oversight committees detailing the effectiveness of the program. The report must include information deemed relevant by the director of LAFA in addition to the following specific items for each fiscal year:

- (1) The total number of approved agricultural businesses to participate in the program.
- (2) The total number of agriculture businesses participating in the program.
- (3) The total number of interns and hours worked.
- (4) The total amount of incentives granted under the program.
- (5) The total amount of income earned by interns under the program.
- (6) The total number of internships that led to permanent employment with a Louisiana agricultural business.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 3:266(24) and 285)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Agriculture, Forestry, Aquaculture, and Rural Development to the original bill:

1. Change the proposed law reporting requirement on total number of internships that led to permanent employment with the participating agricultural business to a La. agricultural business.

The House Floor Amendments to the engrossed bill:

1. Add the La. legal term "tutor" to the definition of an "immediate family member".
2. Make technical changes.