

2026 Regular Session

SENATE BILL NO. 383

BY SENATOR BASS

FUNDS/FUNDING. Provides relative to the Incumbent Worker Training Program. (8/1/26)

1 AN ACT

2 To amend and reenact R.S. 23:1514(B), (C)(1)(a), and (D)(4) and (11), 1536(E)(3), and
3 1553(B)(8) and (10), relative to the Incumbent Worker Training Program; to provide
4 relative to the Incumbent Worker Training Account; to provide for the training of
5 incumbent workers; to provide relative to eligibility requirements for businesses; to
6 provide relative to customized training; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 23:1514(B), (C)(1)(a), and (D)(4) and (11), 1536(E)(3), and
9 1553(B)(8) and (10) are hereby amended and reenacted to read as follows:

10 §1514. Worker training fund; purpose; training programs; eligibility criteria;
11 program administration

12 * * *

13 B. Incumbent Worker Training Account funds shall be used only for the
14 following types of training:

15 (1) Customized training. Designed to meet the ~~special need and~~ specific skill,
16 technology, or operational needs and requirements of business and industry,
17 including a small business employer or group of small business employers.

1 customized **Customized** training programs may include specialized, **employer-**
 2 **specific** curriculums, instructional materials, training delivery methods, **on-site or**
 3 **employer-directed training, innovative training projects,** and training locations.
 4 Customized training may also include standardized courses. **Customized training**
 5 **shall address workforce challenges of the employer and be for workforce needs**
 6 **such as process improvements, new equipment, or technology adoption. The**
 7 **administrator shall define "customized training" through rule-making**
 8 **consistent with this Section.**

9 (2) Small business employee training. This type of training is **may be**
 10 individual standardized (off-the-shelf) training, **customized training, or college or**
 11 **university noncredit courses** and shall be available to businesses having fifty or
 12 fewer employees.

13 (3) Preemployment training. This type of training shall be provided for
 14 nonincumbent workers for **new, existing, and** expanding businesses. This training
 15 may include screening, skills assessment, testing, remediation, and occupational and
 16 technical training.

17 **(4) Work-based learning. This type of training shall be provided for**
 18 **apprenticeship and internship programs.**

19 C. An applicant is eligible to participate in the Incumbent Worker Training
 20 Program if it meets the following criteria:

21 (1) Is an individual employer or a consortium made up of two or more
 22 eligible employers that meets all of the following requirements:

23 (a) Has been operating in Louisiana for ~~not less than three years~~ **a minimum**
 24 **of two years, unless otherwise exempted by the secretary of Louisiana Works**
 25 **or their designee.**

26 * * *

27 D.(1) * * *

28 (4)(a) No more than ten percent of such amounts appropriated to the fund by
 29 the state legislature shall be used for the payment of expenses incurred for the

1 administration of this account.

2 (b) No more than forty percent of such amounts appropriated to the fund
3 by the state legislature shall be used for sector-based training, regional
4 workforce initiatives, or innovation or pilot projects addressing high-demand
5 or shortage occupations.

6 * * *

7 (11) The administrator shall administer the account and shall promulgate
8 rules and regulations in accordance with the Administrative Procedure Act for the
9 administration of this Section, including the procedures for applying for funds,
10 distribution of funds, monitoring of and auditing of training conducted with funds,
11 reimbursement of costs, the definition and implementation of "customized
12 training", and any additional requirements he deems appropriate and necessary to
13 carry out the provisions of this Section.

14 * * *

15 §1536. Determination of rate; ratio of reserves to payroll as a basis

16 * * *

17 E.(1) * * *

18 (3) If, at the computation date in any year, the fund balance, including all
19 monies in the benefit transfer account, exceeds one billion ~~four~~ one hundred fifty
20 million dollars, a ten percent reduction in contributions due under the rate table
21 provided in Subsection D of this Section shall be granted to each employer with a
22 positive reserve ratio.

23 * * *

24 §1553. Noncharging of benefits; recoupment; social charge account; social charge
25 tax rate

26 * * *

27 B.(1) * * *

28 (8) Amounts not to exceed twenty million dollars to be credited to the
29 Incumbent Worker Training Account to fund the Incumbent Worker Training

1 Program as provided under R.S. 23:1514 shall be charged to this account only in any
 2 calendar year in which the applied trust fund balance range as defined in R.S.
 3 23:1474 is equal to or greater than seven hundred fifty million dollars, but less than
 4 one billion ~~two~~ one hundred fifty million dollars and only in the amount necessary
 5 to bring the balance of unobligated funds in such subaccount to twenty million
 6 dollars.

7 * * *

8 (10) Amounts not to exceed thirty-five million dollars to be credited to the
 9 Incumbent Worker Training Account to fund the Incumbent Worker Training
 10 Program as provided under R.S. 23:1514 shall be charged to this account only in any
 11 calendar year in which the applied trust fund balance range as defined in R.S.
 12 23:1474 is equal to or greater than one billion ~~two~~ one hundred fifty million dollars
 13 and only in the amount necessary to bring the balance of unobligated funds in such
 14 subaccount to thirty-five million dollars.

15 * * *

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Senate Legislative Services. The keyword, summary, 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)]

DIGEST

SB 383 Engrossed

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Present law defines "customized training".

Proposed law retains present law and adds that "customized training" will also address workforce challenges of the employer and be for workforce needs such as process improvements, new equipment, or technology adoption. Proposed law further provides that the administrator will define "customized training" through rule-making.

Present law provides that an applicant is eligible to participate in the Incumbent Worker Training Program if it is: an individual employer or a consortium, made up of two or more eligible employers, that meets all of the following requirements:

- (1) Has been operating in Louisiana for not less than three years.
- (2) Is contributing to the Incumbent Worker Training Account for which liability is incurred under this present law.
- (3) Is current on the payment of its state unemployment taxes.

Proposed law retains present law but adds that the employer must be operating in Louisiana for not less than two years unless exempted by the secretary of La. Works.

Present law provides that if the fund balance, including all monies in the benefit transfer account, exceeds \$1,400,000,000 at the computation date in any year, then a 10% reduction in contributions will be granted to each employer with a positive reserve ratio.

Proposed law retains present law but reduces the threshold amount of the fund balance from \$1,400,000,000 to \$1,150,000,000 for employers with a positive reserve ratio to receive a 10% reduction in contributions.

Effective August 1, 2026.

(Amends R.S. 23:1514(B), (C)(1)(a) and (D)(4) and (11), 1536(E)(3), and 1553(B)(8) and (10))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Labor and Industrial Relations to the original bill

1. Remove the establishment of the Flexible Workforce Fund and its requirements.
2. Remove the requirement that the administrator adjust the tax rate table.
3. Reduce the threshold fund balance from \$1,400,000,000 to \$1,150,000,000 at the computation date to grant employers with a positive reserve ratio to receive a 10% reduction in contributions.
4. Make technical changes.